CPUK FINANCE LIMITED

Operating and financial review for the 24 weeks ended 9 October 2025

In accordance with the reporting requirements of its financing, CPUK Finance Limited is pleased to present its operating and financial review for the 24 weeks ended 9 October 2025 ("the half year"). All figures presented in this report relate to the group of companies headed by Center Parcs (Holdings 1) Limited. All figures presented in this report are unaudited.

Summary

- A strong first half year driven by excellent revenue growth underpinned by +3.5% ADR versus prior year. EBITDA is comparable with the full year as a result of the planned rephasing of certain costs from H2 to H1 in respect of marketing and maintenance expenditure.

- Occupancy of 98.4% achieved, consistent with prior years.

- Our guests are spending more than the prior year whilst on village and continue to score us highly for their experience at 89% in line with the prior year.

- The expectation remains that the Group will grow ADR and EBITDA for the full FY26 financial year and current bookings reflect this trajectory.

- The Group continues to have a robust liquidity position with cash and cash equivalents of £84.9 million at 9 October 2025 and cash of £84.2 million at 30 October 2025.

- Forward bookings remain strong demonstrating continued guest appeal with 84% of current year accommodation capacity sold at 30 October 2025 compared to 82% at the same time in FY25.

- Strong cost controls remain in place to limit the impact of ongoing inflationary cost pressures and higher payroll costs in light of increases to Employers NI contributions and the National Minimum Wage.

Financial highlights

Half year

- Revenue of £309.3 million (FY25: £294.2 million).

- The Group achieved EBITDA of £136.1 million (FY25: £136.5 million) with occupancy of 98.4%.

- ADR growth in line with expectations, growing at +3.5% year on year.

- Liquidity remains robust with the Group holding cash and cash equivalents of £84.9 million at 9 October 2025.

- Year on year comparatives have normalised now for the effect of the 53rd week last year.

Quarter 2

- Revenue of £162.5 million (FY25: £158.6 million).
- The Group achieved EBITDA of £75.6 million (FY25: £80.2 million), with occupancy of 98.3%.
- Results are in line with expectations given the planned re-phasing of certain costs from H2 to H1.

Key performance indicators

	FY26 Half year	FY25 Half year	Variance
Revenue	£309.3m	£294.2m	+5.1%
EBITDA	£136.1m	£136.5m	(0.3)%
Occupancy	98.4%	97.6%	+0.8%
ADR	£253.14	£244.67	+3.5%
RevPAL	£248.99	£238.73	+4.3%

	FY26 Quarter 2	FY25 Quarter 2	Variance
Revenue	£162.5m	£158.6m	+2.5%
EBITDA	£75.6m	£80.2m	(5.7)%
Occupancy	98.3%	97.7%	+0.6%
ADR	£273.58	£271.14	+0.9%
RevPAL	£268.79	£264.94	+1.5%

Results of operations for H1 FY26

Revenue

Revenue was £309.3 million. Occupancy achieved was 98.4%, comparable to levels seen in prior years and demonstrative of continued guest loyalty.

The number of units of accommodation at 9 October 2025 was 4,347, being 13 more than at the same time in FY25.

Cost of sales

Cost of sales was £89.1 million compared to £82.1 million in the prior financial year. This increase of 8.5% demonstrates good cost control despite mandatory payroll increases to Employers NI contributions and the National Minimum Wage.

Administrative expenses

Administrative expenses of £84.1 million were incurred compared to £75.6 million in the comparative period in the prior year. This increase was predominantly driven by payroll and energy costs but was also a result of a planned re-phasing of certain costs from H2 to H1, particularly in respect of marketing and maintenance expenditure.

EBITDA

As a result of the factors outlined above, EBITDA was £136.1 million, broadly in line with the prior year and, as previously advised, we expect the business to deliver full-year EBITDA growth.

Depreciation and amortisation

Depreciation and amortisation was £31.3 million, slightly higher than the prior year in light of the Group's ongoing capital investment programme.

Movement in fair value of financial derivatives

The Group's derivative financial instruments represent options to repay borrowings prior to maturity. Fair values are estimated with reference to the yields of similar corporate bonds with comparable terms and credit ratings.

Finance costs and income

As at 9 October 2025 the annual interest payable on the Group's secured debt was £127.2 million.

All tranches of secured debt attract a fixed rate of interest. Finance costs principally represent interest payable on the Group's secured debt and the amortisation of associated deferred issue costs.

With effect from 23 October 2025 the Group refinanced its £250.0 million B5 tranche of secured debt and replaced it with £285.0 million of new B8 notes. From that date the annual interest payable on the Group' secured debt is £130.5 million.

Finance income represents bank interest receivable.

Taxation

No corporation tax was paid during H1. In the comparative period corporation tax of £1.0 million was paid. A total of £0.9 million (FY25: £nil) was received during the quarter in respect of taxation group relief.

Cash Flow and Liquidity

As at 9 October 2025 the Group had cash and cash equivalents of £84.9 million (3 October 2024: £52.9 million) and negative working capital of £191.3 million (3 October 2024: £173.7 million).

Net cash from operating activities was £131.2 million and net cash used in investing activities was £33.5 million (FY25: £120.8 million and £34.7 million respectively).

Dividends paid in the quarter and year to date totalled £19.4 million.

Investment Programme

Accommodation upgrades

The Group is continuing its 'Project Summer' lodge refurbishment programme. As at 9 October 2025 3,572 units of accommodation have been upgraded to the 'Summer' standard, representing 88.5% of the total stock to be upgraded.

As referenced previously the next generation of accommodation refurbishment, Project Autumn, has commenced on two villages to complement the current refurbishment programme.

New builds

There are further new build opportunities on existing villages and these will roll out over time.

Financial covenants

The FCF:DSCR ratios at the most recent Financial Covenant Test Date (being 13 August 2025) were 3.8 times in respect of the Class A Notes (covenant of 1.1 times) and 2.1 times in respect of the Class B Notes (covenant of 1.0 times).

The Directors certify that the calculations of the financial covenants and ratios are undertaken accurately and that the information in this report is true and accurate in all material respects.

Maintenance and Investment Capital expenditure

Under the terms of its financing, the Group is required to spend a minimum of £18.5 million per annum on maintenance capital expenditure and an average of £6 million per annum over four years on investment capital expenditure. During the half year ended 9 October 2025 the Group spent £18.4 million (FY25: £20.9 million) on maintenance capital expenditure and £12.9 million (FY25: £12.5 million) on investment capital expenditure, a total of £31.3 million (FY25: £33.4 million).

Environmental, Social and Governance ("ESG")

The Group's ESG activities are set out on our corporate website which includes examples of the Group's ESG activities. This website will continue to be updated as the Group and its ESG strategy evolves. The corporate website may be found at https://corporate.centerparcs.co.uk/

The FY25 Group annual report and accounts for the 53 weeks ended 24 April 2025 also provide an extensive overview of the Group's activities in these areas. The Group remains on track for ESG targets and a further update will be provided in the FY26 Group annual report and accounts.

Corporate update

Center Parcs submitted a planning application to Scottish Borders Council for the development of new holiday village on 4 July 2025. If planning permission is granted, construction costs and associated debt funding will sit outside of the WBS structure.

Whilst Center Parcs Ireland is outside the UK debt structure, we are pleased to report that it has continued to trade well in H1 FY26, and the expansion of the village is continuing with contractors on site.

Future outlook

Center Parcs continues to perform well with strong guest demand, exceptional guest feedback and healthy free cash flow to cover the interest charge and continue to invest appropriately in the business.

Demand for Center Parcs breaks continues to be strong with 84% of capacity for the current financial year sold at 30 October 2025 compared to 82% at the same time in FY25.

As set out above, given the different phasing of certain overhead costs in the current and prior years, EBITDA growth is expected to be weighted to the second half of the financial year.

Costs remain under control and are recovered appropriately within EBITDA, and we continue to see no change in guest spending behaviour.

The next operating and financial review will be for the 36 weeks ended 1 January 2026 and it is expected this report will be published in February 2026.

Investor call

An investor call will be held on Wednesday 5 November at 2.00pm (GMT) at which the Group will present its financial results. A summary presentation will be released along with the results and will be used as the basis of the investor call.

Investors wishing to attend the webcast should use the below link:

Audience Event
Link: Centre Parcs half year results call - 1741250

Click on the link above to attend the presentation from your laptop, tablet or mobile device. Audio will stream through your selected device, so be sure to have headphones or your volume turned up. If you have technical difficulties, please click the "Listen by Phone" button on the webcast player and dial the number provided.

Investors wishing to ask questions should do so via the 'Ask a Question' button during the live presentation. A full replay of the presentation will be available at the same link shortly after the conclusion of the live presentation.

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Chief Finance Officer

Enquiries

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Chief Finance Officer

Unaudited income statement for the 24 weeks ended 9 October 2025

	24 weeks ended 9 October 2025 £m	24 weeks ended 3 October 2024 £m
Revenue	**309.3**	**294.2**
Cost of sales	(89.1)	(82.1)
Gross profit	**220.2**	**212.1**
Administrative expenses	(84.1)	(75.6)
Depreciation and amortisation	(31.3)	(30.5)
Total operating expenses	(115.4)	(106.1)
Operating profit	**104.8**	**106.0**
Finance income	1.6	1.8
Finance expense	(63.1)	(55.7)
Profit before taxation	**43.3**	**52.1**
Taxation	-	-
Profit for the period attributable to equity shareholders	**43.3**	**52.1**

EBITDA is derived from the table above as follows:

	24 weeks ended 9 October 2025 £m	24 weeks ended 3 October 2024 £m
Revenue	**309.3**	**294.2**
Cost of sales	(89.1)	(82.1)
Gross profit	**220.2**	**212.1**
Administrative expenses	(84.1)	(75.6)
EBITDA	**136.1**	**136.5**

Finance expense in the 24 weeks ended 9 October 2025 includes amortisation of deferred issue costs of £2.6 million (FY25: £1.6 million).

Unaudited income statement for the 12 weeks ended 9 October 2025

	12 weeks ended 9 October 2025 £m	12 weeks ended 3 October 2024 £m
Revenue	**162.5**	**158.6**
Cost of sales	(44.6)	(41.3)
Gross profit	**117.9**	**117.3**
Administrative expenses	(42.3)	(37.1)
Depreciation and amortisation	(15.7)	(15.3)
Total operating expenses	(58.0)	(52.4)
Operating profit	**59.9**	**64.9**
Finance income	0.9	1.2
Finance expense	(31.7)	(28.2)
Profit before taxation	**29.1**	**37.9**
Taxation	-	-
Profit for the period attributable to equity shareholders	**29.1**	**37.9**

EBITDA is derived from the table above as follows:

	12 weeks ended 9 October 2025 £m	12 weeks ended 3 October 2024 £m
Revenue	**162.5**	**158.6**
Cost of sales	(44.6)	(41.3)
Gross profit	**117.9**	**117.3**
Administrative expenses	(42.3)	(37.1)
EBITDA	**75.6**	**80.2**

Unaudited balance sheet as at 9 October 2025

	As at 9 October 2025 £m	As at 3 October 2024 £m
Assets		
Non-current assets		
Goodwill	**157.5**	157.5
Other intangible assets	**141.4**	136.0
Property, plant and equipment	**1,487.4**	1,476.9
Right-of-use assets	**33.8**	33.4
Retirement benefit surplus	**-**	2.3
	1,820.1	1,806.1
Current assets		
Inventories	**4.9**	5.1
Trade and other receivables	**17.0**	17.8
Current tax asset	**5.7**	3.0
Cash and cash equivalents	**84.9**	52.9
Derivative financial instruments	**4.8**	3.2
	117.3	82.0
Liabilities		
Current liabilities		
Borrowings	**(250.0)**	(338.9)
Trade and other payables	**(246.8)**	(223.0)
	(496.8)	(561.9)
Net current liabilities	**(379.5)**	(479.9)
Non-current liabilities		
Borrowings	**(1,944.7)**	(1,850.7)
Lease liabilities	**(43.1)**	(41.6)
Deferred tax liability	**(157.8)**	(145.4)
	(2,145.6)	(2,037.7)
Net liabilities	**(705.0)**	(711.5)
Equity		
Equity share capital	**1.0**	1.0
Share premium	**119.9**	119.9
Other reserve	**(154.0)**	(154.0)
Retained earnings	**(671.9)**	(678.4)
Total equity	**(705.0)**	(711.5)

Current trade and other payables include interest and capital accruals totalling £24.1 million (3 October 2024: £22.6 million) and taxation group relief creditors of £9.5 million (3 October 2024: £4.7 million). Current trade and other receivables include taxation group relief debtors of £nil (3 October 2024: £0.9 million).

Unaudited cash flow statement for the 24 weeks ended 9 October 2025

	24 weeks ended 9 October 2025 £m	24 weeks ended 3 October 2024 £m	**12 weeks ended 9 October 2025 £m**	12 weeks ended 3 October 2024 £m
Cash flows from operating activities				
Operating profit	**104.8**	106.0	**59.9**	64.9
Depreciation and amortisation	**31.3**	30.5	**15.7**	15.3
Working capital movements	**(5.7)**	(12.9)	**(4.7)**	(19.1)
Profit on sale of property, plant and equipment	**(0.1)**	(0.1)	**-**	-
Difference between the pension charge and contributions	**-**	(1.7)	**-**	(0.1)
Receipts in respect of taxation group relief	**0.9**	-	**0.9**	-
Corporation tax paid	**-**	(1.0)	**-**	-
Net cash from operating activities	**131.2**	120.8	**71.8**	61.0
Cash flows used in investing activities				
Purchase of property, plant and equipment	**(35.2)**	(36.6)	**(16.7)**	(15.1)
Sale of property, plant and equipment	**0.1**	0.1	**-**	-
Interest received	**1.6**	1.8	**0.9**	1.2
Net cash used in investing activities	**(33.5)**	(34.7)	**(15.8)**	(13.9)
Cash flows used in financing activities				
Repayment of external borrowings	**-**	(250.0)	**-**	-
Proceeds from external borrowings	**-**	330.0	**-**	-
Issue costs on secured debt	**-**	(4.5)	**-**	(1.0)
Repayment of lease liabilities	**(0.2)**	(0.1)	**(0.1)**	(0.1)
Interest paid	**(65.0)**	(57.7)	**(64.5)**	(54.7)
Dividends paid	**(19.4)**	(85.5)	**(19.4)**	(85.1)
Net cash used in financing activities	**(84.6)**	(67.8)	**(84.0)**	(140.9)
Net increase/(decrease) in cash and cash equivalents	**13.1**	18.3	**(28.0)**	(93.8)
Cash and cash equivalents at the beginning of the period	**71.8**	34.6	**112.9**	146.7
Cash and cash equivalents at the end of the period	**84.9**	52.9	**84.9**	52.9
Reconciliation of net cash flow to movement in net debt				
Increase/(decrease) in cash and cash equivalents	**13.1**	18.3	**(28.0)**	(93.8)
Cash (in)/outflow from movement in debt	**-**	(80.0)	**-**	-
Change in net debt resulting from cash flows	**13.1**	(61.7)	**(28.0)**	(93.8)
Non-cash movements and deferred issue costs	**(2.6)**	3.8	**(1.7)**	(0.8)
Movement in net debt in the period	**10.5**	(57.9)	**(29.7)**	(94.6)
Net debt at the beginning of the period	**(2,120.3)**	(2,078.8)	**(2,080.1)**	(2,042.1)
Net debt at the end of the period	**(2,109.8)**	(2,136.7)	**(2,109.8)**	(2,136.7)

Definitions

EBITDA (Earnings before interest, taxation, depreciation and amortisation) is before adjusted items.

Occupancy is the average number of units of accommodation occupied as a percentage of the total number available.

ADR (Average Daily Rate) is the average daily rent (excluding VAT) achieved based on total accommodation income divided by the total number of lodge nights sold.

RevPAL (Rent per available lodge night) is the average daily rent (excluding VAT) achieved based on the total accommodation income divided by the total available number of lodge nights.

Net debt represents third party borrowings less cash and cash equivalents.