

Center Parcs Investor Presentation 12th July 2023

Results for the 52 weeks to 20 April 2023



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Section 1

Overview



Center Parcs Overview

Highlights

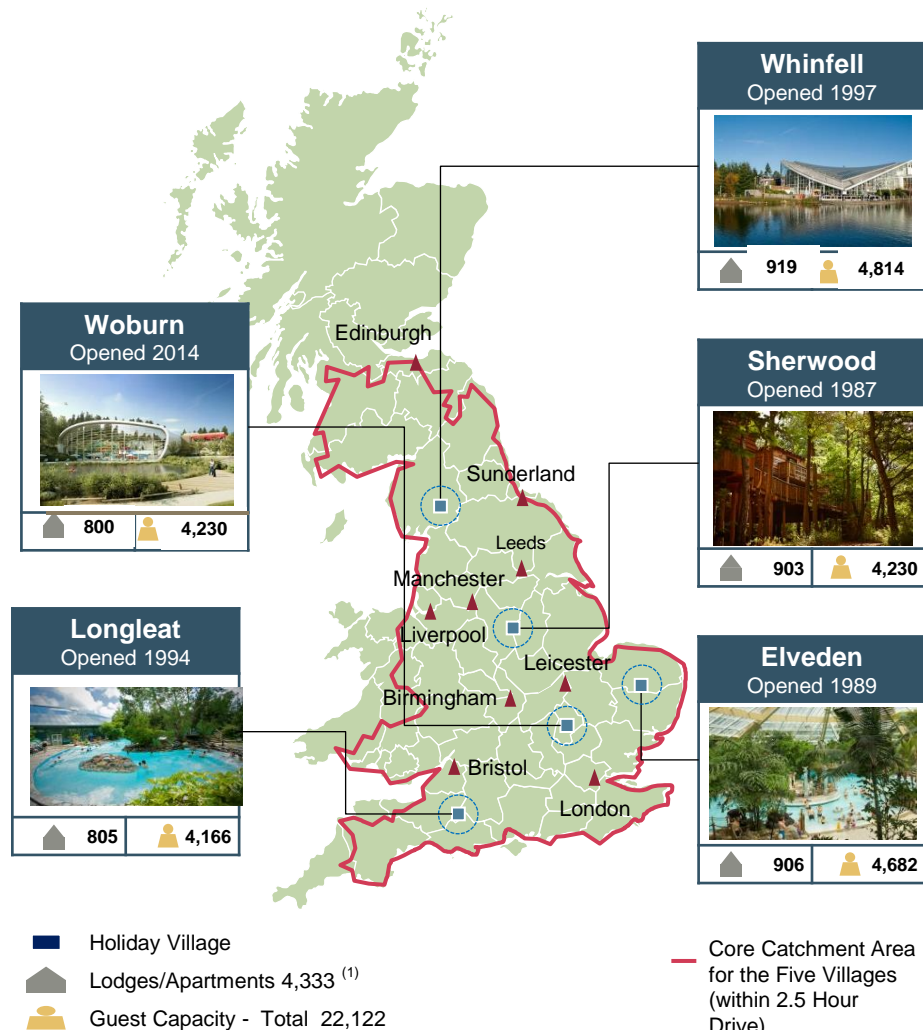
FY23 Full Year

- An exceptional result demonstrating the resilience of the business post pandemic.
- Revenue and EBITDA of £593.8m and £275.0m.
- Occupancy of 97.1% achieved.
- Net ADR of £239.28 compared to £256.09 reflecting the removal from sale of lower priced accommodation during the imposed occupancy restrictions in FY22. On an underlying basis ADR is well ahead of pre covid years.
- Cash of £59m at the end of the financial year. Dividends paid in the year were £392.0m

Trading Outlook

- Strong forward bookings for FY24 with 46% of capacity sold at the start of the financial year and 60% sold as at 30 June 2023
- Cash balances of £73.4m at 30 June 2023

Summary of Lodge and Guest Numbers



(1) As at 1 July 2023

Center Parcs Overview



- The Business is in great shape having delivered an exceptional performance with strong forward bookings for FY24.
- With the growth in EBITDA it is clear that the impact of inflation and cost increases in the business have been recovered.
- The business has responded well to macro challenges such as labour shortages immediately post pandemic (evident in the first part of FY23) and resource levels and labour turnover is back in line with pre pandemic levels.
- Guest satisfaction scores remain strong with no change in repeat booking trends versus the pre pandemic period.
- Looking forward bookings for FY24 are strong, costs are under control, and guests are currently continuing to spend on village.

An exceptional year with strong forward bookings for FY24

Center Parcs Guiding Principles

Guiding principles of Center Parcs since inception

Successful outcome

1 Doing the right thing for our employees

2 Doing the right thing for our guests

Protecting stakeholder interests, including our shareholder, bondholders other creditors and suppliers

Decisive actions to protect the brand by always doing the right thing

Leading to Center Parcs being the best short break company to work for, have a break with and invest in.

Doing the right things protects the brand and underpins the results

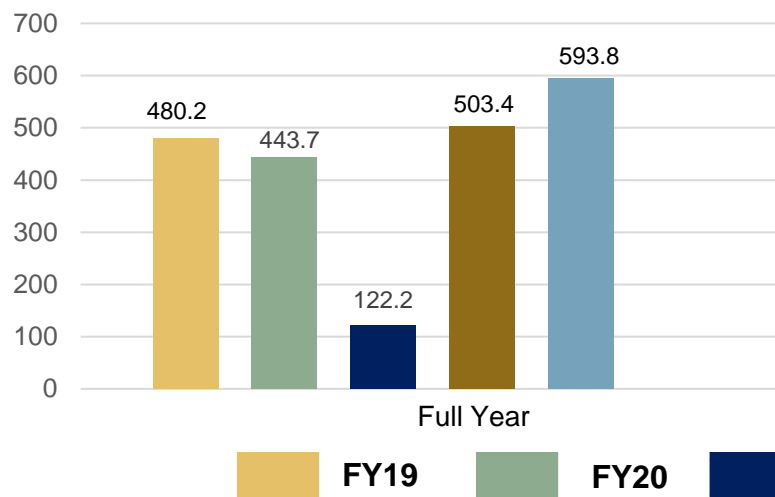
Section 2

Key Financial Highlights & Capital Investment

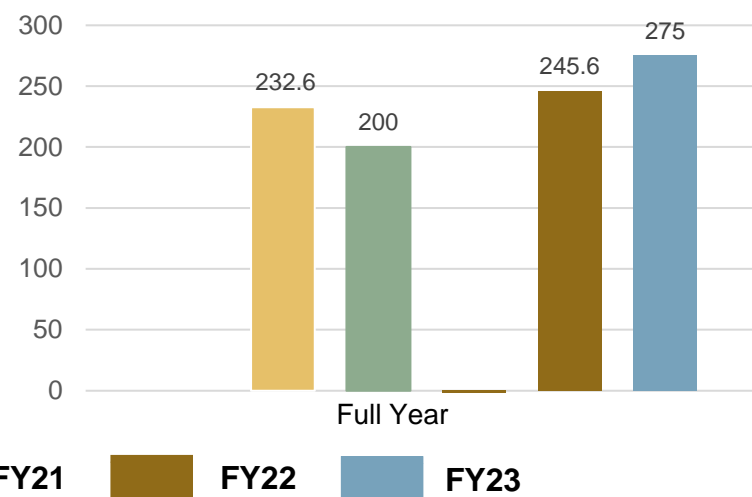


Key Financial Highlights

Revenue (£m)



EBITDA (£m)



Occupancy, ADR & RevPAL

	FY19	FY20	FY21	FY22	FY23
Occupancy (%)	97.1%	88.0%	22.4%	80.5%	97.1%
ADR (£)	£191.74	£194.91	£238.70	£256.09	£239.28
RevPAL (£)	£186.08	£171.54	£53.45	£206.23	£232.39

Exceptional delivery of results in FY23

FY23 Capital Investments

Capital Investments	FY22	FY23
Investment Projects	£8.2m	£14.0m
Accommodation Upgrades	£13.3m	£12.9m
New Builds	£0.1m	£0.2m
Total Investment Capital	£21.6m	£27.1m
Maintenance Capital	£26.4m	£43.0m
Total Capital Investment	£48.0m	£70.1m

Capital spend in line with pre pandemic levels

FY23 Capital Investments

Whinfell Forest – Tropical Cyclone Ride



FY23 Capital Investments

Sherwood Forest – EV Charging Points



FY23 Capital Investments

Elveden Forest – Aqua Sana Spa Project



FY23 Capital Investments

Sherwood Forest – Adventure Golf



Section 3

Current Trading



Current Trading Resilience



- Demand for Center Parcs breaks has continued to be very strong with 46% of capacity for FY24 sold at the start of the new financial year compared to 50% at the start of FY23 and 45% at the start of FY20, the last comparative year before the impact of Covid-19.
- Demonstrating the continued strength of demand since the start of the financial year, at 30 June 2023, the rate of sale has accelerated with 60% of capacity for FY24 now sold, in line with the prior year and compared to 57% in 2019 for FY20.
- We have previously stated ADR comparisons are difficult due to the impact of capacity restrictions in FY22 and their removal at the start of FY23. This influenced prior years bookings patterns and resulted in an untypical development of the ADR, particularly for Quarter 1 FY23, and we expect this to influence comparisons through to the half year.
- Notwithstanding this we expect to see an overall increase in ADR and a continued positive development in EBITDA for the full year. Looking forward, energy costs are 100% hedged for the full year.

FY24 is well sold and demand continues to be strong

Strong Cash Generation

- FY23 saw a strong year for cash generation. After dividend distributions the cash balance at the year end was £59M and at 30 June 2023 was £73.4M
- The Covenant tests were passed with significant headroom and we do not envisage any breaches going forward.
- In April 2023, the A2 notes of £440M were re-financed, redeemed and replaced by new A6 notes of £324M (4 year maturity) and new A7 notes of £324M (8 year maturity). This led to a shareholder distribution of £187m, with the full year distribution being £392m.
- As previously disclosed, funds injected from Brookfield during the Covid period were fully repaid by the end of the half year.

Section 4

ESG Update



ESG Update

- Center Parcs remains fully committed to ESG principles and it remains central to our strategy.
- The Group is TCFD compliant for the year ended April 2023, and the statutory accounts reflect this.
- During the year, the group has made good progress on the ESG agenda:
 - *On track to reduce carbon emissions by 30% in 2030 from a baseline of 2020 via a set of clear targets on renewable energy, electric fleet, water usage, and recycling targets.*
 - *Commitment to achieve Net Zero by 2050 for scope 1 and 2 greenhouse gas emissions.*
 - *Commitment to social standards via the continuation of charitable giving, high focus on health and safety standards, the development of a clear Diversity Equity and Inclusion vision*
 - *Strong governance continues to ensure effective regulatory compliance and board accountability with appropriate risk management.*

Section 5

Ireland Update



Ireland Update

- Our Longford Forest holiday village in Ireland, which is outside of the WBS structure, continues to trade exceptionally well.
- Similar to the UK, cost inflation has been recovered. To date, there has not been any effect on guest behavior and spend levels as with the UK.
- The entity in which the village is held has high cash balances and is self sufficient from a liquidity perspective generating strong operating cash flow.
- Planning permission for the expansion of the village is expected in due course.

Longford Forest, Ireland continues to perform well

Section 6

Potential 6th UK Village



Potential Development of Sixth UK Village

- Center Parcs is committed to identifying and securing a 6th site in the south-east of England and the search is very well progressed.
- The search criteria have been broadened and will result in any future development delivering biodiversity net gain.
- Any costs for a sixth UK village are captured in a separate company that sits outside the WBS structure.
- Further updates will be given in due course.

Search for UK Sixth site is very well progressed

Section 7

Summary



Summary



- The business is in excellent shape.
- Exceptional results, strong occupancy and back to pre pandemic resource levels. Cost inflation has been recovered.
- Guest feedback continues to be very strong, as do repeat booking levels.
- UK Occupancy is now 60%⁽¹⁾ for FY24 which is in line with the same time last year (and 57% in FY20).
- Cash generation remains strong, and the business continues to deliver excellent free cash flow.
- Good progress has been made on ESG initiatives with a commitment to Net Zero by 2050.

Center Parcs is in great shape

(1) As at 30 June 2023

Financial Calendar & Contacts



Financial Calendar

Early Autumn 2023

FY24 Quarter 1 results for the 12 weeks to 13 July 2023

November 2023

FY24 Quarter 2 results for the 24 weeks to 5 October 2022

Contacts

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