CPUK Finance Limited

SUPPLEMENTAL BONDHOLDER REPORT

3 April 2023

CPUK Finance Limited (the "**Issuer**") has made available certain updated information on 3 April 2023. Through this supplemental bondholder report (the "**Supplemental Bondholder Report**"), the Issuer is providing this information publicly.

FORWARD-LOOKING STATEMENTS

This Supplemental Bondholder Report includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "anticipates", "expects", "intends", "plans", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Supplemental Bondholder Report and include statements regarding the intentions, beliefs or current expectations of the Center Parcs Group concerning, among other things, the results of operations, financial condition, liquidity, prospects, growth, strategies of the Center Parcs Group and the industry in which the Center Parcs Group operates.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Center Parcs Group believes that these risks and uncertainties include, but are not limited to, those described in the "*Risk Factors*" section of this Supplemental Bondholder Report. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements in this Supplemental Bondholder Report.

The forward-looking statements are not guarantees of future performance and the Center Parcs Group's actual results of operations, financial condition and liquidity, and the development of the industry in which the Center Parcs Group operate, may differ materially from statements on future performance made in or suggested by the forward-looking statements set out in this Supplemental Bondholder Report. In addition, even if the actual results of operations, financial condition and liquidity of the Center Parcs Group, and the development of the industry in which the Center Parcs Group operates, are consistent with the forward-looking statements set out in this Supplemental Bondholder Report, those results or developments may not be indicative of results or developments in subsequent periods. Many factors could cause the Center Parcs Group's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements including, but not limited to:

- changes in the general economic and business conditions in the UK as well as changes in the British holiday market;
- failure to manage villages effectively or any significant business interruption;
- adverse impacts on the Center Parcs brand;
- competition with other holiday centres, recreation parks and other holiday alternatives;
- changes in consumer tastes and expectations;
- weather conditions;
- seasonal fluctuations;
- employee problems;
- instances of illness, epidemics or pandemics, including COVID-19, and the negative publicity relating thereto;
- political and economic uncertainty and risk resulting from the UK's departure from the European Union;
- failure of one or more third party suppliers and contractors to deliver or provide the requisite services;
- inadequate insurance coverage;
- substantial leverage and debt service obligations;
- failure to make requisite maintenance capital expenditure or investment capital expenditure in a timely manner;
- failure to attract and/or retain qualified personnel;
- failure, inadequacy, interruption or breach of security of information technology;
- changes in laws and regulations and regulatory compliance;
- funding of Center Parcs' pension commitments;
- failure to realise the anticipated benefits of any new village developed or acquired; and
- any other risk factors listed in this Supplemental Bondholder Report.

The above list is not exhaustive and should be considered together with the risks described under "*Risk Factors*".

Any forward-looking statements which are made in this Supplemental Bondholder Report speak only as of the date thereof. Neither the Issuer nor the Center Parcs Group intend or undertake any obligation, to revise the forward-looking statements included in this Supplemental Bondholder Report to reflect any future events or circumstances.

USE OF CERTAIN TERMS IN THIS SUPPLEMENTAL BONDHOLDER REPORT

Unless otherwise indicated or the context otherwise requires, references in this Supplemental Bondholder Report to:

- "**Brookfield**" are to Brookfield Asset Management, Inc. and its subsidiaries and affiliates, as applicable.
- "**Center Parcs**" or "**Center Parcs Group**" are to Center Parcs (Holdings 1) Limited and its subsidiaries.
- "**Class A Issuer/Borrower Loan Agreement**" are to a senior loan agreement between, among others, the Issuer and certain members of the Center Parcs Group, as amended and restated from time to time.
- "**Class A Loans**" are to loans made available by the Issuer to certain members of the Center Parcs Group under a Class A loan facility.
- "**Class A Notes**" are to the Issuer's £440,000,000 aggregate principal amount of 7.239% Class A2 Fixed Rate Senior Secured Notes, £340,000,000 aggregate principal amount of 3.588% Class A4 Fixed Rate Senior Secured Notes, £379,500,000 aggregate principal amount of 3.690% Class A5 Fixed Rate Notes and/or any other Class A Notes issued by the Issuer.
- "**Class A Noteholders**" refers to the holders of the Class A Notes.
- "**Class A2 Notes**" refers to the £440,000,000 7.239% Class A2 Fixed Rate Secured Notes due 2042 issued by the Issuer on the Closing Date.
- "**Class A4 Notes**" refers to the Initial Class A4 Notes, the Further Class A4 Notes and the Second Further Class A4 Notes.
- "**Class A5 Notes**" refers to the £379,500,000 3.690% Class A5 Fixed Rate Secured Notes due 2047 issued by the Issuer on the Fifth Closing Date.
- "**Class B Notes**" refers to the Class B4 Notes, the Class B5 Notes, the Class B6 Notes and any Class B Notes issued pursuant to "*Terms and Conditions of the Class B Notes — Condition 19* (*Class B Further Notes and Class B New Notes*)".
- "**Class B3 Notes**" refers to the £480,000,000 aggregate principal amount of 4.250% Class B3 Fixed Rate Secured Notes due 2047 issued by the Issuer on 15 June 2017.
- "**Class B3 Facility**" refers to the secured facility in an aggregate principal amount of £480,000,000 made available by the Issuer to the Borrowers on the Fourth Closing Date.
- "**Class B4 Notes**" refers to the £250,000,000 aggregate principal amount of 4.875% Class B4 Fixed Rate Secured Notes due 2047 issued by the Issuer on 15 June 2017.
- "**Class B4 Facility**" refers to the secured facility in an aggregate principal amount of £250,000,000 made available by the Issuer to the Borrowers on the Fourth Closing Date.
- "**Class B4 Loan**" refers to the advance under the Class B4 Facility.
- "**Class B5 Notes**" refers to the £250,000,000 aggregate principal amount of 6.500% Class B5 Fixed Rate Secured Notes due 2050 issued by the Issuer on 17 September 2020.
- "**Class B5 Facility**" refers to the secured facility in an aggregate principal amount of £250,000,000 made available by the Issuer to the Borrowers on the Sixth Closing Date.
- "**Class B5 Loan**" refers to the advance under the Class B5 Facility.
- "**Class B6 Notes**" refers to the £255,000,000 aggregate principal amount of 4.500% Class B6 Fixed Rate Secured Notes due 2051 issued on the Seventh Closing Date.
- "**Class B6 Facility**" refers to the secured facility in an aggregate principal amount of £255,000,000 made available by the Issuer to the Borrowers.
- "**Class B6 Loan**" refers to the advance under the Class B6 Facility.
- "**Class B Loans**" refers to the Class B4 Loan, the Class B5 Loan, the Class B6 Loan and any other loans advanced under a subordinated secured facility pursuant to the terms of the Class B Issuer/Borrower Loan Agreement.

- "**Closing Date**" refers to 28 February 2012, the date the Issuer issued the Original Class A Notes and Original Class B Notes and the Original Class A Loans and the Original Class B Loan were advanced under the Original Class A Issuer/Borrower Loan Agreement and the Original Class B Issuer/Borrower Loan Agreement, respectively.
- "**Fourth Closing Date**" refers to 15 June 2017, the date on which the Issuer issued the Further Class A4 Notes, the Class B3 Notes and the Class B4 Notes.
- "**Fifth Closing Date**" refers to 20 November 2018, the date on which the Issuer issued the Second Further Class A4 Notes and the Class A5 Notes.
- "**Further Class A4 Notes**" refers to the £100,000,000 of Class A4 Notes issued by the Issuer on the Fourth Closing Date and consolidated to and form a single series with the Initial Class A4 Notes.
- "**Initial Class A4 Notes**" refers to the £140,000,000 aggregate principal amount of 3.588% Class A4 Notes issued on the Second Closing Date.
- "**Issuer/Borrower Loan Agreements**" refers to the Class A Issuer/Borrower Loan Agreement and the Class B Issuer/Borrower Loan Agreement.
- "**Notes**" refers to the Class A Notes and the Class B Notes.
- "**Obligors**" refers to the Borrowers and certain subsidiaries of Topco that guarantee the Class B Loans.
- "**Original Class A Notes**" refers to the £300,000,000 in aggregate principal amount of Class A1 Notes and the £440,000,000 in aggregate principal amount of the Class A2 Notes, in each case issued on the Closing Date.
- "**Original Class B Notes**" refers to the £280,000,000 in aggregate principal amount of Class B Notes issued on the Closing Date.
- "**Original Villages**" refers to Sherwood Forest, Longleat Forest, Elveden Forest and Whinfell Forest.
- "**Second Closing Date**" refers to 11 June 2015, the date the Second Class A Loans were advanced under the Class A Issuer/Borrower Loan Agreement.
- "**Second Issue Date**" refers to 1 June 2015, the date on which the Issuer issued the Second Class A Notes.
- "**Second Further Class A4 Notes**" refers to the £100,000,000 3.588% Class A4 Fixed Rate Secured Notes due 2025 issued by the Issuer on or about the Fifth Closing Date, which are consolidated and form a single series with the Initial Class A4 Notes and Further Class A4 Notes;
- "**Sixth Closing Date**" refers to 17 September 2020, the date on which the Issuer issued the Class B5 Notes.
- "**Seventh Closing Date**" refers to 7 May 2021, the date on which the Issuer issued the Class B6 Notes.
- "**Third Closing Date**" refers to 3 August 2015, the date on which the Issuer issued the Class B2 Notes.
- "**we**", "**us**", "**our**" and other similar terms refer to Center Parcs (Holdings 1) Limited and its subsidiaries, unless the context otherwise requires.

PRESENTATION OF FINANCIAL INFORMATION

Historical Financial Information

The financial information presented and discussed in this Supplemental Bondholder Report, unless otherwise indicated, has been derived from (i) the audited consolidated financial statements of Center Parcs (Holdings 1) Limited as at and for each of the 52-week periods ended 23 April 2020, 22 April 2021 and 21 April 2022, in each case prepared in accordance with UK adopted International accounting standards ("**IFRS**") and incorporated by reference in this Supplemental Bondholder Report, and (ii) the unaudited interim consolidated income statement, balance sheet and cash flow statement of Center Parcs (Holdings 1) Limited as at and for each of the 36-week periods ended 30 December 2021 and 29 December 2022 incorporated by reference into this Supplemental Bondholder Report (the "**Interim Financial Information**"). The financial information as at and for the 52-week period ended 23 April 2020 has been derived from the comparative period included in the audited consolidated financial statements as at and for the 52-week period ended 22 April 2021. The Interim Financial Information as at and for the 36-week periods ended 30 December 2021 and 29 December 2022 has not been prepared in accordance with IAS 34 Interim Financial Reporting and has not been audited or reviewed.

The audited consolidated financial statements of Center Parcs (Holdings 1) Limited as at and for the 52-week period ended 21 April 2022 (the "**2022 Audited Financial Statements**"), the 52-week period ended 22 April 2021 and the 52-week period ended 23 April 2020 incorporated by reference in this Supplemental Bondholder Report have been audited by Deloitte LLP, independent auditor, as stated in their reports incorporated by reference in this Supplemental Bondholder Report. The audit reports, incorporated by reference in this Supplemental Bondholder Report, express an unqualified opinion for each of the respective audited periods.

Reporting Terms

The financial year of Center Parcs is divided into 13 four-week periods to enable more meaningful conclusions to be drawn when periods are compared as all accounting periods contain the same number of days and an equal number of weekend and mid-week breaks. For existing quarterly reporting purposes, Center Parcs reports at the end of periods three, six, nine and thirteen. This reporting corresponds to three periods of 12 weeks and one period of 16 weeks in each financial year.

References in this Supplemental Bondholder Report to:

- "**Financial year 2022**" or the "**2022 financial year**" are to the 52-week period ended 21 April 2022;
- "**Financial year 2021**" or the "**2021 financial year**" are to the 52-week period ended 22 April 2021; and
- "**Financial year 2020**" or the "**2020 financial year**" are to the 52-week period ended 23 April 2020.

As a result of government-imposed restrictions intended to contain and limit the spread of COVID-19, Center Parcs' villages were closed for prolonged periods in financial years 2020 and 2021. Despite the reopening of the villages by 12 April 2021, Center Parcs' villages operated under self-imposed restrictions and capacity limitations to reduce the risk of localised outbreaks for much of financial year 2022.

Alternative Performance Measures

EBITDA and Adjusted EBITDA

This Supplemental Bondholder Report contains certain alternative performance measures ("**APMs**") as described in the ESMA Guidelines on Alternative Performance Measures, including EBITDA and Adjusted EBITDA before adjusted items (referred to as Adjusted EBITDA, as defined below, in this Supplemental Bondholder Report) and leverage and coverage ratios, that are not required by, or presented in accordance with, IFRS. These measures are not measures of Center Parcs (Holdings 1) Limited's consolidated financial performance or liquidity under IFRS and should not be considered as an alternative to (a) operating profit or profit/(loss) for the period as a measure of operating performance, (b) cash flows from operating, investing and financing activities as a measure of Center Parcs' ability to meet their cash needs or (c) any other measures of performance under IFRS.

Center Parcs defines EBITDA as profit for the period attributable to equity shareholders before interest, taxation, depreciation and amortisation and movements in the fair value of financial derivatives. Center Parcs defines Adjusted EBITDA as EBITDA, as defined above, further adjusted to remove the effects of certain adjusted items that Center Parcs believes are not indicative of its underlying operating performance. Center Parcs believes that EBITDA and Adjusted EBITDA are useful indicators of Center Parcs' ability to incur and service its indebtedness and may assist investors, security analysts and other interested parties in evaluating Center Parcs' financial performance. Management uses Adjusted EBITDA as the primary profit measure to assess the performance of the operating segments and discloses it within the consolidated financial statements incorporated by reference in this Supplemental Bondholder Report. As all companies do not calculate EBITDA or Adjusted EBITDA on a consistent basis, Center Parcs' presentation of EBITDA or Adjusted EBITDA may not be comparable to measures under the same or similar names used by other companies. Accordingly, undue reliance should not be placed on EBITDA or Adjusted EBITDA in this Supplemental Bondholder Report. EBITDA and Adjusted EBITDA have limitations as analytical tools and investors should not consider them in isolation. Some of these limitations are that:

- they do not reflect Center Parcs' cash expenditures or future requirements for capital commitments;
- they do not reflect the changes in, or cash requirements for, Center Parcs' working capital needs;
- they do not reflect the interest expense or cash requirements necessary to service interest or principal payments on Center Parcs' debt;
- they do not reflect any cash income taxes that Center Parcs may be required to pay;
- they are not adjusted for all non-cash income or expense items that are reflected in Center Parcs' consolidated income statement;
- in the case of Adjusted EBITDA (but not EBITDA), it does not reflect the impact of earnings or charges resulting from certain matters Center Parcs consider not to be indicative of its underlying operations;
- assets are depreciated or amortised over differing estimated useful lives and often have to be replaced in the future, and these measures do not reflect any cash requirements for such replacements; and
- other companies in Center Parcs' industry may calculate these measures differently from the manner Center Parcs does, limiting their usefulness as comparative measures.

Adjusted items of £2.2 million for the financial year ended 23 April 2020 represented £2.0 million in costs to exit a contract and £0.2 million of legal and other associated costs relating to the equity contribution provided by Brookfield Funds.

Free cash flow from operations and Unlevered operating cash flow

Free cash flow from operations is defined as Adjusted EBITDA for a period plus working capital movements. Unlevered operating cash flow is defined as free cash flow from operations less maintenance and investment capital expenditure made in such period. These indicators help management measure the cash generated by Center Parcs' core operations.

Center Parcs defines maintenance capital expenditure as the capital expenditure required on the central buildings, infrastructure and facilities to maintain the ongoing standards of these areas.

Investment capital expenditures include building new accommodation, upgrading existing accommodation and adding, upgrading or expanding cafes, restaurants and other facilities.

Operating metrics

In addition, this Supplemental Bondholder Report includes the following key operational performance indicators that Center Parcs' Directors use to set targets and measure performance against those targets.

Occupancy

Occupancy is the average number of units of accommodation occupied as a percentage of the total number available. Units of accommodation are deemed to be occupied when utilised during the relevant period under review. When units of accommodation are out of service for refurbishment, they are still included in the occupancy calculations. Center Parcs is focused on driving occupancy levels to optimise the number of guests, which in turn increases accommodation revenue and optimises on-site expenditure.

Average Daily Rate ("ADR")

ADR is the average rent (excluding VAT) achieved based on total accommodation income for the period divided by the total number of accommodation nights sold. Center Parcs uses ADR to help measure and maximise its yield.

Rent per Available Lodge Night ("RevPAL")

RevPAL is the average daily rent (excluding VAT) achieved based on the total accommodation income divided by the total available number of accommodation nights. Center Parcs' management believes RevPAL to be the most meaningful key performance indicator because it takes into account both occupancy and ADR.

Forward bookings as a percentage of available capacity

Forward bookings as a percentage of available capacity means the number of accommodation nights sold divided by total available accommodation nights for the period. This indicator provides management with forward visibility of future occupancy levels.

General

Certain numerical figures set out in this Supplemental Bondholder Report, including financial information presented in millions or thousands and percentages describing market shares, have been subject to rounding adjustments and, as a result, the totals of such numerical figures in this Supplemental Bondholder Report may vary slightly from the actual arithmetic totals of such information. Percentages and amounts reflecting changes over time periods relating to financial and other information set out in this Supplemental Bondholder Report are calculated using the numerical information in the section "*Selected Historical Financial and Operating Information"* or the tabular presentation of other information (subject to rounding) set out in this Supplemental Bondholder Report, as applicable, and not using the numerical information in the narrative description thereof.

INDUSTRY AND MARKET INFORMATION

This Supplemental Bondholder Report includes market share and industry data and forecasts that the Center Parcs Group has obtained from industry publications, valuation reports, surveys and internal company sources. The market data and industry information used in this Supplemental Bondholder Report is based on Center Parcs' own internal surveys, reports and studies, together with market research, industry publications, publicly available information and third party sources, including market research reports published by Mintel Group Limited ("**Mintel**") — UK Holiday Review – UK - 2023 (January 2023); Domestic Tourism – UK – 2022 (November 2022); Domestic Tourism: Inc Impact of COVID-19 - UK - 2020 (December 2020); Holiday Review - UK - 2021 (January 2021) and Holiday Centres and Parks – UK - 2022 (July 2022), PricewaterhouseCoopers LLP ("**PwC**") — UK Hotels Forecast 2019 and 2020 (September 2019); UK Hotels Forecast 2017 and 2018 (March 2017); UK Hotels Forecast 2016 (September 2015); Growth beds in — UK hotels forecast 2015 (September 2014); The right kind of growth: UK hotels forecast 2014 (November 2013) and UK hotels forecast 2013 update — A challenging year ahead for hoteliers (February 2013) and **VisitBritain** – Domestic Sentiment Tracker (January 2023). Mintel makes use of annual surveys by the Great Britain Tourism Survey (GBTS) and the Office of National Statistics (ONS). PwC makes use of data provided by STR, Inc. and information from the Office of National Statistics and the Organisation for Economic Co-operation and Development. Industry publications and surveys and forecasts generally state that the information set out therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. The market research reports were not produced for the purposes of inclusion within any prospectus for a transaction of the nature contemplated herein or for securing financing of any nature. Furthermore, information has been extracted from historic market research reports and whilst data that has been published remains valid, it may not necessarily reflect market conditions as of the date of this Supplemental Bondholder Report. Mintel and PwC do not accept any responsibility for the accuracy of the information made available in or based on their market research reports and do not accept responsibility for any part of this Supplemental Bondholder Report. The market research reports have been accurately reproduced and so far as the Issuer and the Obligors are aware and are able to ascertain from the market research reports, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Center Parcs Group has not independently verified any of the data from third party sources nor has it ascertained the underlying economic assumptions relied upon therein. Statements or estimates as to the market position, which are not attributable to independent sources, are based on market data currently available to the Center Parcs Group and internal estimates. The Center Parcs Group cannot assure investors that any of these statements or estimates is accurate or correctly reflects the position of the Center Parcs Group in the industry, and none of its internal surveys or information has been verified by any independent sources. While the Center Parcs Group is not aware of any misstatements regarding its industry data presented herein, its estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under "*Forward-Looking Statements*" and "*Risk Factors*" in this Supplemental Bondholder Report.

TRADEMARKS

Center Parcs (Operating Company) Limited ("**CP Opco**") and Center Parcs Limited, together, own 35 registered trademarks. These include trademarks for the Center Parcs® name and logo; restaurants such as The Pancake House® and Hucks®; leisure venues such as The Venue®; activities such as Action Challenge® and Aqua Sana® spa; ParcMarket® on-site supermarket; and Jardin Des Sports® sports centre. Center Parcs also makes use of some non-registered trademarks, including Vitalé Café Bar™ spa restaurant and Dining In™ takeaway and delivery restaurants. All other trademarks appearing in this Supplemental Bondholder Report that are not identified as marks owned by Center Parcs are the property of their respective owners.

CURRENCY PRESENTATION

In this Supplemental Bondholder Report, unless otherwise indicated, all references to "£," "pound," "pounds," "pounds sterling," "sterling," and "GBP" are to the lawful currency of the United Kingdom, all references to "€," "euro," "euros," and "EUR" are to the single currency of the Members States of the European Union participating in the European Monetary Union and all references to "$," "U.S. dollars" and "USD" are to the United States dollar, the lawful currency of the United States of America.

RISK FACTORS

The risks described below are not the only ones the Center Parcs Group faces. Additional risks not presently known to the Center Parcs Group or that it currently believes to be immaterial may also adversely affect its business. If any such risks or any other matters or unforeseen events actually occur, Center Parcs' business, financial condition and results of operations could be materially adversely affected. This Supplemental Bondholder Report also contains forward-looking statements that involve risks and uncertainties. The Center Parcs Group's actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors, including the risks faced by the Center Parcs Group described below and elsewhere in this Supplemental Bondholder Report. See "Forward-Looking Statements".

RISKS RELATING TO CENTER PARCS' BUSINESS AND INDUSTRY

Events and conditions, including inflation, higher interest rates and political instability, particularly in England, may affect Center Parcs' revenues, operating costs and profitability.

Center Parcs' business is sensitive to unfavourable or uncertain economic conditions, economic contraction or recession, the perception by Center Parcs' guests' of weak or weakening economic conditions and the corresponding impacts on discretionary consumer spending, particularly in the UK. Center Parcs has also been and may continue to be impacted by adverse changes in the perceived or actual economic climate, such as global or regional recessions, higher unemployment and underemployment rates and declines in income levels. Higher energy prices and supply disruptions, including as a result of Russia's war in Ukraine, have resulted in high inflation, including in the UK. The annual inflation rate in the UK increased to 9.2% for the twelve months ended December 2022. In response to the high inflation rates, central banks in major economies, including the Bank of England, have increased interest rates in 2022 and 2023, with a chance of further increases later in 2023. Any increase in interest rates or inflation may result in, among other things, an increase in our employees' wages and salaries and Center Parcs' other operational expenses. According to forecasts by the International Monetary Fund, the UK economy is expected to contract by 0.6% in 2023 and there is a risk that the UK economy may take multiple years to recover from the pandemic resulting from the respiratory virus SARS-COV-2 ("**COVID-19**") and the subsequent economic downturn. Any decrease in disposable income of Center Parcs' guests or their willingness to spend as a result of such changes may result in a decline in the number of guests, a decrease in the demand for high-value accommodation and a decrease in on-site spending.

The Center Parcs' villages are located in England and, consequently, Center Parcs' revenue and profit could be substantially influenced by general economic conditions in England, in particular. The villages have certain fixed operating costs and, as a result, decreases in revenue may result in a significant decline in net cash flow, as seen during the periods when Center Parcs' villages were closed in response to the COVID-19 pandemic. In addition, a significant or sustained decline in economic conditions or high rates of inflation could adversely affect Center Parcs' ability to obtain goods and services from suppliers or credit from financing sources and could impact the ability of third parties, including insurance carriers and credit providers, to meet their obligations to Center Parcs. Weak economic conditions generally in the UK, including the current rising cost of living crisis, or in any regional market from which a particular village attracts guests, may adversely affect holiday centre occupancy, guest spending patterns, for example, with guests opting for less expensive food and beverage options or arriving with their own groceries rather than using Center Parcs' range of food and beverage options and booking fewer on-site activities. Conversely, if general economic conditions in the UK were to improve significantly, there may be greater consumer preference for holidays abroad.

The disposable income of Center Parcs' guests and/or their holiday preferences may be affected by changes in the general economic environment. Any decrease in disposable income of Center Parcs' guests, such as that due to the economic downturn resulting from inflation rates outstripping wage and benefit increases in 2022, may result in a decline in the number of guests and/or a decrease in on-site spending. Even if economic conditions are stable or improving, a negative economic outlook, including the fear of a recession and/or concerns regarding falling living standards, may adversely affect consumer spending and, as a result, have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Center Parcs has been, and may continue to be, impacted by political instability in the UK and its corresponding effects on the UK economy and consumer discretionary spending. On 7 July, 2022, Boris Johnson announced his resignation as Prime Minister and officially left office on 5 September 2022. Johnson was replaced by Liz Truss, who held the Prime Minister position for a short period from 6 September 2022 until she was replaced by Rishi Sunak on 25 October 2022. Public perception of political instability in the UK and the corresponding uncertainty in monetary and fiscal policy as a result of such rapid transitions in government leadership has had and continues to have negative impacts on the UK economy. Further changes in leadership positions or similar political events that lead to the weakening of economic conditions in the UK may have a material adverse effect on Center Parcs' business and results of operations.

Center Parcs derives its revenue from operating its villages. Any failure to manage its villages effectively or any significant business interruption or other event affecting the operation of one or more of its villages may have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Center Parcs operates five holiday villages in England. Any significant business interruption at any of its villages, such as the closure of the holiday villages for extended periods in financial years 2020 and 2021 as a result of the COVID-19 pandemic, may have a material adverse effect on Center Parcs' financial condition and results of operations. In addition, unexpected closures with short notice to Center Parcs' guests, like the one-day closure of all five holiday villages on 19 September 2022 for the funeral of Queen Elizabeth II, may negatively affect customer expectations and result in further cancellations which may have a material adverse effect on Center Parcs' financial condition and results of operations.

Although Center Parcs has risk management arrangements, including business continuity plans, in place, such risk management arrangements, or any insurance may not adequately protect Center Parcs from significant interruption of business at any one or more of the villages. In addition, Center Parcs may not be able to obtain planning permission or planning consent to rebuild properties if destroyed, regardless of the availability of insurance proceeds. A significant interruption or event could be created by any number of internal or external factors, including fire (as occurred at the Elveden village in 2002, resulting in a 15-month closure), extreme weather conditions, accidents, loss of utilities or other interruptions, such as the COVID-19 or similar pandemic. Due to the full service, self-contained nature of its villages, Center Parcs maintains significant infrastructure, including water supply, electricity and waste water treatment, and any failure to adequately develop and maintain these facilities could also result in a significant business interruption. Such interruptions and events may have a material adverse effect on Center Parcs' business, financial condition and results of operations.

In addition, Center Parcs' business, financial condition and results of operations may be materially adversely affected by a number of factors relating to the operation of any village or the guest perception or expectation of the operating activities in a particular village. Factors that relate specifically to a particular village could include, amongst others:

- the age, design, construction quality and maintenance of the village;
- perceptions regarding the attractiveness of the village;
- the proximity and attractiveness of competing UK holiday centres;
- the proximity of other developments and infrastructure projects, for example, power stations or road projects, which adversely impacts guest experiences;
- increases in operating expenses;
- inability to pass on to guests any significant unforeseen input costs, such as utility costs, that would erode Center Parcs' margins;
- an increase in the capital expenditure needed to maintain the village or make improvements, or to maintain the competitiveness of the villages;
- an outbreak of a notifiable illness, food poisoning or drinking water contamination at any village;
- major village damage or disruption including natural or environmental disasters;
- bad or extreme weather conditions;
- an illness, disease or event that damages the forest, fauna and natural environment surrounding a village;
- guest health and safety issues, such as inadequate or untimely first aid responses, accidents or other fatalities, personal injuries or child abuse or abduction;
- burglaries or thefts of personal belongings from village accommodation or facilities;
- a fluctuation or decline, seasonal or otherwise, in demand for the facilities that the village offers;
- increases in development and construction costs or delays in completion schedules;
- disturbances to guests' experiences caused by new build, maintenance or refurbishment projects; and
- negative publicity or guest perceptions about any village due to the above-mentioned factors or otherwise.

Center Parcs' effective management and operation of the villages has a significant impact on the revenues, expenses and value of the villages. Any failure to manage Center Parcs' operations effectively, including any failure to anticipate and react to the above-mentioned factors may have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Governmental regulation may adversely affect Center Parcs' existing and future operations and results.

Center Parcs is subject to various national and local regulations that have affected, and will continue to affect, its operations. Each of its holiday villages is subject to national and local licensing and regulation by health, sanitation, food and workplace safety, and other agencies. For example, Center Parcs was adversely impacted by governmental efforts to contain the COVID-19 pandemic, including stay-at-home measures and social distancing requirements. Its operations are also subject to regulations which govern such matters as the minimum wage, national living wage, overtime and other working conditions, along with parental leave and a variety of similar laws enacted to govern these and other employment law matters.

The UK government introduced a national living wage in the 2015 budget, which has applied to employees aged 25 and over starting in April 2016, and includes further phased increases in April of every year. Center Parcs extended a similar wage increase to employees under the age of 25 as well. On 1 April 2021, the national living wage was applied to employees aged 23 and over and as of 1 April 2023, the National Living Wage will increase from £9.50 per hour to £10.42 per hour. The national living wage is expected to further increase in increments with a target set by the UK government of reaching two-thirds of median earnings by 2024. This increase in wages resulted in higher personnel costs and is expected to result in further increase in personnel costs going forward. Changes to such laws and regulations, including further increases to the minimum wage or national living wage, could have a materially adverse impact on Center Parcs' existing and future operations and results.

Center Parcs is also subject to the Equality Act 2010, which gives civil rights protections to individuals with disabilities in the context of employment, public accommodation and other areas. Center Parcs may in the future have to modify its villages or policies to provide services to or make reasonable accommodations for disabled persons. The expenses associated with these modifications could be material. Regulations and laws, or the way in which they are interpreted, may become more stringent over time, which could require new capital expenditures and result in an increase in its operating costs.

Center Parcs' business depends on the public perception of its brand. Any event at any village negatively affecting guest perception or expectation will likely negatively affect guest perception of the other Center Parcs villages.

The success of Center Parcs' business depends on the public perception of the Center Parcs brand. Any event or occurrence at any one village is likely to negatively affect guest perceptions of all Center Parcs villages. Center Parcs villages feature activities such as water activities, paintballing, laser combat, horse riding, abseiling, zip wiring and quadbiking that pose a potential risk of accident and serious personal injury. If a serious personal injury or an outbreak of a notifiable illness, food poisoning or drinking water contamination were to occur at one of the holiday villages, attendance at the holiday villages and, consequently, revenues might be materially adversely affected. In addition, holidays at Center Parcs' villages involve guest services and guest interactions, including with respect to bookings, accommodation services, on-site activities and food and beverage provisions. A pattern of poor or unsatisfactory guest service, guest complaints or poor reviews on social media at any of the villages could result in reputational harm to the Center Parcs brand. The considerable expansion in the use of social media over recent years has compounded the potential scope and speed of the negative publicity that could be generated by such incidents or events. Any accident, interruption, serious disturbance or negative publicity at Center Parcs' holiday villages, or a perception that the facilities are unsafe or operate in an unsafe manner, may reduce attendance at or demand for its holiday villages, which would have a material adverse effect on its business, financial condition and results of operations.

If any such accidents or injuries do occur, Center Parcs' insurance may not adequately cover the costs stemming from such accidents and injuries or other disturbances and incidents. Center Parcs could also face legal claims related to these events, as well as adverse publicity that could be generated by such incidents. Accidents or injuries could also require upgrades, modifications or demolition of affected facilities, which could result in significant costs to Center Parcs and disrupt operations, which could have a material adverse effect on Center Parcs' business, financial condition and results of operations.

In addition, Center Parcs sells food and beverages, toys and other retail products, the sale of which involves legal and other risks. As a reseller of food and retail merchandise, Center Parcs may be liable if the consumption or purchase of any of the products it sells causes illness or injury. Furthermore, any product recall could result in losses due to the cost of the recall, the destruction of product and lost sales due to the unavailability of product for a period of time. A significant food, toy, gift or other retail product recall could also result in adverse publicity, damage to Center Parcs' reputation and loss of consumer confidence in its villages, which could have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Center Parcs targets affluent family-focused guests with historically approximately 80% of Center Parcs' guests being families with children. In order to provide an environment that is attractive to this core group of guests, Center Parcs strives to maintain a balanced guest profile of, amongst others, families, adult groups and corporate events. If guests' behaviour is disruptive or otherwise affects the enjoyment of other guests, this could result in adverse publicity and damage to Center

Parcs' reputation. A failure to attract Center Parcs' core demographic of affluent guests with families could have a material adverse effect on Center Parcs' business, financial conditions and results of operations. Longford Forest in the Republic of Ireland opened in 2019. Although Longford Forest is outside of the Obligor Group, any incidents at Longford Forest such as those described above or consistent poor reviews could have a negative impact on the perception of Center Parcs in general and therefore on its results of operations. In addition, Center Parcs shares its brand with Center Parcs Holding B.V. and Center Parcs Europe N.V., who run holiday parks in continental Europe and any adverse perceptions of these holiday parks could affect Center Parcs' brand and reputation. See "*—Any adverse impact on guest perceptions of Center Parcs Holding B.V. or Center Parcs Europe N.V., with whom Center Parcs shares its brand, could adversely affect Center Parcs' business, financial condition and results of operations*."

Any adverse impact on guest perceptions of Center Parcs Holding B.V. or Center Parcs Europe N.V., with whom Center Parcs shares its brand, could adversely affect Center Parcs' business, financial condition and results of operations.

The successor to the founder of the Center Parcs brand is Center Parcs Holding B.V., a subsidiary of French listed company Pierre & Vacances, which operates holiday businesses in France, the Netherlands, Belgium and Germany. Under the terms of a brand sharing agreement relating to trademarks and marketing services with, among others, CP Opco, Center Parcs Holding B.V. and Center Parcs Europe N.V. ("**CP Continental Europe**"), the parties agreed that CP Opco is exclusively entitled to use the trademark registrations for the Center Parcs brand that it owns in its territory (UK, the Channel Islands and the Republic of Ireland) and CP Continental Europe is exclusively entitled to use the trademark registrations for the Center Parcs brand that it owns in its territory (Albania, Austria, the Benelux, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Israel, Italy, Latvia, Liechtenstein, Lithuania, Macedonia, Monaco, Norway, Poland, Portugal, Romania, Serbia, Slovak Republic, Slovenia, Spain, Sweden, Switzerland and Ukraine). Under the brand sharing agreement, each party has exclusive rights to operate holiday centres in its respective territory using its registered marks.

Any event or circumstance that has an adverse impact on guest perceptions of the Center Parcs brand and holiday business in continental Europe could have a material adverse effect on the reputation of the Center Parcs brand in the UK.

Center Parcs competes for discretionary spending with other holiday offerings and holiday or leisure alternatives.

The UK domestic holiday market is diverse. Center Parcs' main competitors are high-end, self-catering cottage accommodation and leisure hotels and resorts, primarily in the UK, and to a lesser extent abroad. Center Parcs' holiday villages compete for guests' discretionary spending with other holiday offerings, including other holiday villages (both UK traditional holiday villages and holiday parks and UK and international destination parks). In addition, other holiday providers could open forest villages in the UK in the future. A village's ability to attract guests depends, among other things, on the quality of the accommodation, competitiveness of prices, amenities and facilities offered and the convenience and location of the village. If competing UK holiday centres provide a better offering to guests, this may have a material adverse effect on Center Parcs' business, financial condition and results of operations, which may in turn affect the ability of the Obligors to meet their obligations under the Loans and the Issuer's ability to meet its obligations under the Notes.

Since the majority of Center Parcs' guests live within a two-hour drive of the village they choose to visit, the effects of competition would be more pronounced if a new holiday centre or other guest attraction opened within close proximity to one of Center Parcs' holiday villages or if an existing holiday centre expanded into its market or began conducting activities aimed at capturing Center Parcs' market share.

In addition, Center Parcs may face increased competition from holiday offerings outside the UK as a result of an increase in the convenience or reduction in the cost of air travel, any appreciation of the pound relative to other currencies, particularly the euro, or inclement weather in the UK. There may also be a reduction in the demand for Center Parcs' offerings as guests choose to partake in international tourism to make up for the inability to travel internationally during the COVID-19 pandemic. This may result in a material and adverse effect on Center Parcs' business, financial condition and results of operations.

In addition, if macroeconomic conditions are strong and/or inflation in the UK declines, there may be greater consumer preference for holidays abroad. Further, Longford Forest in the Republic of Ireland, which is outside of the Obligor Group, may attract guests away from Center Parcs' UK villages. Reduced occupancy at Center Parcs' existing villages for any of the above reasons may have a material adverse effect on the financial condition and results of operations of Center Parcs.

Center Parcs also competes more broadly with other types of leisure activities and forms of entertainment, such as sports and other recreational activities, restaurants, bars, retail outlets and spa facilities.

One or more of Center Parcs' competitors for holiday or leisure activities may be more successful in attracting and retaining guests. If Center Parcs does not compete successfully for discretionary spending with other holiday villages and other leisure alternatives, its business, financial condition and results of operations could be materially adversely affected.

Center Parcs could be adversely affected by changes in consumer tastes and expectations or its failure to maintain and improve its villages and amenities to appeal to changing guest tastes and expectations.

The success of Center Parcs' holiday villages depends substantially on consumer tastes and preferences that can change in unpredictable ways, and on Center Parcs' ability to ensure that its holiday villages meet the changing preferences of its target guests. Evolving standards of accommodation and amenities and changing guest expectations, such as with regards to social distancing and personal protective equipment, may also affect the revenues and popularity of Center Parcs' villages, which require continued investment to ensure that the accommodation and amenities in the villages are attractive and appeal to Center Parcs' guests. Center Parcs carries out significant research and analysis before constructing new holiday villages or opening new facilities at its villages and often invests substantial amounts in investigating how these new holiday villages and new facilities may be perceived by guests. If Center Parcs' facilities or new entertainment and leisure activity offerings do not achieve targeted guest volumes, revenues may decline. Any failure to invest, innovate or continue to improve Center Parcs' offering in a timely manner to meet changing consumer preferences or to retain long-term guest loyalty or provide satisfactory guest service may have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Bad or extreme weather conditions, road, rail or other transportation disruptions or closures and other conditions out of Center Parcs' control could negatively affect occupancy at Center Parcs' villages.

Center Parcs' holiday villages provide both indoor and outdoor activities, with the natural setting of the villages and the outdoor activities a major draw for guests. However, bad weather or forecasts of bad or mixed weather conditions can reduce the number of people who come to the holiday villages or who book stays, which may require Center Parcs to lower prices thus reducing ADR even if occupancy remains stable. In addition, due to the often unexpected nature of bad or extreme weather conditions, Center Parcs may fail to predict or undertake the appropriate advanced planning to maintain business operations in the event of a disruption due to bad or extreme weather conditions. Any such condition could also adversely affect guests' experiences during their stay at Center Parcs and thereby affect their willingness to return to Center Parcs as repeat guests. Bad or extreme weather conditions (for example, floods, storms, heatwaves or high winds) or other occurrences outside of Center Parcs' control (such as fires) could also lead to the loss of use of one or more of Center Parcs' villages, or damage the natural environment in which the villages are situated, and disrupt its ability to attract guests to certain of Center Parcs' villages or facilities. Due to such conditions or for other weather-related or environmental reasons, Center Parcs' facilities and activities may close from time to time. For example, as a result of red and amber weather warnings for high winds caused by storms across England and Wales, indicating that there was danger to life and localised conditions, the Group took the decision to close four villages on 17 February 2022. While Sherwood Forest was reopened the next day, the Elveden Forest, Longleat Forest & Woburn Forest villages were closed for a week due to storm damage.

The occurrence of extreme winter weather conditions could cause significant damage to Center Parcs' holiday villages, which could materially and adversely affect its overall business. Similarly, unseasonably high temperatures and high winds could exacerbate forest fires. In addition, prolonged drought conditions may cause water shortages, which could adversely impact the operation of Center Parcs' water amenities. Center Parcs' insurance may not be sufficient to cover the costs of repairing or replacing damaged property or equipment, and Center Parcs may suffer a significant decline in revenues if any of its holiday villages is closed or unable to operate all of its facilities for an extended period of time.

Road closures or detours as a result of bad weather conditions may also prevent or delay Center Parcs' guests, who primarily drive to the villages, from reaching the villages. Road closures and detours have the potential of extending the effects of bad weather beyond the particular storm or weather condition as damaged roads and highways may take significant time to repair. Additionally, road closures and detours as a result of non-weather factors, such as government repair works, may also reduce the number of guests.

If transport links to Center Parcs' holiday villages and related infrastructure are damaged or become inadequate, guests may face difficulty in traveling to the villages, or may face significant delays and increased travel times, which could have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Center Parcs' revenues are highest during school holidays and public holidays, which could magnify the impact of adverse conditions or events that occur during peak demand periods.

Center Parcs' revenues are subject to seasonal factors and guest demand for breaks increases during school holidays, public holidays and periods of expected favourable weather conditions, among other things, during which Center Parcs is generally able to charge higher prices. As a result, if extreme weather, accidents or other adverse conditions or events occur, particularly during peak holiday periods, Center Parcs' business, financial condition and results of operations may be materially adversely affected. For example, the Center Parcs' villages were closed as a result of the COVID-19 pandemic during certain breaks which have historically been very profitable for Center Parcs, including the Easter holidays, May half-term, Christmas and New Year's Eve.

Additionally, changes in school holiday schedules or a switch to a uniform year-round schedule could adversely affect Center Parcs' guest bookings, and consequently its attendance levels or target pricing levels during the peak holiday periods, which may adversely affect Center Parcs' business, financial condition and results of operations. In addition, any such adverse effect or condition may make it difficult for Center Parcs to predict its operating results, which may materially and adversely affect Center Parcs' ability to implement planned capital expenditures.

In the UK, there has been an increasing trend of the government seeking to ban or deter term-time holidays for school children. In 2017, the Supreme Court of the UK upheld fines, and local authorities continue to use fines, penalising parents taking their children out of school during term-time in the absence of exceptional circumstances. This may result in lower demand for Center Parcs' villages during off-peak periods and cause Center Parcs to further reduce off-peak prices, thereby decreasing margins.

Work stoppages, increased staff costs, and other employee problems could negatively impact Center Parcs' future profits.

A lengthy strike or other work stoppage at one of the holiday villages could have an adverse effect on Center Parcs' business and results of operations. Center Parcs' employees are not unionised, but some of Center Parcs' employees are, or may in the future be, represented by works councils. Center Parcs may experience union activity in the future which could negatively impact Center Parcs' business, financial condition and results of operations.

In addition, staff costs are a primary cost component in operating Center Parcs. Increased staff costs, due to competition for available workers, increased minimum wage or employee benefit costs, changes in labour laws or otherwise, could adversely impact Center Parcs' operating expenses. For example, costs of medical benefits may increase significantly due to regulations, macroeconomic conditions and other factors beyond Center Parcs' control.

The COVID-19 pandemic has negatively affected and may continue to negatively affect Center Parcs' business, financial condition and results of operations.

In December 2019, the emergence of COVID-19, was reported in Wuhan, Hubei Province, China and rapidly spread across the world early in 2020. On 11 March 2020, the World Health Organization declared COVID-19 a global pandemic. The outbreak resulted in government authorities and businesses throughout the world implementing numerous measures intended to contain and limit the spread of COVID-19, including travel bans and restrictions, quarantines, self-isolation, shelter-in-place and lockdown orders, business restrictions, shutdowns, and other limitations. As a result of such measures, Center Parcs' villages were closed for prolonged periods in financial years 2020 and 2021. Despite the reopening of the villages by 12 April 2021, Center Parcs' villages operated under self-imposed restrictions and capacity limitations to reduce the risk of localised outbreaks for much of financial year 2022.

There are no comparable recent events that provide guidance as to the long-term effects of the COVID-19 pandemic, and, as a result, the ultimate impact of the outbreak is uncertain and subject to change. The effect of the global COVID-19 pandemic on Center Parcs' business and the wider hospitality industry will ultimately depend on a number of factors, including, but not limited to, the effectiveness of vaccines in continuing to prevent outbreaks and decreasing hospitalisation and death rates, the prevalence of further variants which may be more virulent, more infectious or less responsive to vaccines, and the length of time it takes for normal economic and operating conditions to resume. Restrictions imposed on the hospitality industry during the COVID-19 pandemic have also led many workers to leave the sector for alternative employment which may affect Center Parcs' ability to attract qualified employees at its villages. Finally, while government mandated COVID-19 restrictions on the hospitality industry have been lifted as of the date of this Supplemental Bondholder Report, public uncertainty around health and safety may take longer to recover than expected, which may adversely affect consumer spending on holidays and travel and, as a result, have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Instances of injuries, illness, epidemics or pandemics, as well as negative publicity relating thereto, could result in reduced guest attendance and materially and adversely impact Center Parcs' business.

The outbreak of any prolonged pandemic or epidemic disease, whether a further outbreak of COVID-19 or any other disease, or the occurrence of any other public health concern could negatively impact the public's willingness to gather in public spaces or travel or result in health or other government authorities imposing restrictions on travel, which individually or together could reduce guest volumes or revenues at Center Parcs' holiday villages. In addition, any such public health concerns may severely restrict the level of economic activity in affected areas. Any of these events, particularly if they occur during the peak holiday periods, or the booking periods thereof, could have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Instances of fatalities, illness or injury, particularly an accident or an injury involving the safety of guests and employees, or claims of illness relating to food or drinking water quality or handling at restaurants, food preparation centres or holiday centres, whether or not affecting Center Parcs' villages, or in relation to water quality within pools and spas could reduce guest attendance materially, either through cancellations of existing bookings or by reducing consumer willingness to visit Center Parcs. Such incidents have occurred in the past and may occur in the future. In addition, any negative publicity relating to these and other health-related matters might affect consumers' perceptions of Center Parcs' holiday villages and reduce guest visits to its holiday villages.

Political and economic uncertainty following Brexit could have a material adverse effect on Center Parcs' business, results of operations and financial condition.

On 31 January 2020, the UK formally left the European Union. Following a Brexit transition period ("**Brexit Transition Period**"), which expired on 31 December 2020, the UK implemented the EU—UK Trade and Cooperation Agreement, which sets out the framework for relations between the EU and the UK after Brexit (the "**EU—UK Trade and Cooperation Agreement**"), which entered into force provisionally on 1 January 2021. Despite the implementation of the EU—UK Trade and Cooperation Agreement, there remains significant uncertainty as to how Brexit will affect relations between the UK and the EU, including the legal rights and obligations for businesses in certain services industries not covered by the EU—UK Trade and Cooperation Agreement. Such uncertainty could negatively impact business and consumer confidence in the UK, which could lead to reduced levels of travel, and leisure travel in particular.

The European Union (Withdrawal) Act 2018 (as amended by the European Union (Withdrawal Agreement) Act 2020) and secondary legislation made under powers provided in this Act ensure that direct EU legislation (which term includes any EU regulation as it had effect in EU law immediately before the end of the Brexit Transition Period (subject to certain exceptions)) converts directly applicable EU law (which includes regulations) as it stood at the end of the Brexit Transition Period into UK domestic law. However, while direct EU legislation may continue to form a part of domestic law of the UK after the end of the Brexit Transition Period, it may be subject to a number of amendments.

Brexit may exacerbate the economic downturn in the UK and could lead to lower levels of consumer spending if consumer confidence declines or if individuals have less disposable income, potentially affcting spending by customers on leisure, including domestic travel. Uncertainty surrounding Brexit also led to a decrease in the exchange rate of the pound sterling against the euro and continued or sustained adverse effects on the exchange rate of the pound sterling as compared to foreign currencies. The effective price inflation of certain goods and services sourced from outside of the UK as a result of the changes in exchange rates, as well as increased costs of importation as a result of additional customs checks, transportation costs, taxes and duties, has resulted in increased costs for Center Parcs. Any of these factors or other events or consequences from Brexit described above may have a material adverse effect on Center Parcs' business, results of operations and financial condition.

Center Parcs depends on third party suppliers and contractors.

Center Parcs has key contractual relationships with a number of third parties, including suppliers, insurers, partners, banks and payment processors. In particular, Center Parcs relies on key suppliers to carry on its operations. These include the Big Table Group Limited (formerly known as the Casual Dining Group) ("**The Big Table**"), whose offering includes Café Rouge, Las Iguanas and Bella Italia, the World Duty Free Group (formerly known as the Nuance Group), Center Parcs' retail partner, and Joules, which runs retail shops in all five UK villages. The Center Parcs business model incorporates a range of service relationships, with some food and beverage and retail offerings operated on a concession basis, others, such as Starbucks, being licensed to Center Parcs and some "back-of-house" services provided by third parties, including laundry services and food and beverage supplies. Center Parcs also relies on third party service providers and IT systems such as payment processing services, ATCORE (formerly Anite), a non-affiliated third-party company, which provides TourRes, the booking system used by Center Parcs, ESP, which provides the booking system Elite for on-parc activities and restaurants and Adobe which provides the platform for certain of Center Parcs' websites.

The failure of one or more of the third-party suppliers and contractors to deliver or provide the services when needed by Center Parcs or at the desired quality may have an adverse impact on Center Parcs' operations and business. For example, some of our third-party suppliers have reported increased lead times as a result of Russia's war in Ukraine and the resulting disruption to global supply chains, which may impact their ability to deliver or provide their services when needed by Center Parcs. Center Parcs closely monitors its suppliers' ongoing operations but cannot assure that its suppliers will be able to fulfil their obligations in the future. The failure of one or more of these third parties to fulfil its obligations to Center Parcs for any other reason, or the termination of such agreements by any of the third-party suppliers or contractors, may also cause significant disruption and have a material adverse effect on its results of operations, financial performance and prospects. From time to time, Center Parcs may terminate (by agreement or otherwise) the concessionaire agreements in relation to all or some of the units operated by its concessionaire partners. For example, Center Parcs has agreed with the World Duty Free Group that it would close a number of its shops at Center Parcs' villages, such as Time of Shade, Spirit and Sportique. Where such agreements are terminated, Center Parcs will seek to re-utilise this space for the provision of alternative goods and services to be provided either by Center Parcs or other third parties. There can be no certainty that any alternative use can be found or that any alternative will generate commercial returns as favourable as those previously enjoyed.

Furthermore, third party suppliers may seek to increase prices for their services. If Center Parcs is unable to negotiate limits to any price increases or find alternative third-party suppliers providing services at lower prices, such increases may negatively impact Center Parcs' business. In addition, material disputes may arise between Center Parcs and third-party service providers and suppliers, which could adversely affect the relationship between Center Parcs and such third parties. Any or all such developments could have a material adverse effect on Center Parcs' business, results of operations and financial condition.

Center Parcs' insurance coverage may not be adequate to cover all possible losses that it could suffer, and its insurance costs may increase.

Companies engaged in the holiday centre business may be sued for substantial damages in the event of an actual or alleged accident. A catastrophic loss or accident occurring at Center Parcs' holiday villages or at competing holiday villages may increase insurance premiums, and negatively impact Center Parcs' operating results. Although Center Parcs carries annual liability insurance to cover this risk, its coverage may not be adequate to cover liabilities, and it may not be able to obtain adequate coverage should a catastrophic incident occur.

In particular, the lost revenue and increased operating costs resulting from closure of Center Parcs' villages due to the COVID-19 pandemic and ensuing health and safety regulations were not covered by Center Parcs' insurance policies. Any future losses resulting from additional closures or reductions in Center Parcs' operations pursuant to government regulations or further outbreaks of the COVID-19 pandemic or other pandemics or epidemics are not expected to be covered by Center Parcs' insurance policies. Further, as a result of the macroeconomic environment, it is possible that Center Parcs' insurance premiums may increase and that the scope of coverage of Center Parcs' insurance policies may decrease.

Center Parcs utilises a combination of self-insurance (through the use of large excesses payable by Center Parcs) and insurance coverage programmes for property, business interruption, employer's liability, public/products liability and health care insurance. Pursuant to such programmes, Center Parcs is responsible for a specified amount of claims and insures for claims above such limits.

Potential liabilities that Center Parcs self-insures or buys commercial insurance for could increase in the future. In addition, insurance may not be available to Center Parcs on commercially acceptable terms or at all, or Center Parcs could experience increases in the cost of such insurance. Any increase in the number of claims or amount per claim or increase in the cost of insurance could materially and adversely affect Center Parcs' results of operations.

The Obligors are required by the terms of the Issuer/Borrower Loan Agreements to insure the villages against the risk of material damage or destruction and resulting business interruption, acts of terrorism, public and product liabilities and such other risks as a prudent owner and operator of similar properties would insure against.

A failure by any of the Obligors to renew the relevant insurance policies in respect of a village may, upon damage to the village or loss of revenue in respect to the village (which would otherwise have been recoverable under such insurance policy), result in a corresponding loss in the value of such village or payment recovery under the loan made to the relevant Borrower. Similarly, even where the relevant insurance policy is current, there could be an administrative delay in the receipt of payment by the Obligors from the insurers which could affect the ability of the Obligors to meet their respective payment obligations during that period of delay.

Certain types of risks and losses (such as losses resulting from epidemics and pandemics, including COVID-19, war, terrorism, nuclear radiation, radioactive contamination and heaving or settling of structures) may be or become either uninsurable or uneconomical to insure or may not be covered by the relevant insurance policies. Other risks might become uninsurable (or uneconomical to insure) in the future. The occurrence of significant uninsured or uninsurable losses could materially and adversely affect the Group's business, financial condition and results of operations, which could result in the Obligors not having sufficient funds to repay in full amounts owing under or in respect of the Issuer/Borrower Loan Agreements.

Acts of terrorism may negatively impact Center Parcs' business.

Terrorist attacks have created many economic and political uncertainties. Center Parcs cannot predict the extent to which terrorism or security alerts may directly or indirectly impact demand for its holiday parks, or otherwise impact its business and operating results. The occurrence of any such terrorist event near or at a village could have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Center Parcs' future performance depends on continued maintenance capital expenditure and investment capital expenditure, which may be significant. Any failure to make the requisite maintenance capital expenditure or investment capital expenditure in a timely manner could have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Center Parcs' future performance depends on making continued maintenance capital expenditure and investment capital expenditure, which may be significant. A principal competitive factor for a holiday village is the uniqueness and perceived quality of its accommodation, amenities and facilities. Accordingly, the regular addition of new or improved accommodation, amenities and facilities and the repair or maintenance of those in existence are key to the continued competitiveness of Center Parcs' holiday villages.

Maintenance capital expenditures include refurbishments to existing facilities, including ensuring health and safety standards are met. Although the Obligors are required under the terms of the Class A Issuer/Borrower Loan Agreement to spend a minimum of £18.5 million per year on maintenance capital expenditure, there can be no assurance that this amount will be sufficient for Center Parcs' requirements. Center Parcs' maintenance capital expenditure for financial years 2021 and 2022 was approximately £26 million and £30 million, respectively. Center Parcs' maintenance capital expenditure for the 36-week period ended 29 December 2022 was approximately £23 million.

Investment capital expenditures include building new accommodation, upgrading existing accommodation and adding, upgrading or expanding cafes, restaurants and other facilities. During the period of closure of its villages due to COVID-19, Center Parcs curtailed non-essential investment capital expenditures. Center Parcs' investment capital expenditure for financial years 2020, 2021 and 2022, was approximately £27.5 million, £12.1 million and £26.4 million, respectively, which reflects materially lower total investment capital expenditure during the 2021 financial year. Center Parcs' investment capital expenditure for the 36-week periods ended 30 December 2021 and 29 December 2022 was approximately £11 million and £15.5 million, respectively, reflecting a decrease in discretionary capital expenditure in the 36-week period ended 30 December 2021 in response to the COVID-19 pandemic. While Center Parcs expects to continue its investment capital expenditures over the next several years, the development and construction of such projects not currently under construction is subject to additional risks, including construction delays as a result of business activity restrictions and supply chain interruptions. As a result, Center Parcs' current development plans may not be completed as planned, which may impact future growth.

Historical and future investment capital expenditure may not yield the anticipated revenue or ADR growth or improve the attractiveness of Center Parcs' holiday villages. Even if revenues do increase, the additional revenues may not be sufficient to recover the amounts invested by Center Parcs and to provide a return on such investments. In addition, if Center Parcs does not have sufficient liquidity to finance these upgrades or if insufficient amounts are spent on capital expenditure on the villages, Center Parcs' villages may not remain competitive.

There could be a material adverse effect on Center Parcs' business, financial condition and results of operations if it fails to maintain the planned approach to its maintenance and investment cycle and/or if any investment that does not result in revenue growth does not otherwise recover the amount invested or does not maintain the long-term attractiveness or good and safe condition of the relevant holiday village. Moreover, delays in the addition of new or improved accommodation, amenities and facilities or the closure of any of its amenities and facilities for repairs could adversely affect occupancy levels and Center Parcs' ability to realise revenue growth, which could have a material adverse effect on its business, financial condition and results of operations.

Failure to keep pace with developments in technology or any problems with maintaining or implementing upgrades to Center Parcs' IT systems could impair Center Parcs' operations or competitive position.

The holiday centre industry continues to demand the use of sophisticated technology and systems, including those systems and technologies used for Center Parcs' bookings, revenue management and property management platforms. These technologies and systems must be refined, updated and/or replaced with more advanced systems on a regular basis. If Center Parcs is unable to do so as quickly as its competitors, within budget cost and time frames or at all, its business could suffer. Center Parcs is in the process of making updates to existing systems and introducing new IT systems and technologies aimed at improving pricing for bookings, targeting new and repeat customers, strengthening and integrating customer relationship management processes. Any problems with transitioning to or integrating its new systems could adversely affect Center Parcs' business. In particular, the implementation of the new IT systems could take longer than expected, disrupt Center Parcs' current systems and/or result in cost overruns. Center Parcs also may not achieve the benefits that it anticipates from these systems or any other new technology or system in the future. If any of these risks were to be realised, this could have a material adverse effect on Center Parcs' business, financial conditions and results of operations.

Center Parcs' business could be harmed if it loses the services of its key management personnel or is unable to attract and retain qualified employees.

Center Parcs' business depends upon the efforts and dedication of its senior management team and its staff, both in the villages and at its head office. Competition for highly-qualified personnel is intense, and the loss of the services of any of these key personnel without adequate replacement or the inability to attract new qualified personnel could have a material adverse effect on Center Parcs' business, financial condition and results of operations. In addition, its success depends on its ability to attract, motivate and retain qualified employees to keep pace with its needs. If Center Parcs is unable to do so, its results of operations may be adversely affected.

In addition, Center Parcs' future business success depends in part on its ability to continue to recruit, train, motivate and retain employees and on its ability to continue to employ creative employees and consultants. The loss of service of any key personnel, or an inability to attract and retain qualified employees and consultants, could have a material adverse impact on its business, financial condition and results of operations.

Center Parcs has been, and continues to be, adversely affected by high employee turnover and absence rates created, in part, by disruptions to the hospitality and tourism sector due to COVID-19 closures and self-imposed capacity restrictions. Despite government efforts through the Coronavirus Job Retention Scheme to assist employers with staff wage and employment costs relating to furloughed employees during COVID-19 related lockdown periods, many workers have left the sector for alternative employment. This trend has continued despite the lifting of COVID-19 restrictions in the UK. In the hospitality and tourism sector, employee turnover rates and rates of employees leaving within their first year of employment remain higher than at pre-pandemic levels. Higher turnover rates require Center Parcs to engage in greater levels of recruitment activity which may increase recruitment and training costs. An increase in turnover rates and the resultant increase in recruitment activity may also lead to a greater proportion of employees undergoing training and, therefore, not being productive. Employee absences due to illness have also increased compared to pre-pandemic levels. As a result, Center Parcs may be required to hire additional workers to make up for this shortfall. Staff shortfalls at Center Parcs' villages due to increased employee turnover rates and increased absences caused by illness or otherwise, may have a material adverse impact on Center Parcs' ability to operate the villages and adequately provide services to its guests if Center Parcs is unable to attract, motivate and retain qualified employees.

The operation and development of Center Parcs' holiday villages are subject to planning and other consents, laws and regulations, which may constrain future development or new facilities and amenities. In addition, changes in use or planning consents relating to property neighbouring the villages may have a material detrimental effect on guests' enjoyment of the villages.

Center Parcs' villages are required to be constructed in accordance with the relevant planning permission to ensure that the current use of the holiday villages is lawful. If the construction or use of a holiday village is not in accordance with the relevant planning permission, the relevant council may, in certain circumstances, require that use to cease. Further, a council can require compliance with the conditions of any planning permission or planning agreement, or, in certain circumstances, the alteration or reinstatement of any construction carried out without planning permission.

All of Center Parcs' villages are in rural locations. Center Parcs may experience material difficulties or failures in maintaining or renewing the necessary licences or approvals for its holiday villages, which could result in holiday village or attraction closures or fines. Stringent and varied requirements of local regulators with respect to zoning, land use and environmental factors could also delay or prevent development of new holiday villages in particular locations. In the future, obtaining planning permission for future developments or new facilities and amenities may be difficult. In addition, if any such planning permissions cannot be obtained, there are limited alternative uses for rural sites of the size of the villages where base land values are low and alternative planning permissions are unlikely.

The operation, development and redevelopment of recreational facilities and other structures at Center Parcs' holiday villages and the development of new or additional villages may require consent from the relevant local planning authorities as well as from third parties, such as landlords, development partners, finance providers and regulatory bodies. Center Parcs may not be able to obtain the requisite planning or other consents as and when required in respect of developments or redevelopments or the roll-out of new or additional holiday villages, and planning or other consents may be withdrawn in relation to existing offerings at any of its holiday villages. In addition, Center Parcs' properties may be subject to certain restrictive covenants in favour of third parties.

From time to time, Center Parcs plans to build additional new units of accommodation, subject to planning permission and other factors. If Center Parcs is unable to obtain the requisite planning permissions for these additional lodges at the existing villages, it would be unable to construct these additional lodges, which would have an adverse effect on Center Parcs' expansion plans for these sites.

Center Parcs works with and engages its local planning authorities with regard to issues of shared concern that impact the development and redevelopment of its properties and the roll-out of new holiday villages, including sensitivities to site noise, listed structures, road congestion and other traffic issues, and health and safety issues. If it were to fail to cooperate with local planning authorities or if Center Parcs' work relationship with such authorities were to be adversely affected for any reason, this could negatively impact its ability to obtain the planning and other consents necessary for the development and redevelopment of current villages or expanding into new villages, or it could result in the withdrawal of existing consents. Additionally, possible changes to planning rules (such as the categorisation of flood zones), or by-law distances which prohibit development within a certain distance of flood defence structures) would, if made, adversely affect Center Parcs' ability to develop a holiday village. Additional constraints on future development could have an adverse effect on guest numbers, which could have a material adverse effect on its business.

Any refusal to grant, or delay in granting Center Parcs' requested planning or other consents, or the application of any special conditions to such consents (or breach by Center Parcs of such conditions), could have a material adverse effect on its business, financial condition and results of operations. Furthermore, future planning consents are likely to impose further conditions and/or require Center Parcs to enter into new planning agreements. In addition, proposed regeneration schemes may adversely impact guest access to, or the operation of, individual facilities. The constraints placed on Center Parcs' operations by future planning consents or regeneration schemes may be more onerous than those that currently apply, and could have a material adverse effect on its business, financial condition and results of operations.

Changes in use or planning consents relating to property neighbouring the villages may have a material detrimental effect on guests' enjoyment of the villages. For example, changes in use or planning consents could permit owners or occupiers of property adjoining or close to Center Parcs' villages to use their property in a way that disturbs or diminishes guests' enjoyment of the villages or the natural setting in which the villages are located. These uses would include the installation or use of plant and equipment (e.g. electricity pylons) or activities that emit noise or smell, or that are inconsistent with guests' enjoyment of a holiday in a natural environment. Any such detrimental change, or negative publicity regarding such a change, may have a material adverse effect on Center Parcs' business, financial condition and results of operations.

Center Parcs may be subject to liabilities and costs associated with its intellectual property.

Center Parcs relies on trademarks to protect its brand. Many of these trademarks have been a key part of establishing its business in the UK holiday market, including Center Parcs and Aqua Sana. Center Parcs believes these trademarks have significant value and are important to the marketing of its villages. The steps Center Parcs has taken or will take to protect its proprietary trademark rights may not provide adequate protection, and Center Parcs may not have adequate resources to enforce its trademarks if third parties infringe its trademarks. In addition, although Center Parcs owns its trademarks, these trademarks may infringe the proprietary rights of others and may not be upheld if challenged. If its trademarks infringe the rights of others, Center Parcs may be prevented from using its trademarks, any of which occurrences could harm its business. In any such event, Center Parcs could be forced to rebrand its products and services, which could result in loss of brand recognition and may require Center Parcs to devote significant resources to advertising and marketing new brands. Further, any claims of trademark infringement may require Center Parcs to enter into a royalty or licensing agreement to obtain the right to use a third party's intellectual property, which may not be available on terms acceptable to Center Parcs.

From time to time, Center Parcs enters into agreements with third parties that permit it to use the intellectual property of such third parties at its holiday villages. The third parties owning such intellectual property may not renew such agreements with Center Parcs or may increase the cost for it to use such intellectual property to levels that make it cost prohibitive or economically unfavourable for it to continue such arrangements.

Potential liabilities and costs from litigation could adversely affect Center Parcs' business.

From time to time, Center Parcs may become involved in litigation and regulatory actions as part of its ordinary course of business. There is no guarantee that it will be successful in defending against civil suits or regulatory actions, such as matters related to public and employee safety, food safety, employment and environmental laws and regulations.

Even if a civil litigation claim or regulatory investigation or claim is meritless, does not prevail or is not pursued, any negative publicity surrounding assertions against Center Parcs' holiday villages could adversely affect its reputation. Regardless of their outcome, litigation and regulatory actions may result in substantial costs and expenses and divert the attention of Center Parcs' management. In addition to pending matters, future litigation, government proceedings, labour disputes or environmental matters could lead to increased costs or interruption of Center Parcs' normal business operations, which may have a material adverse effect on Center Parcs' business, financial condition and results of operations. See "*Business – Legal Proceedings*".

Center Parcs relies on information technology in its operations and any material failure, inadequacy, interruption or breach of security of that technology could harm its ability to effectively operate its business and subject it to data loss, litigation, liability and reputational harm.

Center Parcs relies on its information systems across its operations, such as in the processing of payment details, and on those of its third parties service providers, including the online booking systems provided by ATCORE and Elite. Its ability to effectively manage its business depends significantly on the reliability and capacity of these systems. The website providing information and booking services for Center Parcs' spas and Center Parcs' website utilise the Adobe platform. Extended or widespread outages of the online accommodation or activities booking system (including the self-service booking points on-site) could adversely affect Center Parcs' ability to take guest bookings (as online bookings can be made exclusively through its website).

The provision of convenient, trusted, fast and effective payment processing services to Center Parcs' guests is critical to its business. If there is any deterioration in the quality of the payment processing services provided to Center Parcs' guests or any interruption to those services, or if such services are only available at an increased cost to Center Parcs or its guests or are terminated and no timely and comparable replacement services are found, Center Parcs' guests may be deterred from booking Center Parcs breaks.

Center Parcs, and third-party service providers on its behalf, collect, process and retain large volumes of guest data, which, together with employee data and other confidential information, is entered into, processed, summarised and reported by various information systems. Center Parcs also uses video surveillance in certain public areas for security purposes. The footage from such surveillance is also subject to data protection and privacy laws.

Notwithstanding the efforts and technology of Center Parcs and its third-party service providers to secure their computer networks, the security of those networks could be compromised. Third parties may have the technology or know-how to breach the security of Center Parcs' guest, employee and other confidential information, and Center Parcs' security measures (or those of its third-party service providers) may not effectively prohibit others from obtaining improper access to this information, destroying or stealing valuable information or disrupting Center Parcs' operations. In addition, Center Parcs or any of its third-party service providers may lose data, including guest data and payment details, or may fail to transmit such data online in a secure manner. In each case, if any theft or loss of personal guest data were to occur, Center Parcs could face liability (including fines) under data protection or privacy laws and lose the goodwill of its guests, incurring significant reputational harm. Such security breaches could have a material adverse effect on Center Parcs' business, financial condition and results of operations.

If the guest, employee or other data held by Center Parcs is not accurate or complete, there is a risk that Center Parcs could make incorrect decisions regarding marketing, pricing, cost management or other factors that impact its financial performance.

Any computer virus, security breach, loss, or theft of company, guest or employee data could expose Center Parcs to adverse publicity, loss of sales and profits, regulatory action, or cause Center Parcs to incur significant costs to reimburse third parties for damages, which could impact its results of operations. In financial year 2022, Center Parcs installed a new security incident and event management system (SIEM) to identify and prevent cyberattacks. Failure to properly manage the system may expose Center Parcs to security breaches which could impact its results of operation.

Center Parcs is subject to privacy and data protection laws and any data breach or change in legislation could adversely affect Center Parcs' ability to market its products effectively.

In the ordinary course of business, Center Parcs collects, transmits and stores guest and employee data, including highly sensitive personally identifiable information, in information systems that it maintains. Center Parcs has a large guest database made up of prospective, current and former guests. This data could be a target for cyber-attack. While the protection of such guest and employee data is critical to Center Parcs and Center Parcs takes steps to protect such data, any such attack could have a material adverse effect on its business, financial condition and results of operations.

Furthermore, Center Parcs' use of this information is subject to numerous laws, regulations and standards designed to protect sensitive or confidential client and employee data. The General Data Protection Regulation ("**GDPR**") began to apply from 25 May 2018 and introduced significant changes to data protection law. In particular, the GDPR contains much higher penalties for breaches, new obligations for data processors, increased accountability, expanded rights for data subjects and an extended territorial scope. Center Parcs seeks to ensure that procedures are in place to ensure compliance with the relevant data protection regulations by its employees and any third-party service providers. However, further changes may be required in respect of the way Center Parcs collects, stores and otherwise processes personal data as the market adjusts to the developing interpretation and application of relevant data protection legislation. Any future changes to data protection regulations may be significant or costly and may have a material adverse effect on Center Parcs' business, prospects, financial condition and results of operations.

Despite its efforts to ensure that its employees and any third party service providers apply with any relevant data protection regulations, including the GDPR, Center Parcs is exposed to the risk that employee or guest data could be wrongfully appropriated, lost, disclosed, stolen or processed in breach of data protection regulations. For example, Center Parcs recently experienced a breach of employee personal data. The breach was detected promptly and notified to the regulator, which did not undertake enforcement action, and related legal claims by employees were covered by insurance. If Center Parcs, or any of the third-party service providers on which it relies, fail to store or transmit guest or employee information and online payment details in a secure manner, or if any loss of personal customer data were otherwise to occur, Center Parcs could face liability under data protection laws and be subject to legal claims by affected individuals.

Center Parcs' holiday villages rely on its guest database and a variety of direct marketing techniques, including email marketing. Any expansion of existing, and/or implementation of new, laws and regulations regarding marketing, solicitation, privacy or data protection could adversely affect Center Parcs' ability to utilise its guest database for email and other marketing techniques and could result in changes to its marketing strategy. If this occurs, Center Parcs may not be able to develop adequate alternative marketing strategies, which could materially adversely impact its guest numbers and revenues.

Center Parcs may be adversely affected by environmental requirements and liabilities.

Center Parcs is subject to extensive and frequently changing national and local environmental laws and regulations, including laws and regulations governing air and noise emissions; water use and wastewater and stormwater discharges; the maintenance of above-ground and underground storage tanks; the use, release, storage, disposal, handling and transportation of, and exposure to, oil, chemicals and hazardous substances; energy usage and emissions; the management and disposal of waste; and otherwise relating to health and safety and the protection of the environment, natural resources and the remediation of contaminated soil and groundwater. The development and operation of Center Parcs' facilities require various permits and licences pursuant to environmental laws and regulations, which can result in challenges in the applications process, constraints in on-site operations, and costs in compliance.

Violations of environmental laws and regulations can lead to significant fines and penalties and requirements for rectification, which could require expenditure, changes in site operations or temporary closures of all or part of the relevant holiday centre. Such laws and regulations can impose clean-up responsibility and liability without regard to whether the owner knew of or caused the presence of contaminants. Historical land uses on parts of the village sites, such as quarrying, timber treatment, an electrical substation, sewage discharge/treatment, and a small part of the Whinfell Forest site that is a registered landfill (which is now closed, but is relatively close to an off-site potable water abstraction point), may have introduced pollution or contamination into the soil and/or groundwater in parts of the Center Parcs village sites or may have migrated beyond the boundaries of these sites. Sanctions for alleged or actual non-compliance with environmental regulations could have a material adverse effect on Center Parcs' business, financial condition and results of operations. Center Parcs is also subject to certain contractual requirements relating to the environment and may incur liabilities arising from historical, existing and future environmental contamination at properties it owns or operates now or in the future or has owned or operated in the past. The presence of hazardous substances on a property or the failure to meet environmental regulatory requirements may cause Center Parcs to incur substantial remediation or compliance costs or temporarily close the relevant holiday centre. In addition, if hazardous substances are located on or released from any of its properties, Center Parcs could incur substantial liabilities through a private party personal injury claim, a claim by an adjacent property owner for property damage or a claim by a governmental entity for other damages, such as natural resource damages. Center Parcs is also required to purchase carbon allowances annually commensurate with energy consumption (with allowance prices increasing each year), and to audit energy use, both of which are subject to financial penalties for non-compliance.

Center Parcs may incur additional expenditure and other commercial and financial impacts to comply with existing as well as new or revised environmental legislation and regulations, new interpretations of existing laws and regulations or more rigorous enforcement of such laws and regulations, as well as in connection with fulfilling contractual obligations, which could have a material adverse impact on Center Parcs' business, financial condition and results of operations. A conviction for an environmental offence could also negatively affect Center Parcs' ability to contract with certain third parties in the future.

If an environmental liability arises in relation to any of the holiday villages and it is not remedied, or is not capable of being remedied, this may adversely affect Center Parcs' business or financial condition. This may be either because of cost or value implications for Center Parcs and its properties or because of disruption to services provided at the relevant holiday village.

Center Parcs' existing leases are subject to early termination risks and Center Parcs may be unable to renew headleases or obtain new leases on acceptable terms.

The headleases for Elveden Forest and Sherwood Forest expire in 2999, the headleases for Longleat Forest expire in 2073, the headleases for Whinfell Forest expire in 2120 and the headlease for Woburn Forest expires in 2109. There is a risk that the landlord of the relevant property may terminate the headlease (and in the case of Longleat Forest, the superior landlord may forfeit the superior leases causing the two headleases to terminate) before the expiry of the contractual term for failure to pay rent or other breach of tenant obligation.

The rent payable under each of the headleases for Whinfell Forest, Elveden Forest and Sherwood Forest is a nominal sum. The yearly rent payable under the headleases for Longleat Forest is currently £936,637 in aggregate subject to upwards-only review every five years by reference to the historic increase in revenue at Longleat Forest. The most recent rent review for Longleat Forest was settled in January 2020 and the next review is scheduled for 2025. The rent payable under the Woburn Forest lease is currently £641,412 per annum payable since March 2018 and subject to upwards only review every five years by reference to the greater of an increase in rent in line with the retail price index, a fixed percentage increase in the passing rent or the historic increase in revenue at Woburn Forest. The next rent review at Woburn Forest is scheduled for 31 March 2023. Other tenant obligations in the headleases include, but are not limited to, an obligation to keep the properties in good and substantial repair. A failure to pay rent, including as a result of any rent increases, or other breach of tenant obligation may result in an early termination of the relevant lease. Any early termination, delay in or inability to renew Center Parcs' existing leases may negatively impact its ability to operate its villages. Each Obligor has undertaken in the Issuer/Borrower Loan Agreements to pay, when due, all sums payable by it under each headlease, to perform and observe all of its material covenants under each headlease and not to commit a material breach of any headlease.

The headleases for Whinfell Forest and Longleat Forest do not contain mortgagee protection provisions in the event of forfeiture. The Woburn Forest headlease does contain mortgagee protection provisions and therefore, before the landlord can forfeit the headlease, it is obliged to notify the mortgagee of its intention to do so, giving the mortgagee, within a period of three months, the opportunity to i) enter into a deed of covenant with the landlord to comply with the tenant obligations in the lease or ii) procure an assignment of the lease to a third party in accordance with the terms of the headlease. If a landlord were to seek to forfeit a headlease, the Obligor owning the property and the security trustee under the Center Parcs Group's secured debt instruments would have a right to apply to the English courts to seek relief from forfeiture. The headleases for Elveden Forest and Sherwood Forest contain a proviso in the forfeiture clause that in the event of the landlord serving notice on the tenant alleging breach of any material covenant by the tenant, the landlord must contemporaneously serve a copy of the notice on any mortgagee of which the landlord has notice and the landlord must give not less than ten days' prior notice to any mortgagee to exercise any right of re-entry.

Any property on which the villages are located may be subject to compulsory purchase.

Any property in the UK may at any time be compulsorily acquired by a public authority possessing compulsory purchase powers (for instance, local authorities and statutory undertakings (including electricity, gas, water and railway undertakers) in respect of their statutory functions) if it can demonstrate that the acquisition is required. Where any land is acquired through compulsory purchase, such as the initiation of the compulsory purchase order for the acquisition of a portion of Center Parcs' property at Whinfell Forest in March 2022, compensation would be payable to Center Parcs as a result. However, any such compensation may not reflect the value to Center Parcs of the affected land.

Any promoter of a compulsory purchaser order would need to demonstrate that compulsory purchase was necessary or desirable for the promoter's statutory functions and for, or in, the public interest. As a general rule, in the event of an order being made in respect of all or any part of any holiday village, compensation would normally be payable on the basis that it be broadly equivalent to the open market value of all owners' and tenants' proprietary interests in the portion of the village subject to compulsory purchase at the time of the related purchase, so far as those interests are included in the order. Compensation would normally be payable in respect of the land acquired and the diminution in value of any retained land, reduction in rent and other adverse impacts of the compulsory purchase scheme.

There is often a delay between the compulsory purchase of a property and the payment of compensation, although advance payment of compensation is available representing 90% of the amount of compensation which the acquiring authority considers is due (where the acquiring authority takes possession before compensation has been agreed).

Compulsory purchase of all or any significant portion of property relating to the villages, or the payment of compensation that does not reflect the value to Center Parcs of affected land, may have a material adverse effect on Center Parcs' financial condition and results of operations.

Center Parcs is exposed to risks in connection with the funding of its pension commitments under the Center Parcs Senior Pension Scheme.

Center Parcs currently operates the Center Parcs Senior Pension Scheme, an occupational final salary (defined benefit) pension scheme ("**FS Scheme**"). Center Parcs' current pension funding commitments in respect of the FS Scheme are not considered material in the context of its revenue and assets. However, defined benefit pension scheme liabilities vary over time and the regulatory regime for pension schemes in the UK is undergoing change.

Valuations of all UK defined benefit plans are required to be conducted on at least a triennial basis in accordance with legislative requirements, and the trustees and employers of the applicable plan will be required to agree a recovery plan which seeks to pay off any funding deficit disclosed in the context of such valuations over an agreed period of time. Accordingly, Center Parcs is exposed to the risk that its pension funding commitments may increase over time in the context of subsequent valuations of the FS Scheme. The valuation in July 2020 revealed a deficit of £4.4 million on an on-going basis, following which a recovery plan was agreed which was intended to eliminate this deficit by 1 August 2025. As at 31 July 2022, the deficit in relation to the FS Scheme was £0.6 million.

Under the Pensions Act 2004 (the "**Pensions Act"**), if certain statutory requirements are met, the Pensions Regulator has "moral hazard" powers to impose liabilities relating to defined benefit pension schemes on the employing companies of the schemes and on persons who are, or have been, connected or associated with such employers (which in relation to the FS Scheme may extend beyond Centre Parcs group companies to include group directors, significant shareholders and non-UK group companies). The Pensions Regulator can require such persons: (i) to make contributions to the schemes (by imposing a contribution notice ("**CN**")) where there has been an act or omission, one of the main purposes of which is to avoid any "employer debt" becoming due or to compromise or otherwise reduce the amount of that debt or which otherwise has a materially detrimental impact on the likelihood of accrued scheme benefits being received), or (ii) to put in place arrangements for the financial support of the schemes (by imposing a financial support direction ("**FSD**"), in certain circumstances and where (for either (i) or (ii) above) the Pensions Regulator considers it reasonable to do so. The target must have been an employing company of the scheme or connected or associated with the employer within the previous six years in the case of CNs, and two years in the case of FSDs. Where a CN or FSD is issued against a target after a liquidation or administration in the UK has commenced in respect of that target, the relevant debt claim will be treated as a provable debt in the insolvency proceedings.

On 1 October 2021, certain amendments to the Pensions Act came into force which are relevant to Center Parcs, group directors and third parties:

- The circumstances in which the Pensions Regulator can issue a CN have been significantly widened by allowing the Pensions Regulator to issue a CN where an act or failure to act: (i) materially reduced the debt likely to be recovered from the employer in the event of an immediate insolvency (the "employer insolvency" test) or (ii) reduced the resources of the employer in a manner that was material when compared to the buyout deficit of the pension scheme (the "employer resources" test). In both of the two new tests, the Pensions Regulator must consider it reasonable to issue a CN.

- There are two new criminal offences of "risking accrued scheme benefits" (where a person engages in an act that they knew or ought to have known would have a materially detrimental impact on a defined benefit pension scheme) and "avoidance of employer debt" (where a person acts in a way that prevents the recovery of any employer debt which is due to a defined benefit pension scheme or otherwise compromises or settles such a debt and the person intended the act to have such an effect). Each offence carries a maximum penalty of unlimited fines and seven years in prison. Both of these offences are very broad in their scope. In addition, the way that the offences have been framed in the Pensions Act means that these offences target a wider range of parties than just those connected to the pension scheme's sponsoring employer, such as directors, as they are drafted to apply to any person. Acts of third parties, including banks, investors, and commercial counterparties, as well as acts of pension scheme trustees and professional advisers, could all fall within the scope of these new criminal offences. Unless a person has "reasonable excuse", criminal liability could be imposed. The Act includes no further details on how the "reasonable excuse" proviso would operate although the Pensions Regulator has published its policy on setting out its approach to the investigation and prosecution of these new criminal offences.

- The Pensions Act also introduces two new civil penalties known as the "financial penalty for avoiding employer debt" (where there has been a deliberate act or omission, one of the main purposes of which was to avoid any "employer debt" becoming due or to compromise or otherwise reduce the amount of that debt) and the "financial penalty for conduct risking accrued scheme benefits" (where there has been a deliberate act or failure to act which detrimentally affected in a material way the likelihood of accrued scheme benefits being received and the person knew or ought to have known it would have that effect). Any person may be issued with a fine under the new civil penalties as they do not apply only to employers in respect of occupational pension schemes and persons who are connected with or an associate of an employer. In both of the two new tests, it must not have been reasonable for the person to act or fail to act as they did. The maximum fine that the Pensions Regulator may impose is £1 million.

As a result, Center Parcs may incur additional expenditure and face other commercial and financial impacts to comply with existing as well as new or revised pensions legislation and regulations, new interpretations of existing laws and regulations or more rigorous enforcement of such laws and regulations, which could have a material adverse impact on Center Parcs' business, financial condition and results of operations.

Noteholders will not have recourse to any additional village outside the UK, its assets, revenues or cash flow. Development of any such village may divert management's time from villages in the UK.

The Class A Issuer/Borrower Loan Agreement permits management to devote up to 25% of its time towards any additional villages located outside the UK, including Longford Forest in the Republic of Ireland, which is outside of the Obligor Group, and does not permit any additional Center Parcs villages that may be developed outside the UK to accede to the Obligor Group (as is the case for any additional villages in the UK).

In July 2019, an indirect parent of Center Parcs (Holding 1) Limited opened a sixth village, Longford Forest, in County Longford, Republic of Ireland. Longford Forest is outside of the Obligor Group. Subject to the terms of the Class A Issuer/Borrower Loan Agreement, Center Parcs' management is permitted to provide a number of services to help develop and operate Longford Forest. These services include the provision of development services such as running tender processes for contractors and using reasonable endeavours to obtain required licenses and consents as well as operating services such as recruitment services, employee training, incorporating Longford Forest into the sales and marketing activity undertaken by the Center Parcs Group, the provision of customer services such as handling general guest queries via call centre and e-mail, the provision of a reservations system and the taking of bookings, pricing and budget setting, health & safety advice, compliance and legal support, financial reporting and IT support together with a range of other corporate support services. Although the Longford Management Services Agreement provides that Center Parcs will be compensated for management's time spent on Longford Forest, these arrangements may not sufficiently compensate Center Parcs for the cost of providing such services and may divert management's time from the management of villages in the UK, subject to the 25% limit described above.

Under the Class A Issuer/Borrower Loan Agreement, none of the Obligors will own assets relating to, or derive revenues from, Longford Forest or any other additional villages outside the UK. Noteholders will not have recourse to any such village outside the UK, its assets, revenues or cash flow. In addition, the development of additional villages outside the UK could divert management's time from the five existing villages or from any additional villages in the UK and may impose additional burdens on Center Parcs' limited management resources. This could have a material adverse effect on Center Parcs' financial condition, results of operations and business.

Center Parcs may not be able to successfully develop new villages and it may not realise desired returns from new villages or other villages it may acquire.

From time to time, Center Parcs evaluates suitable locations for new villages to develop or acquire. In July 2021, Center Parcs secured an option agreement for a potential sixth site in the UK at Oldhouse Warren, West Sussex. However, following environmental and ecological surveys, the site was not found to be suitable. Center Parcs plans to continue searching for a suitable location for a sixth site in the UK. Finding an appropriate site for an additional village in the UK may be difficult and any expenses or costs incurred in assessing the suitability of a site may not be recouped if the site is ultimately found to be unsuitable.

Holders of the Class A Notes or any Class B Notes will have recourse to any additional villages that Center Parcs constructs or acquires in the UK, including the potential sixth site, only if and when certain conditions under the Class A Issuer/Borrower Loan Agreement are satisfied following completion of the development of such additional villages so as to result in any such additional villages being transferred into the Obligor Group. Any new village development would be subject to planning permission and other relevant consents and there can be no assurance that such consents will be received. See "*The operation and development of Center Parcs' holiday villages are subject to planning and other consents, laws and regulations, which may constrain future development or new facilities and amenities. In addition, changes in use or planning consents relating to property neighbouring the villages may have a material detrimental effect on guests'* *enjoyment of the villages.*" Center Parcs may not be able to successfully identify and secure such locations or may not be able to successfully execute opening such villages.

New villages may fail to become operational on a timely basis or at all due to setbacks including but not limited to delays or failure to receive planning permissions or other consents, inability to meet development requests from local authorities, infrastructure issues, construction delays, inadequate or delayed financing, the delay or inability to recruit or manage appropriately skilled employees or the inability to identify or secure agreements with key suppliers or development partners. Furthermore, once opened, new villages may not attract anticipated volumes of guests, either in the short or long term, as a result of social distancing guidelines, reduced customer demand, differing customer expectations and preferences in these new locations or due to other factors.

The integration of a new village is a complex and time-consuming process. Center Parcs may not be able to integrate effectively any village it develops or acquires or successfully implement appropriate operational, financial and management systems and controls to achieve the benefits expected to result from such developments or acquisitions. Center Parcs may also be subject to unexpected claims and liabilities arising from such developments or acquisitions. These claims and liabilities could be costly to defend, could be material to its financial position and might exceed either the limitations of any applicable indemnification provisions or the financial resources of the indemnifying parties. The diversion of management's attention and any delays or difficulties encountered in connection with the integration of the businesses Center Parcs develops or acquires could negatively impact its business and results of operations. Further, the benefits that it anticipates from these new developments or acquisitions may not be realised.

Any expansion into a new country would result in Center Parcs being subject to the laws and regulations of that country, including taxation. As a result, Center Parcs' risk exposure to political and regulatory changes will increase as a result of opening a village in another country. The impact of, and costs associated with, complying with changes in interpretation of existing, or the adoption of new, legislation, regulations or other laws or licensing and authorisation regimes in the jurisdictions in which Center Parcs has plans to operate can be difficult to anticipate or estimate and could have a material adverse effect on Center Parcs' business, financial condition and results of operations. Expansion into a new country could also subject Center Parcs to risks related to adverse fluctuations in currency exchange rates. Further, the Class A Issuer/Borrower Loan Agreement permits management to only devote up to 25% of its time towards any additional villages located outside the UK, including Longford Forest in the Republic of Ireland, which is outside of the Obligor Group, and does not require any additional Center Parcs villages that may be developed outside the UK (including Longford Forest) to accede to the Obligor Group (as is the case for any additional villages in the UK).

Additionally, if Center Parcs wishes to use the Center Parcs brand for a village located outside of the UK, the Channel Islands and the Republic of Ireland, it must invite CP Continental Europe to participate in all aspects of the development, funding, ownership and future management of such village. If CP Continental Europe accepts the invitation, Center Parcs and CP Continental Europe would have to participate in the development and management of the village on terms identical to each other. As a result, Center Parcs may not be able to effectively integrate such village into its existing business structure, which may have a material adverse effect on Center Parcs' business, financial condition and results of operations.

The occurrence of any of these factors could negatively impact the ability of Center Parcs to generate the desired returns from its strategy of international expansion, which could have a material adverse effect on its business, financial condition and results of operations.

RISKS RELATING TO THE FINANCING STRUCTURE

The Fifth Valuation Report will not be independently verified by any of the Issuer, the Class A Global Coordinator and Arranger, the Managers, the Borrower Security Trustee, the Issuer Security Trustee or the Class A Note Trustee and there can be no assurance that the projections or assumptions used, estimates made or procedures followed in the reports and valuations are correct, accurate or complete or that the valuation reflects the actual value that may be achieved.

CBRE Limited has produced a report, subject to Special Assumptions (as defined therein) and to the other relevant assumptions set out in the report, (dated as of 3 April 2023) valuing the aggregate market value of the five Center Parcs properties, subject to Special Assumptions, at approximately £4,083,100,000 (the "**Fifth Valuation Report**"). Neither the Issuer nor Center Parcs, have made any independent investigation of any of the matters stated in these reports and will not and should not be held responsible therefor. In addition, there can be no assurance that the market value of a village will continue to be equal to or exceed the valuations subject to Special Assumptions given to it in the Fifth Valuation Report. Each valuation is subject to various limitations, qualifications and assumptions. Assumptions often differ from the current facts regarding such matters and are subject to various risks and contingencies, many of which are not within the control of the Issuer, the Class A Note Trustee, the relevant Security Trustee or the Obligors. Some of the risks highlighted in the Fifth Valuation Report are:

- all of the sites are in rural locations, therefore in the future, obtaining planning permission for new attractions may be difficult;
- in the event of a major downturn in performance there may be limited alternative use options for the sites due to their size, which will affect their resale value;

- the sites are management and capital intensive and controls will need to be maintained, in particular to maintain the historically high occupancy levels;
- should the ability to trade under the Center Parcs brand be removed then trading performance and subsequently values could be materially affected;
- in the event that the properties are marketed without deliverability of the Special Assumptions the values achieved may be materially lower than reported;
- the COVID-19 pandemic has shown that, although very resilient, the business is not immune to outside factors; and
- a combination of global inflationary pressures, higher interest rates, currency movements and recent geopolitical events in Ukraine has heightened the potential for greater volatility in property markets over the short-to-medium term.

Some of the future assumptions stated in the Fifth Valuation Report inevitably may not materialise, and unanticipated events and circumstances may occur subsequent to the date of the relevant valuation. Therefore, the actual results achieved may vary from the related valuation and such variations may be material.

Any change in the factors or assumptions underlying the appraisal, including deterioration in prevailing market or economic conditions, could materially adversely affect the market value determined for the respective valuation date.

A valuation is only an estimate of value and should not be relied upon as a measure of realisable value. Moreover, a valuation seeks to establish the amount a typically motivated buyer would pay a typically motivated seller. Such amount could be significantly higher than the amount obtained from the sale of any of the Properties in a distress or liquidation sale. As the market value of a village may change, there is no assurance that the aggregate market value of the villages will be equal to or greater than the unpaid principal and accrued interest and any other amounts due under the Class A Loans and the Class B Loans and therefore such amounts due under the Class A Notes and the Class B Notes. If a village is sold following a Loan Event of Default, there can be no assurance that the net proceeds of such sale will be sufficient to pay in full all amounts due under the Loans and therefore such corresponding amounts due under the Class A Notes and the Class B Notes.

RISKS IN RELATION TO SECURITY, ENFORCEMENT AND INSOLVENCY

The Borrower Security Trustee may be liable to third parties if recharacterised as a mortgagee in possession.

The Borrower Security Trustee may be deemed to be a mortgagee in possession if there is physical entry into possession of any village, a step-in enforcement of security or an act of control or influence which may amount, in effect, to possession.

A mortgagee in possession may incur liabilities to third parties in nuisance and negligence and, under certain statutes (including environmental legislation), can incur the liabilities of a property owner. The Borrower Security Trustee has the absolute discretion, at any time, to refrain from taking any action under the Transaction Documents, including becoming a mortgagee in possession in respect of a village unless it is satisfied at that time that it is adequately indemnified. Subject to being adequately indemnified under the terms of the Intercreditor Agreement, the Borrower Security Trustee ranks first in respect of the Priorities of Payments, both prior to and following an event of default thereunder, in respect of payment of any amounts owed to it under its indemnity, including in respect of the liabilities described in this paragraph.

Certain Obligors and the Issuer are incorporated in jurisdictions other than England and Wales and therefore may be subject to overseas insolvency law on the security enforcement process.

Matters relating to Jersey Issuer and Jersey Obligor (as defined below)

While Center Parcs (Jersey) 1 Limited (the "**Jersey Obligor**") and the Issuer are incorporated in Jersey, they will each be a tax resident in the UK (from where they will be controlled and all management functions will be operated).

The scope of the English courts' jurisdiction varies for the different insolvency (and restructuring) proceedings available in England and Wales but the English courts are, in certain circumstances, able to open insolvency or restructuring proceedings in relation to companies incorporated in a jurisdiction other than England and Wales.

Given the fact that the Issuer and the Jersey Obligor are managed and operated from England, and that this is ascertainable to a third party creditor (such that the creditor would assume their centre of main interests (as defined in the Insolvency (England and Wales) Rules 2016 ("**IEWR COMI**") is in England), it is likely that the Issuer's and the Jersey Obligor's IEWR COMI is in England as opposed to Jersey.

The definition of IEWR COMI has the same meaning as in Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings (as last amended by Regulation (EU) 2018/946 of the European Parliament and of the Council of 4 July 2018) (the "**EU Insolvency Regulation**"). The term "centre of main interests" is not a static concept and may change from time to time but is determined for the purposes of deciding which courts have competent jurisdiction to open insolvency proceedings at the time of the filing of the insolvency application. In the case of a company or legal person, the centre of main interests is presumed to be located in the country of the registered office in the absence of proof to the contrary. That presumption shall only apply if the registered office has not been moved within the three-month period prior to the request for the opening of insolvency proceedings. Specifically, the presumption of the centre of main interests being at the place of the registered office should be rebuttable if the company's central administration is located elsewhere to where it has its registered office, and where a comprehensive assessment of all the relevant factors establishes, in a manner that is ascertainable by third parties, that the company's actual centre of management and supervision and the centre of the management of its interests is located elsewhere. The courts have taken into consideration a number of factors in determining the centre of main interests of a company, including in particular where board meetings are held, the location where the company conducts the majority of its business or has its head office and the location where the majority of the company's creditors are established.

If the Issuer and the Jersey Obligor's IEWR COMI were in England at the relevant time, the Issuer and the Jersey Obligor may be subject to English administration, company voluntary arrangement, and certain liquidation proceedings. Formal insolvency (and restructuring) proceedings under the law of England may be initiated in a number of ways and by different parties depending on the process (see below the section headed 'English insolvency and restructuring laws/processes') for further summary detail on each process).

In addition, the English courts have jurisdiction to open compulsory liquidation proceedings or a scheme or arrangement or restructuring plan proceeding where there is a sufficient connection with England, regardless of the fact that the Issuer or the Jersey Obligor are incorporated outside of England and Wales. A sufficient connection can be established if the Issuer or the Jersey Obligor have its IEWR COMI in England (see above) or if the Issuer or the Jersey Obligor have assets in England. A sufficient connection can also be established where, for example, the Class A Notes are governed by English law.

If insolvency proceedings were to be opened in England and Wales such proceedings could be in parallel to proceedings opened elsewhere (for example in Jersey). Recognition of those proceedings in such other jurisdictions is likely to be a relevant consideration for the English courts prior to opening insolvency or restructuring proceedings. Such recognition would be a matter for the private international law of the relevant jurisdictions.

Alternatively, English insolvency law may also be applicable to the Issuer and the Jersey Obligor if a request for assistance is made by the Jersey court to the English court under section 426 of the Insolvency Act 1986.

Even if the Issuer's or the Jersey Obligor's IEWR COMI were in England, or section 426 of the Insolvency Act 1986 applied, it is unlikely that it will be possible to appoint an administrative receiver in respect of the Issuer or the Jersey Obligor in England (so as to prevent the appointment of an English administrator) using the capital market exemption described in more detail below. This is because notwithstanding the fact that their IEWR COMI may be in England, neither the Issuer nor the Jersey Obligor is likely to be considered to be a "company" for the purposes of section 29 of the Insolvency Act 1986 since it is not formed under one of the UK Companies Acts.

If insolvency proceedings were to be opened in a place other than England and Wales (e.g. Jersey), such foreign proceedings would not benefit from automatic recognition in England, although the foreign officeholder could apply under the UNCITRAL Implementing Regulations (as defined below), which provide that foreign insolvency proceedings may be recognised in England where a company has its centre of main interest (as that concept is used in the UNCITRAL Implementing Regulations) or an "establishment" (being a place of operations where it carries out a non transitory economic activity with human means and assets) in such foreign jurisdiction.

The UNCITRAL Model Law on Cross-Border Insolvency was implemented in Great Britain and Northern Ireland on 4 April 2006 by The Cross-Border Insolvency Regulations 2006, SI 2006/1030 (the "**UNCITRAL Implementing Regulations**"). Under the UNCITRAL Implementing Regulations, if foreign insolvency proceedings are commenced in respect of a company, then, upon application by the foreign representative (defined to be a person or body, including one appointed on an interim basis, authorised in a foreign proceeding to administer the reorganisation or the liquidation of the company's assets or affairs or to act as a representative of the foreign proceeding) and provided that certain requirements are met, the English courts are required to recognise such proceedings. Any such recognition may in effect impact upon the availability of certain types of creditor action in England and Wales and/or, provided certain further requirements are met, result in the application of English avoidance (including claw-back) provisions.

In addition, if the relevant foreign insolvency proceedings are recognised as "foreign main proceedings", then an automatic stay on certain types of creditor action (including the commencement or continuation of certain legal proceedings) and the company's right to transfer, encumber or otherwise dispose of its assets will be suspended in England and Wales. In general, this stay and suspension will not restrict rights relating to the enforcement of security or of a creditor to set-off its claim against a claim of the company (so long as these rights could be exercised in an English winding-up). However, the foreign representative may also make an application to an English court to exercise its discretion to provide further relief, including the imposition of a wider stay (which may extend to restrictions on the rights referred to above), particularly if the foreign proceedings in question are reorganisation proceedings which, under the foreign insolvency law, give rise to a stay on security enforcement.

It is therefore not possible to say with certainty where insolvency proceedings in respect of any entity will be brought.

English insolvency and restructuring laws/processes

Certain of the Obligors are companies incorporated under the laws of England and Wales (the "**English Obligors**" and each a "**English Obligor**"). Those Obligors' registered office is also located in England and Wales. Therefore any insolvency proceedings in respect of such Obligors would likely be commenced in England and conducted in accordance with the requirements of English insolvency laws in force at the time of commencement of the relevant proceedings. The scope of the English courts' jurisdiction varies for the different insolvency (and restructuring) proceedings available in England and Wales (further detail is set out below). To the extent that any of the English Obligors have any assets and/or creditors in any overseas jurisdictions and enters into insolvency proceedings in England, recognition of those proceedings in such other jurisdictions is likely to be a relevant consideration. Such recognition would be a matter for the private international law of the relevant jurisdictions.

However, insolvency proceedings in relation to the English Obligors could also be opened in a country other than England and Wales in circumstances dictated by the domestic local rules of the jurisdiction in which those insolvency proceedings were to be commenced.

Administration

The English insolvency statutes empower English courts to make an administration order in respect of an English company. An administration order can be made if the court is satisfied that the relevant company is or is likely to become "unable to pay its debts" and that the administration order is reasonably likely to achieve the purpose of administration. In addition, the holder of a "qualifying floating charge" over the assets of an English company may appoint an administrator out of court, provided such floating charge has become enforceable. In this case the prospective administrator must be satisfied that the purpose of administration is reasonably likely to be achieved. An English company or the directors of such company may also appoint an administrator out of court. The purpose of an administration comprises three parts which must be looked at successively: rescuing the company as a going concern or, if that is not reasonably practicable, achieving a better result for the company's creditors as a whole or, if neither of those objectives are reasonably practicable, and the interests of the creditors as a whole are not unnecessarily harmed thereby, realising property to make a distribution to secured or preferred creditors.

The rights of creditors, including secured creditors, are particularly curtailed in an administration. Upon the appointment of an administrator, no step may be taken to enforce security over the company's property, except with the consent of the administrator or leave of the court. There can be no assurance that the security agent would obtain this leave of the court or consent of the administrator. The same requirements for consent or leave apply to the commencement or institution of legal process (including legal proceedings, execution, distress or diligence) against the company or property of the company. In either case, a court will consider discretionary factors in determining any application for leave, in light of the hierarchy of statutory objectives of administration described above.

In addition, an administrator is given wide powers to conduct the business and, subject to certain requirements under the Insolvency Act 1986, dispose of the property of a company in administration, except in respect of assets which are subject to fixed charge security. However, the general prohibition against enforcement by secured creditors without consent of the administrator or leave of the Court, and the administrators' powers with respect to floating and other security, do not apply to any security interest created or arising under a financial collateral arrangement within the meaning of the Financial Collateral Agreements (No. 2) Regulations 2003 (UK). A financial collateral arrangement includes (subject to certain other conditions) a pledge over shares in a company, where both the collateral provider and collateral taker are non-natural persons.

An administrator's powers further extend to investigating why the company failed and, where appropriate, bringing actions against the directors or former directors or seeking to set aside certain transactions (see "English Antecedent Transaction Laws" below in respect of the latter). An administration does not itself terminate any contracts and an administrator does not have the power to disclaim contracts (although he or she can choose to breach a contract if he or she considers it to be in the best interests of the creditors as a whole, in which case the resulting damages will rank as an unsecured debt).

Liquidation/Winding-up

Liquidation is a terminal insolvency process pursuant to which the assets of a company are realised by the liquidator and the proceeds distributed to creditors in accordance with a statutory order of priority (see 'Statutory order of priorities' paragraph below), with any surplus paid to the shareholders. Once the liquidator has completed this task, the company will be dissolved and removed from the register of companies.

A liquidator owes his or her duties to the company and its creditors as a whole and has wide powers to do whatever is necessary for the conduct of the liquidation. This includes the power to: (i) agree, compromise and pay creditor claims; (ii) sell any of the company's property; (iii) bring or defend any legal proceedings on behalf of the company; (iv) disclaim onerous property or contracts in accordance with section 178 of the Insolvency Act 1986; (v) bring actions against the directors or former directors; and (vi) bring actions to set aside certain transactions (see "Antecedent Transaction Laws" below in respect of the latter).

Interest

Any interest accruing under or in respect of the Notes for any period from the date of commencement of administration or liquidation proceedings, to the extent not fully covered by the assets securing the Class A Notes, could be recovered by holders of the Class A Notes only from any surplus remaining after payment of all other debts provided in the proceeding and interest accrued but unpaid up to the date of the commencement of the proceeding.

Statutory order of priorities

Under English insolvency law, (i) certain preferential claims, including unpaid contributions to occupational pension schemes in respect of the twelve-month period prior to insolvency, unpaid employees' remuneration in respect of the four-month period prior to insolvency and claims by HMRC in respect of certain taxes including VAT and PAYE income tax (among others), and (ii) expenses of the liquidation or the administration, will, while ranking behind the claims of holders of fixed security, rank ahead of floating charges. In addition, a prescribed part of floating charge realisations (being 50 per cent. of the first £10,000 of net realisations and 20 per cent. of the net realisations thereafter, up to a maximum of £800,000) is required to be set aside for the benefit of unsecured creditors and, as such, ranks ahead of the relevant floating charge.

Administrative receivers: Floating charges given by the English Obligors may be deemed invalid for lack of consideration which would hinder the appointment of an administrative receiver.

Section 245 of the Insolvency Act 1986 provides that, in certain circumstances, a floating charge granted by a company may be invalid in whole or in part. If a floating charge is held to be wholly invalid then it will not be possible to appoint an administrator or administrative receiver of such company and, therefore, it will not be possible to prevent the appointment of an administrator of such company by another party. The risk is, if a liquidator or administrator is appointed to the Issuer or the relevant Obligor within a period of one year (or two years if the transaction is with a connected person) (the "**relevant time**") commencing upon the date on which the Issuer or that Obligor, as the case may be, grants a floating charge and the company is unable to pay its debts at this time of (or as a result of) entering into the transaction under which the floating charge is granted, the floating charge granted by the Issuer or that Obligor, as the case may be, will be invalid pursuant to section 245 of the Insolvency Act 1986 except to the extent of the consideration received by the relevant chargor at the time of or after the creation of the floating charge. The requirement for a company to be insolvent at the time of granting the floating charge or becoming insolvent as a consequence of entering into the relevant transaction does not apply where the floating charge is granted to a connected person.

The Issuer received consideration (namely, the Issuer issued the Original Class B Notes and the Class A2 Notes on the Closing Date, the Initial Class A4 Notes on the Second Issue Date, the Class B2 Notes on the Third Closing Date, the Further Class A4 Notes, the Class B3 Notes and the Class B4 Notes on the Fourth Closing Date, the Class A5 Notes and the Second Further Class A4 Notes on the Fifth Closing Date, the Class B5 Notes on the Sixth Closing Date and the Class B6 Notes on the Seventh Closing Date and has received or will receive the subscription monies therefor) and each of the Obligors will have received such consideration (namely, the Borrowers made drawings under the Issuer/Borrower Loan Agreements on the Closing Date, under the Class A Issuer/Borrower Loan Agreement on the Second Closing Date, Fourth Closing Date and Fifth Closing Date, and under the Class B Issuer/Borrower Loan Agreement on the Third Closing Date, the Fourth Closing Date, the Sixth Closing Date and the Seventh Closing Date. As such, during the relevant time the floating charge granted by the Issuer will be valid to the extent of the amount of Notes issued by the Issuer, the floating charges granted by the Borrowers will be valid to the extent of the amount drawn by the Borrowers under the Issuer/Borrower Loan Agreements and the floating charge granted by each of the Obligors will be valid to the extent of the fee paid to the Obligors but not valid for the full amount of the property charged. However, such limitation on the validity of the floating charges will not necessarily affect the ability of the Borrower Security Trustee to appoint an administrative receiver provided that the floating charge still extends and is valid in relation to substantially all of the respective Obligor's property in respect of the English Obligors — however, this will be a factual question to be determined at the time of a potential appointment and the availability of this remedy is discussed in further detail below. After the relevant time it will not be possible for the floating charges granted by each of the Issuer, the Borrowers or the English Obligors to be invalidated under section 245 of the Insolvency Act 1986.

The ability of the Borrower Secured Creditors to appoint an administrative receiver may be hindered by the application of the Enterprise Act 2002 in respect of floating charges.

The provisions of the Enterprise Act 2002 (the "**Enterprise Act**") restrict the right of the holder of a floating charge to appoint an administrative receiver (unless the security was created prior to 15 September 2003 or an exception applies) and instead give primacy to collective insolvency procedures (in particular, administration).

The Insolvency Act 1986 contains provisions that continue to allow for the appointment of an administrative receiver in relation to certain transactions in the capital markets. The relevant exception provides that the appointment of an administrative receiver is not prohibited if it is made in pursuance of an agreement which is or forms part of a capital market arrangement (as defined in the Insolvency Act 1986) under which a party incurs or, when such agreement was entered into was expected to incur, a debt of at least £50,000,000 and if the arrangement involves the issue of a capital market investment (also defined in the Insolvency Act 1986, but generally a rated, listed or traded debt instrument). Whilst there is no case law, as yet, on how these provisions will be interpreted, it should be applicable to floating charges created by the English Obligors and assigned by way of security to the Borrower Security Trustee. However, as this issue is partly a question of fact, were it not possible to appoint an administrative receiver in respect of one or more of the English Obligors, they would be subject to administration if they were to become insolvent.

It should be noted that, since the Jersey Obligor and the Issuer are incorporated in jurisdictions other than England and Wales, it is unlikely that it will be possible to appoint an administrative receiver in respect of these entities in England (so as to prevent the appointment of an English administrator) using the capital markets provisions. Accordingly, if the Issuer's and the Jersey Obligor's IEWR COMI were found to be in England, they could be placed into administration. However, it should be noted that the Issuer is structured to be "bankruptcy remote" so therefore it should not be subject to any insolvency proceedings. The main asset-owning Obligors (namely CP Opco, CP Woburn Opco and the Propcos) and their immediate parent companies are all English companies so therefore administrative receivership is possible for these companies.

The UK Secretary of State may, by secondary legislation, modify the exceptions to the prohibition on appointing an administrative receiver and/or provide that the exception shall cease to have effect. No assurance can be given that any such modification or provision in respect of the capital market exception, or its ceasing to be applicable to the transactions described in this Supplemental Bondholder Report, will not be detrimental to the interests of the Class A Noteholders.

Restructuring procedures

As well as formal insolvency proceedings, there are various restructuring tools under the laws of England which an English-incorporated company may be subject to and which may adversely affect investors and their ability to enforce their rights relating to the Class A Notes. Some of these processes are under the Companies Act 2006 (e.g. a scheme of arrangement and a restructuring plan) and some under the Insolvency Act 1986 (e.g. a company voluntary arrangement).

Each of these processes allows the company to reach a compromise or arrangement with its creditors (or certain classes of creditor) which, provided the relevant statutory requirements are met (which differ as between the different processes), will be binding on all affected creditors regardless of whether or not they voted in favour of the compromise (and in respect of a restructuring plan with the possibility for a whole class of creditors to be crammed down provided certain conditions are met), and regardless of the terms and approval thresholds contained in the finance documents. Note, a company voluntary arrangement cannot affect the right of a secured creditor to enforce its security, except with its consent.

English antecedent Transactions laws

Guarantees and security may constitute a transaction at an undervalue or preference.

A liquidator or administrator appointed in England over an Obligor could apply to the court to unwind the issuance of that Obligor's guarantee if such liquidator or administrator believed that issuance of such constituted a transaction at an undervalue. It will only be a transaction at an undervalue if at the time of the transaction or in consequence of the transaction, the Obligor is unable to pay its debts or becomes unable to pay its debts (as defined in Section 123 of the Insolvency Act 1986). The transaction can be challenged if the Obligor enters into liquidation or administration proceedings within a period of two years from the date the Obligor grants the guarantee. A transaction might be subject to being set aside as a transaction at an undervalue if the company made a gift to a person, if the company received no consideration or if the company received consideration of significantly less value, in money or money's worth, than the consideration given by such company.

The Obligor Group believes that each guarantee will not be a transaction at an undervalue and that each guarantee will be provided in good faith for the purposes of carrying on the business of each Obligor and its subsidiaries and that there are reasonable grounds for believing that the transactions will benefit each such Obligor. However, there can be no assurance that the provision of the guarantees will not be challenged by a liquidator or administrator or that a court would support the Obligor Group analysis.

If the liquidator or administrator can show that any of the Obligor Group or one of the Obligors have given a "preference" to any person within six months of the onset of liquidation or administration (or two years if the preference is to a "connected person") and, at the time of the preference, that Obligor Group or that Obligor were unable to pay their debts within the meaning of section 123 of the Insolvency Act 1986 or became unable to do so as a result of the preferential transaction, a court has the power, among other things, to void the preferential transaction. For these purposes, a company gives preference to a person if that person is one of the company's creditors (or a surety or guarantor for any of the company's debts or liabilities) and the company takes an action which has the effect of putting that person into a position which, in the event of the company going into insolvent liquidation, will be better than the position that person would have been in if that thing had not been done. The court may not make an order avoiding a preferential transaction unless it is satisfied that the company was influenced by a desire to put that person in a better position. This provision of English insolvency law may affect transactions entered into or payments made by any of the Obligors during the relevant period prior to the liquidation or administration of such Obligor.

In addition, if it can be shown that a transaction entered into by a company was made for less than fair value and was entered into for the purposes of putting assets beyond the reach of creditors, then the transaction may be set aside as a transaction defrauding creditors. Any person who is a "victim" of the transaction, and not just liquidators or administrators, may assert such a claim. There is no statutory time limit within which a claim must be made (although the normal provisions under the Limitation Act 1980 will apply) and the company need not be insolvent at the time of the transaction. The Obligors do not believe that they have entered into any transactions which may be regarded as being for less than fair value or for the purposes of putting assets beyond the reach of their creditors.

Fixed security interests may be recharacterised as floating security interests due to the degree of control exercised over certain underlying assets, including over bank accounts.

There is a possibility that a court could find that the fixed security interests expressed to be created by the security documents governed by English law could take effect as floating charges as the description given to them as fixed charges is not determinative.

Whether the fixed security interests will be upheld as fixed security interests rather than floating security interests will depend, among other things, on whether the Borrower Security Trustee or, as the case may be, the Issuer Security Trustee has the requisite degree of control over the relevant assets and exercises that control in practice.

Each Borrower has, in accordance with the terms of the Class A Issuer/Borrower Loan Agreement, established a number of bank accounts into which, among other things, rental income and disposal proceeds in respect of the relevant villages must be paid. Each Borrower has, pursuant to the terms of the Borrower Deed of Charge and the Woburn Deed of Charge, granted security over all of its interests in its relevant accounts, which security is, other than in the case of certain operating accounts, expressed to be a first fixed charge. Furthermore, under the Issuer Deed of Charge, the Issuer has granted security over all of its bank accounts, which security is also expressed to be fixed security.

Although the various bank accounts are stated to be subject to various degrees of control, there is a risk that, if the Issuer Security Trustee or the Borrower Security Trustee (as applicable) does not exercise the requisite degree of control over the relevant accounts in practice, a court could determine that the security interests granted in respect of those accounts take effect as floating security interests only and that the security interests granted over the assets from which the monies paid into the accounts are derived also take effect as floating security interests only, notwithstanding that the security interests are expressed to be fixed. In such circumstances, monies paid into accounts or derived from those assets could be diverted to pay preferential creditors, the costs of the insolvency process and certain other liabilities were a receiver, liquidator or administrator to be appointed in respect of the relevant company in whose name the account is held. Where the charging company is free to deal with the secured assets or their proceeds in the course of its business without the consent of the charge holder, a court is likely to hold that the security interest in question constitutes a floating charge, whatever its other characteristics, notwithstanding that in the security document the security interest may be expressed in words that indicate an intention to create a fixed security interest.

If the fixed security interests are recharacterised as floating security interests, the claims of (i) the unsecured creditors of the relevant Obligor incorporated in England and Wales (or otherwise subject to insolvency proceedings in England and Wales) or, as the case may be, the Issuer in respect of that part of the English Obligor's net property which is ring-fenced as a result of the Enterprise Act 2002 and (ii) certain statutorily defined preferential creditors of the relevant English Obligor, may have priority over the rights of the Borrower Security Trustee or the Issuer Security Trustee, as the case may be, to the proceeds of enforcement of such security in accordance with s176A of the Insolvency Act 1986. To the extent that the assets of the Issuer or any Obligor are subject only to a floating charge (including any fixed charge recharacterised by the courts as a floating charge), in certain circumstances under the provisions of section 176A of the Insolvency Act 1986, certain floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Issuer Deed of Charge or the Borrower Deed of Charge or the Woburn Deed of Charge may be first used to satisfy any claims of unsecured creditors, up to an amount equal to £800,000 in respect of each relevant Obligor. As a result, the full amount of the proceeds of enforcement of the security may not be available to repay Class A Notes.

Further, the costs and expenses of a liquidation or administration (including corporation tax on capital gains) will be payable out of floating charge assets in priority to the claims of the floating charge-holder. As a result of the changes described above, upon the enforcement of the floating charge security granted by an English Obligor, floating charge realisations which would otherwise be available to satisfy the claims of secured creditors under the Issuer Deed of Charge and/or the Borrower Deed of Charge and/or the Woburn Deed of Charge may be reduced by at least a significant proportion of any liquidation or administration expenses.

SELECTED HISTORICAL FINANCIAL AND OPERATING INFORMATION

The following tables present selected historical consolidated financial information of Center Parcs for the periods indicated. This selected historical financial information is based on the audited consolidated financial statements and notes thereto of Center Parcs as at and for the 52-week periods ended 23 April 2020, 22 April 2021 and 21 April 2022 incorporated by reference in this Supplemental Bondholder Report, and the unaudited condensed financial information of Center Parcs as at and for the 36-week periods ended 30 December 2021 and 29 December 2022. The following selected historical consolidated financial information should be read in conjunction with "*Presentation of Financial Information*", as well as the consolidated financial statements and related notes of Center Parcs incorporated by reference in this Supplemental Bondholder Report.

The audited consolidated financial statements of the Issuer, CP Opco and Center Parcs (Holdings 1) Limited (the "**Reporting Entities**") as at and for each of the 52-week periods ended 22 April 2021 and 21 April 2022 (the "**2021 and 2022 Audited Financial Statements**") have been prepared in accordance with UK adopted international accounting standards. Consequently, the 2021 and 2022 Audited Financial Statements have not been prepared in accordance with International Financial Reporting Standards as endorsed in the European Union based on Regulation (EC) No 1606/2002. The Reporting Entities have determined that there would be no material differences in the 2021 and 2022 Audited Financial Statements had Regulation (EC) No 1606/2002 been applied to the 2021 and 2022 Audited Financial Statements.

The financial statements of Center Parcs have been audited under International Standards on Auditing (UK). International Standards on Auditing (UK) comply fully with International Standards on Auditing. The only differences, which are not significant, are additional requirements on auditors under the International Standards on Auditing (UK). The International Standards on Auditing (UK) and International Financial Reporting Standards as adopted by the EU are identical other than in name.

During the 52-week period ended 23 April 2020, the Center Parcs villages were closed from 20 March 2020 to the end of the period due to the COVID-19 pandemic. In addition, during the 52-week period ended 21 April 2021, all five of the Center Parcs villages were closed from the beginning of the period to 13 July 2020, 5 November 2020 to 4 December 2020 and 21 December 2020 to the end of the period and were only open with capacity restrictions for the remaining periods and were also subject to localised closures as a result of the tier restrictions. In addition, the Group operated with self-imposed capacity restrictions for most of financial year 2022. Accordingly, the results for financial years 2020, 2021 and 2022 are not directly comparable to each other or to later periods presented in this Supplemental Bondholder Report.

The selected historical consolidated financial information included below and incorporated by reference in this Supplemental Bondholder Report is not necessarily indicative of, and does not constitute projections for, the financial results for the Center Parcs Group for any future period.

Income Statement Data

	52 weeks ended 23 April 2020	52 weeks ended 22 April 2021	52 weeks ended 21 April 2022	36 weeks ended 30 December 2021	36 weeks ended 29 December 2022
		£m		£m unaudited	
Revenue	**443.7**	**122.2**	**503.4**	**354.8**	**426.6**
Cost of sales	(127.2)	(48.9)	(128.4)	(86.0)	(109.9)
Gross profit	**316.5**	**73.3**	**375.0**	**268.8**	**316.7**
Administrative expenses	(118.7)	(85.2)	(129.4)	(83.3)	(103.1)
Depreciation and amortisation	(60.8)	(62.5)	(62.4)	(45.4)	(45.5)
Total Operating Expenses	(179.5)	(147.7)	(191.8)	(128.7)	(148.6)
Operating profit/(loss)	**137.0**	**(74.4)**	**183.2**	**140.1**	**168.1**
Movement in fair value of financial derivatives	—	25.2	(12.1)	—	—
Finance income	0.3	0.1	0.2	—	0.9
Finance expense	(94.3)	(108.0)	(105.1)	(73.1)	(70.5)
Profit/(loss) before taxation	**43.0**	**(157.1)**	**66.2**	**67.0**	**98.5**
Taxation	(20.0)	29.3	(43.9)	—	—
Profit/(loss) for the period attributable to equity shareholders	**23.0**	**(127.8)**	**22.3**	**67.0**	**98.5**

Balance Sheet Data

	As at 23 April 2020	As at 22 April 2021	As at 21 April 2022	As at 29 December 2022
		£m		£m unaudited
Assets				
Non-current assets				
Goodwill	157.5	157.5	157.5	157.5
Other intangible assets	145.6	140.0	136.2	133.7
Property, plant and equipment	1,475.2	1,460.4	1,450.1	1,446.3
Right-of-use assets	32.6	32.1	31.5	31.1
Deferred tax asset	0.4	0.1	—	-
Retirement Benefit Surplus	—	—	1.0	1.6
	1,811.3	**1,790.1**	**1,776.3**	**1,770.2**
Current assets				
Inventories	1.8	3.5	3.6	4.5
Trade and other receivables	10.9	13.6	7.6	12.4
Current tax asset	8.6	1.3	1.3	5.5
Cash and cash equivalents	36.4	94.0	153.0	95.7
Derivative financial instruments	—	25.2	13.1	13.1
	57.7	**137.6**	**178.6**	**131.2**
Liabilities				
Current liabilities				
Borrowings	(0.1)	(70.0)	—	-
Trade and other payables	(147.4)	(196.2)	(227.4)	(198.4)
	(147.5)	**(266.2)**	**(227.4)**	**(198.4)**
Net current liabilities	**(89.8)**	**(128.6)**	**(48.8)**	**(67.2)**
Non-current liabilities				
Borrowings	(1,881.2)	(1,901.0)	(1,906.5)	(1,908.0)
Lease liabilities	(36.5)	(36.9)	(37.3)	(37.7)
Retirement benefit obligations	(1.6)	(0.6)	—	—
Deferred tax liability	(111.1)	(81.1)	(119.0)	(119.0)
	(2,030.4)	**(2,019.6)**	**(2,062.8)**	**(2,064.7)**
Net liabilities	**(308.9)**	**(358.1)**	**(335.3)**	**(361.7)**
Equity				
Equity share capital	1.0	1.0	1.0	1.0
Share premium	41.5	119.9	119.9	119.9
Other reserve	(154.0)	(154.0)	(154.0)	(154.0)
Retained earnings	(197.4)	(325.0)	(302.2)	(328.6)
Total equity	**(308.9)**	**(358.1)**	**(335.3)**	**(361.7)**

Cash Flow Statement Data

	52 weeks ended 23 April 2020	52 weeks ended 22 April 2021	52 weeks ended 21 April 2022	36 weeks ended 30 December 20 21	36 weeks ended 29 December 2022
		£m			£m unaudited
Cash flows from operating activities					
Operating profit/(loss)	137.0	(74.4)	183.2	140.1	168.1
Depreciation and amortisation	60.8	62.5	62.4	45.4	45.5
Working capital movements	(32.5)	39.8	38.5	(7.9)	(47.3)
Difference between the pension charge and contributions	(0.6)	(0.9)	(0.8)	(0.6)	(0.6)
Corporation tax (paid)/refunded	(13.1)	6.9	(4.9)	(2.0)	(4.2)
Payments for taxation group relief	(0.4)	—	(1.8)	—	(1.3)
Net cash from operating activities	**151.2**	**33.9**	**276.6**	**175.0**	**160.2**
Cash flows used in investing activities					
Purchase of property, plant and equipment	(53.5)	(36.3)	(43.4)	(29.4)	(43.2)
Purchase of intangible assets	(4.3)	(2.9)	(3.2)	—	—
Sale of property, plant and equipment	0.1	0.1	0.3	—	—
Interest received	0.3	0.1	0.2	—	0.9
Net cash used in investing activities	**(57.4)**	**(39.0)**	**(46.1)**	**(29.4)**	**(42.3)**
Cash flows from financing activities					
Repayment of external borrowings	(0.3)	(230.1)	(250.0)	(250.0)	—
Proceeds from external borrowings	—	250.0	255.0	255.0	—
Issue costs and consent fees on secured debt	(0.4)	(4.2)	(3.0)	(3.0)	—

Break costs on secured debt	—	(2.5)	(2.7)	(2.7)	—
Covenant waiver fees	—	(2.6)	—	—	—
Receipt of working capital facility from shareholder[1]	—	70.0	—	—	—
Repayment of working capital facility to shareholder[1]	—	—	(70.0)	—	—
Interest paid	(96.9)	(96.1)	(100.6)	(50.7)	(50.3)
Repayment of lease liabilities	(0.3)	(0.2)	(0.2)	—	—
Equity contributions	41.5	78.4	—	—	—
Dividends paid	(61.2)	—	—	—	(124.9)
Net cash (used in)/from financing activities	**(117.6)**	**62.7**	**(171.5)**	**(51.4)**	**(175.2)**
Net (decrease)/increase in cash and cash equivalents	(23.8)	57.6	59.0	94.2	(57.3)
Cash and cash equivalents at the beginning of the period	60.2	36.4	94.0	94.0	153.0
Cash and cash equivalents at the end of the period	**36.4**	**94.0**	**153.0**	**188.2**	**95.7**
Reconciliation of net cash flow to movement in net debt					
(Decrease)/increase in cash and cash equivalents	**(23.8)**	**57.6**	**59.0**	**94.2**	**(57.3)**
Cash out/(in)flow from movement in debt	0.3	(19.9)	(5.0)	(5.0)	-
Change in net debt resulting from cash flows	**(23.5)**	**37.7**	**54.0**	**89.2**	**(57.3)**
Non—cash movements and deferred issue costs	(2.0)	0.2	(0.5)	0.2	(1.5)
Movement in net debt in the period	**(25.5)**	**37.9**	**53.5**	**89.4**	**(58.8)**
Net debt at beginning of the period	(1,819.4)	(1,844.9)	(1,807.0)	(1,807.0)	(1,753.5)
Net debt at end of the period[2]	**(1,844.9)**	**(1,807.0)**	**(1753.5)**	**(1,717.6)**	**(1,812.3)**

(1) Receipt of working capital facility from shareholder represents the £70.0 million working capital facility provided by the Brookfield Funds to the Group during the 52-week period ended 22 April 2021 partly to ensure that the Group maintained sufficient levels of liquidity to continue its operations despite decreasing revenues as a result of COVID-19 restrictions. The Group repaid the working capital facility in full during the 52-week period ended 21 April 2022.

(2) Net debt represents third party borrowings less cash and cash equivalents.

Certain Operating Data

The following table sets out certain key operating metrics for the 52-week periods ended 23 April 2020, 22 April 2021 and 21 April 2022 and for the 36-week periods ended 30 December 2021 and 29 December 2022, respectively.

	52 weeks ended 23 April 2020	**52 weeks ended 22 April 2021**	**52 weeks ended 21 April 2022**	**36 weeks ended 30 December 2021**	**36 weeks ended 29 December 2022**
Number of units of accommodation	4,323	4,335	4,334	4,335	4,333
Maximum number of available accommodation nights (thousands)	1,573	1,577	1,578	1,092	1,092
Occupancy (%)[1]	88.0%	22.4%	80.5%	79.8%	97.3%
ADR (£)[2]	194.91	238.70	256.09	267.60	252.14
RevPAL (£)[3]	171.54	53.45	206.23	213.63	245.41

(1) Occupancy refers to the average number of units of accommodation occupied as a percentage of the total number available. Units of accommodation are deemed to be occupied when utilised during the relevant period under review. When units of accommodation are out of service for refurbishment, they are still included in the occupancy calculations. Center Parcs is focused on driving occupancy levels to optimise the number of guests, which in turn increases accommodation revenue and optimises on-site expenditure.

(2) ADR, or Average Daily Rate, refers to the average rent (excluding VAT) achieved based on total accommodation income for the period divided by the total number of accommodation nights sold. Center Parcs uses ADR to help measure and maximise its yield.

(3) RevPAL, or Rent Per Available Lodge Night, refers to the average daily rent (excluding VAT) achieved based on the total accommodation income divided by the total available number of accommodation nights. Center Parcs' management believes RevPAL to be the most meaningful key performance indicator because it takes into account both occupancy and ADR.

INDUSTRY

Overview of the UK Holiday Market

The UK holiday market is defined as the market for UK residents holidaying in the UK (domestic but excluding Northern Ireland) and UK residents holidaying internationally (overseas).

Center Parcs operates in the UK holiday centres market, which consists of three segments: (a) traditional holiday centres; (b) holiday parks centred around caravan or lodge accommodation; and (c) forest villages. These sub-segments of the holiday market are described later on in this section.

Economic Environment and Outlook

Global Financial Crisis and Aftermath

Based on Mintel's analysis, following the global financial crisis in 2008, the performance of the UK holiday market was continuously impacted until 2014. Historical data shows that growth rates in domestic tourism tend to rise and fall in relation to growth rates in the overseas holiday market. The last recession worked to the advantage of UK tourism, in which Center Parcs is present, triggering a steep drop in holidays abroad and a "staycation effect" which saw many consumers switching from overseas destinations to holidays closer to home.

As reported by Mintel, 56% of UK adults plan to take a holiday in the UK in the 12 months following August 2022, which is 3 percentage points higher than in the previous year. In addition, of those who have been on holiday in the UK in the 12 months to August 2022 and plan to take a holiday in the UK in the 12 months following August 2022, 25% intend to take more staycations, compared to 8% who plan to take fewer staycations.

Cost of Living Crisis

In the year ended 31 December 2022, inflation has accelerated to double-digit rates (RPI at 13.4% as of January 2023) due to supply chain disruptions and the war in Ukraine, reaching its highest level in over 40 years. Ultimately, this has led to a decline in real wages, with median household incomes falling by 3% in real terms between 2022 and 2023 and consumer confidence dropping to an all-time low, with the GfK Consumer Confidence Index dropping to -45 in January 2023.

According to Mintel, booking levels in 2022 kept up relatively well compared to the years prior to COVID-19 despite economic challenges, as the holiday market benefited from consumers' increased desire to travel after the lifting of COVID-19 related national lockdown measures and increase in consumer savings. Although the demand for international travel increased as more countries eased travel restrictions in 2022, the UK remained a popular choice, which was driven by disruptions at airports and some remaining concerns around COVID-19.

According to Mintel, the value of the domestic holiday market is expected to remain above pre-pandemic levels in the long term, although it is expected to decline by 2% in 2023 compared to 2022. The volume of UK domestic holidays, estimated to have been just under pre-COVID-19 levels in 2022, is expected to fall by 4% in 2023. The near-term fall is attributed to inflation rates. However, domestic travel is expected to remain a preference versus international travel as UK consumers focus on saving.

According to VisitBritain's Domestic Sentiment Tracker, 70% of respondents intend to take an overnight trip at least once over the next 12 months, while 52% intend to take an overseas trip. These levels are well above those anticipated in January 2022 when these figures were 58% and 40% respectively. The top potential barrier to taking overnight UK trips in the next 6 months is the rising cost of living and this is consistent across all life stages (pre-nesters, families, older independents and retirees). Although 29% of respondents report that they plan to cut the number of overnight trips, this number has progressively declined since October 2022 when 40% of respondents said they would reduce the number of trips.

Outlook and Impact of COVID-19

While COVID-19 had a significant impact on holiday figures, particularly for overseas trips. the figures are now recovering. According to Mintel estimates, the total volume of British holidays for 2022 is expected to be 60.0 million trips which is almost at the pre-pandemic levels of 60.5 million trips in 2019. The volume of overseas holidays taken by UK residents is also estimated to be 45.7 million trips for 2022 which is a 22.2% decrease from 2019. The recovery post COVID is expected to continue, with Mintel forecasting 2027 holiday volumes to be 62.1 million trips for British holidays (a 3.5% increase from 2022 estimates) and 59.9 million trips for overseas holidays (a 31.2% increase from 2022 estimates and above pre-pandemic figures).

UK Holiday Centre Market Trends

The longer-term key trends impacting the UK holiday centres market include the following:

Change in Guests: Socio-Economic Profile

According to Mintel, changes in socio-economic groups ("**SEG**") and in particular the growth in the ABC1 category ("**ABC1**") have historically benefited the holiday market and are likely to continue to do so in the medium term. SEGs are based on the chief income earner and are defined as follows:

SEG		Occupation of Chief Income Earner
A	.....	Higher managerial, administrative or professional
B	.....	Intermediate managerial, administrative or professional
C1	.....	Supervisory or clerical and junior managerial, administrative or professional
C2	.....	Skilled manual workers
D	.....	Semi-skilled and unskilled manual workers
E	.....	Unemployed

With high standards and expectations for their holidays, the ABC1 SEGs form the core target customer base for Center Parcs. According to the latest available data from Mintel, the ABC1 segment as a whole represented 55% of the UK population making it the largest segment of the UK population.

Adult Population by Socio-Economic Group

	As Percentage of population (%)
AB	26.0
C1	29.0
ABC1 subtotal	**55.0**
C2	21.0
DE	24.0
Total	**100.0**

Source: UK Holiday Review Market Report 2023 (January 2023)

Changes in Demographics

According to the ONS, growth in demand for holiday centres in the UK is expected to be positively affected by demographic changes, including the rise in the number of families with young children in particular. Based on data released in January 2022, the number of children aged 10-14 in the UK is forecast to increase by 4.5% by 2025, from 4.0 million in 2020 to 4.2 million in 2025. The number of 15-19-year olds is forecast to increase by 12.8% over the same period.

The ONS forecasts the number of adults aged 25-44 years to increase from 17.5 million in 2020 to 17.8 million in 2025 (an increase of approximately 1.7%). This growth is expected to benefit the UK holiday centre market as it increases the number of prime target guests, namely families, for holiday centres over the short to medium term.

Mintel believes the government's existing railcard discount scheme for 16 to 25-year-olds (offering a 33% discount on train fares) which was extended to those aged between 26 and 30 in the spring of 2018, should incentivise 26 to 30-year-olds to visit more UK destinations for breaks.

Trends in the Age Structure of the UK Population, 2020-2030

	2020		2025[(1)]		2030[(1)]		% change 2020-25[(1)]	% change 2020-30[(1)]
	'000	%	'000	%	'000	%		
0-4.............	3,782	5.6	3,371	4.9	3,323	4.8	(10.9)	(12.1)
5-9.............	4,147	6.2	3,895	5.7	3,474	5.0	(6.1)	(16.2)
10-14.........	4,045	6.0	4,228	6.2	3,969	5.7	4.5	(1.9)
15-19.........	3,684	5.5	4,155	6.1	4,329	6.3	12.8	17.5
20-24.........	4,133	6.2	3,952	5.8	4,398	6.4	(4.4)	6.4
25-34.........	8,999	13.4	8,856	13.0	8,482	12.3	(1.6)	(5.7)
35-44.........	8,496	12.7	8,937	13.1	9,075	13.1	5.2	6.8
45-54.........	8,920	13.3	8,377	12.3	8,469	12.2	(6.1)	(5.1)
55-64.........	8,367	12.5	8,961	13.1	8,692	12.6	7.1	3.9
65+	12,509	18.6	13,574	19.9	14,997	21.7	8.5	29.9
Total	**67,081**	**100.0**	**68,305**	**100.0**	**69,207**	**100.0**	**1.8**	**3.2**

Source: Office for National Statistics UK

(1) Projected. Based on 2020 National Population Projections, released in January 2022

Multiple Holiday Taking and Trend Towards Shorter Breaks

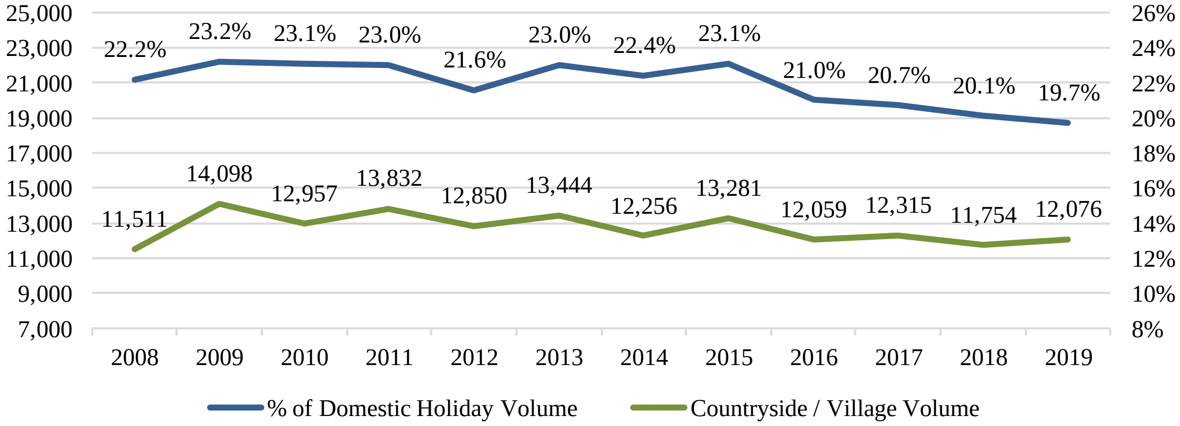
Prior to COVID-19, the trend towards shorter breaks remained steady with the UK short break market (1-3 nights) outperforming the UK domestic market as a whole. According to the GBTS, short breaks comprising between one to three nights accounted for almost two-thirds of the total UK domestic tourism market over 2015 to 2018, and the volume of breaks of up to 7 days increased by 1.4% over the same period. In 2019, 67% of domestic breaks in Great Britain were for a period of 1-3 nights, an increase of 8.2% from 2018, with a further 29% being for 4-7 nights, as reported by the GBTS. In 2019, according to the GBTS, 34% of domestic trips were taken by families and in 2021 (April to December), domestic breaks in Great Britain were for an average period of 3.5 nights.

Domestic Holiday Behaviour and Destination

According to Mintel estimates, the volume of domestic holidays taken by British residents is expected to grow by 3.7% to 60.0 million in 2022 from 57.9 million in 2018, while domestic holiday expenditure is expected to rise by 9.6% over the same period to £15.7 billion. Mintel's research indicates that 65% of the UK adult population took a domestic holiday in the year to October 2022, versus 37% who took a holiday overseas in the same period.

Domestic holiday participation has risen since the Brexit referendum in 2016, which, according to Mintel, shows that holidaying is among the highest priorities of British nationals. As shown in the chart below, the number of domestic countryside holidays has historically remained broadly the same, reflecting stable demand for holiday offerings in natural surroundings.

Domestic Holiday Volumes for Countryside/Village 2008-19[(1)]



Source: GBTS / Mintel (from Mintel Domestic Tourism: Inc Impact of COVID-19 – UK - December 2020)

(1) Percentage calculations based on total holiday volumes consisting of the sum for the following categories: Seaside, City/large town, Small town and Countryside/village. The sum of the four destination types exceeds total market volume reported in the December 2020 Domestic Tourism report as there are a proportion of holidays which combine more than one destination type. Directly comparable data for more recent periods is not available.

According to Mintel a "digital detox" trend is accelerating, where city dwellers seek to escape their smartphones and computers. Thus, there is a growing need for holiday brands to encourage those in the 16 to 34-year-old age bracket to disconnect and de-stress in the countryside. Increased screen time as a result of COVID-19 has increased the value of breaking free of the virtual world, and therefore, Mintel suggests rural escapes that involve digital detox activities and breaks are likely to appeal to more consumers than prior to COVID-19.

Market Segmentation and Product Offering

While Center Parcs believes that it has a unique product offering, it is sometimes considered to be part of the UK holiday centres market. The UK holiday centres market is divided into three distinct segments: (a) traditional holiday centres; (b) holiday parks (large caravan/chalet parks offering an extensive range of holiday centre facilities); and (c) forest villages (also considered as holiday centres but aimed more at rural quiet rather than holiday bustle). These segments compete with each other to a certain extent within the UK holiday centres market. However, while traditional holiday centres and holiday parks tend to be coastal sites, dominated by guests mainly from the C1-C2 socio-economic category, forest villages are based in woodland sites and attract mainly ABC1 families looking for active forest village breaks and premium lodge park accommodation.

According to Mintel, 36% of all family holidaymakers view freedom for their children to play outside and explore as an important holiday factor, with approximately half of parents with children under 12 considering it important. In particular, according to Mintel, 63% of parents would look for physical play or sporting activities for their children when booking a holiday centre or park break. This is now becoming a strong selling point for family holidays in the context of rising childhood obesity, increasing amounts of time spent by children on technology devices, and a perceived lack of safe public spaces for children to play outside the home. Leading overseas holiday brands are investing heavily in their own bespoke family resort brands. In the domestic UK market, leading holiday centre brands such as Center Parcs, Butlins and Haven offer a similar experience. Moreover, the focal point of Center Parcs' villages is its Sub-tropical Swimming Paradise which, together with Center Parcs' premium product offering (accommodation, leisure activities, food and beverage, retail and Aqua Sana spa), underpins the attractiveness of the Center Parcs' concept for ABC1 guests.

Leading Holiday Centre and Holiday Park Operators in the UK

Operator	Product Offering	Revenue (£m)	Overview
Traditional Holiday Centres			
Butlins	3 resorts	187.6	• Lower budget holidays (less affluent SEG) • Narrower range of leisure activities
Warner	15 hotels	122.9	• Coastal resorts (chalet accommodation) • Adult-only offering • Wide range of leisure activities
Holiday Parks			
Parkdean Resorts	66 holiday parks	536.4	• Family-oriented holiday parks in coastal, countryside and woodlands locations • Limited entertainment offering • Low budget holidays for families
Forest Villages			
Center Parcs	6 forest villages	503.4	• UK short-break holiday specialist in a forest environment • Wide range of leisure activities • On-site retail, food and beverage, and spa offering

Forest Holidays	12 locations	55.8	• Luxury holiday cabins in forestry commission woodland • Number of leisure activities available • No central 'hub' of food and beverage/leisure/retail/pool etc.

Source: Company information, Companies House.

(1) Financials as of: Butlins (December 2021), Warner (December 2021), Parkdean Resorts (December 2021), Center Parcs (April 2022) and Forest Holidays (March 2022).

Traditional holiday centres comprise the traditional brands such as Butlins, Warner and Pontins (a smaller UK operator), which were originally based on a 1950s "holiday camp" formula. They have evolved over time (now fewer in numbers and individually larger in scale) and have invested significantly in recent years in improving their accommodation and range of activities. These traditional centres are generally in beach locations and therefore tend to primarily complement a family beach holiday. They are characterised by permanent accommodation (rather than mobile homes) in blocks or detached buildings. Their offering may be full board or self-catering, but generally includes free family-oriented entertainment, variety shows and leisure facilities, such as swimming pools, amusement arcades, fairground-type rides and outdoor sports facilities, such as five-a-side football, a climbing wall and crazy golf.

Holiday parks constitute the largest sector within the UK holiday centres market, both by number of locations and volume of holidays sold and comprise brands such as Parkdean Resorts, Haven and Hoseasons. However, within the holiday park segment, it is difficult to distinguish between what are essentially larger caravan parks with few facilities, and those parks with amenities and activities that are sophisticated enough to be categorised as a traditional holiday centre. As consumer expectations increase, there is more demand for holiday parks to provide a greater range of value-added services such as pools, restaurants, children's clubs and entertainment. Holiday parks cater to customers looking for three types of services: (a) hiring mobile homes or fixed caravans; (b) purchasing these mobile homes; and (c) hiring space for towed caravans and tent campers. Although they vary considerably in size, holiday parks are generally smaller in scale than the traditional holiday centres. Holiday parks are often situated in coastal locations, often in scenic areas.

Forest villages differ from traditional holiday centres and holiday parks which are part of the tradition of the British seaside holiday. Forest villages are based inland, in woodland and water settings, with an explicitly environmental ethos (a car-free, family-friendly environment), marketed primarily and explicitly to affluent family groups in the ABC1 SEGs, as compared with the broader targeting of the traditional holiday centres. The accommodation in forest villages is permanent and generally more spacious than traditional holiday centres. Forest village accommodation provides self- catering facilities and open-plan living, with luxurious top-end accommodation standards. The focus is activity-based, with a wide range of sporting, creative and spa/therapeutic activities geared towards both adults and children. Unlike most traditional holiday centres, which include a wide range of entertainment and activities as part of the basic holiday package, forest village holiday providers offer a customised approach and charge extra for individual activities. Furthermore, forest villages operate 365 days per year, offering guests a high-quality experience under all types of weather through a wide range of indoor and outdoor activities and amenities.

BUSINESS

Business Overview

Center Parcs is a leading UK short-break holiday business, attracting over 1.7 million guests in financial year 2022. Center Parcs operates five specially constructed holiday villages in the UK: Sherwood Forest in Nottinghamshire, Longleat Forest in Wiltshire, Elveden Forest in Suffolk, Whinfell Forest in Cumbria (the "**Original Villages**") and Woburn Forest in Bedfordshire. Each village is set in a forest environment amongst approximately 400 acres of forest around a lake and is open 365 days per year.

Woodland, water and a natural environment make up the essential elements of a Center Parcs break. Within this comfortable, quiet, car-free and family-friendly setting, each of the Center Parcs villages provides guests with high-quality accommodation and more than 150 leisure and spa activities. In total, as of 29 December 2022, there were 4,333 units of accommodation across its five villages, which could accommodate approximately 22,940 guests per day at 100% occupancy. The focal point and key attraction of each village is an all-weather indoor sub-tropical swimming paradise, featuring a selection of water activities including a wave pool, river slides and rides, children's pools and Jacuzzis. Center Parcs' on-site experiences also include outdoor activities such as cycling, boating and zip wires; indoor activities such as ten-pin bowling, badminton and pottery; and amenities such as spas, food and beverage and retail. A significant proportion of Center Parcs' revenue is generated from guests' on-site spending, including for leisure and spa activities, food and beverage and retail, representing 37.2% of total revenue in the 36-weeks ended 29 December 2022.

Center Parcs has a well-established brand in the UK, renowned for providing high-quality experiences and facilities, targeting a primary guest base of affluent families. Center Parcs benefits from strong guest loyalty with approximately 19.8% of guests returning within a 14-month period of their initial visit and approximately 56.7% of guests returning within a five-year period as of financial year 2022, with return visitor statistics impacted by the COVID-19 closures and self-imposed capacity restrictions. In addition, Center Parcs believes that its business model is difficult to replicate due to the lack of suitable locations for the development of holiday parks and high development costs while Center Parcs is well positioned to continue to grow its business.

Center Parcs' villages typically draw on a regional population of guests who are attracted to the convenience of being within a relatively short driving distance from home. Over 90% of the UK population lives within a 2.5-hour drive of at least one of Center Parcs' villages, and the majority of Center Parcs' guests live within a two-hour drive of the village they choose to visit. Center Parcs believes that the proximity of the majority of guests to its villages combined with the easy accessibility of the villages by car make Center Parcs a popular and convenient short break holiday option. Occupancy levels at Center Parcs' villages have nearly recovered to their pre-COVID-19 levels. As a result of village closures and occupancy restrictions in response to the COVID-19 pandemic, occupancy levels fell to 22.4% in financial year 2021 from 88.0% in financial year 2020. Occupancy levels rose to 80.5% in financial year 2022, which remained lower than pre-COVID-19 levels due to self-imposed occupancy limitations. In the 36-week period ended 29 December 2022 occupancy levels were 97.3%, broadly in line with pre-COVID-19 occupancy rates (92.7% for the 52-week period ended 29 December 2022). Occupancy levels have averaged approximately 96.7% in the last 15 years and approximately 97.3% in the last eight years, in each case excluding financial years 2020, 2021 and 2022 (which were impacted by COVID-19 closures and self-imposed capacity restrictions).

In each of the financial years 2020, 2021 and 2022, respectively, revenue and Adjusted EBITDA have been broadly evenly split amongst Center Parcs' villages, reflecting both the individual strength of each village and the diversity of Center Parcs' asset base.

The map below shows the location of each of Center Parcs' villages as of 29 December 2022.

Center Parcs UK Snapshot

UK Operations at a Glance

FY23 LTM Q3[1]

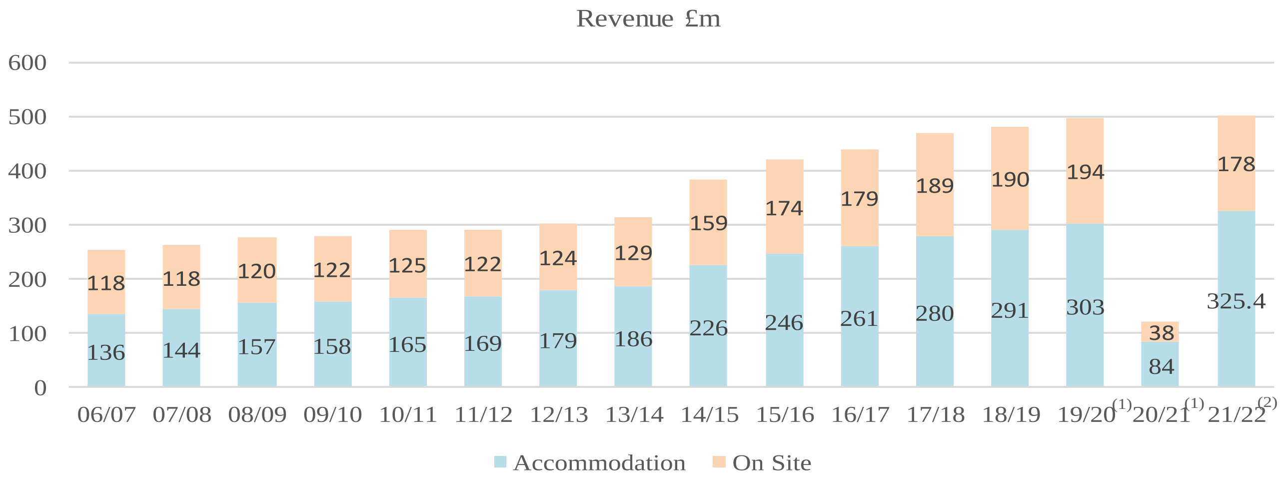
# Villages	5 in WBS
# Lodges	4,300+ in WBS
Revenue	£575m
Revenue By Type	Accomodation 63%; On Village 37%
EBITDA / Margin	£274m / 48%
Occupancy	92.7%
ADR	£246
RevPAL	£228

Summary of Lodge and Guest Numbers

Note: Center Parcs also has a village in Longford, Republic of Ireland, outside of the WBS group
1. FY23 LTM Q3 represents results for the 52 weeks ended 29 December 2022.

With the exception of the financial years impacted by the COVID-19 pandemic, revenue and Adjusted EBITDA have consistently grown over the past fourteen years. Total revenue and Adjusted EBITDA were £503.4 million and £245.6 million, respectively, for financial year 2022, which marks an increase compared to £480.2 million and £232.6 million, respectively, in financial year 2019, the last full year period not affected by COVID-19 closures and self-imposed capacity restrictions. For the 36-week period ended 29 December 2022, Center Parcs had revenue of £426.6 million and Adjusted EBITDA of £213.6 million, representing an Adjusted EBITDA margin of 50.1%.

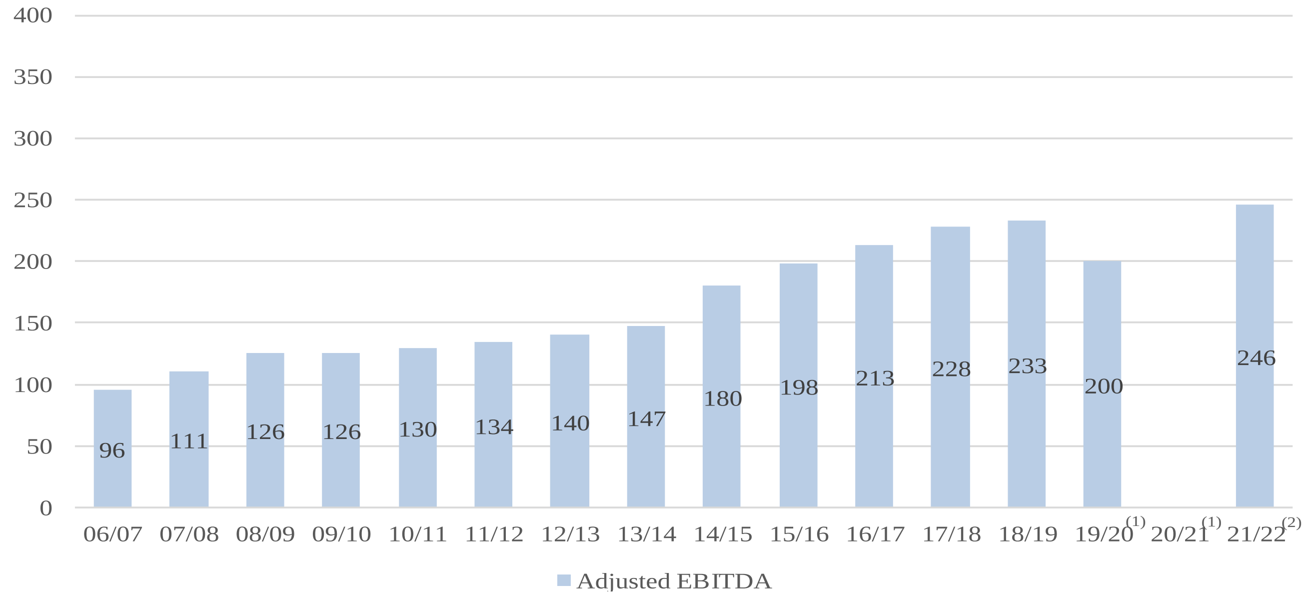
The following graph shows revenue for financial years 2007 to 2022.



(1) Revenue for financial years 2020 and 2021 were heavily impacted by the closure of all five holiday villages from 20 March 2020 to 13 July 2020, 5 November 2020 to 4 December 2020 and 21 December 2020 to 12 April 2021, during which Center Parcs recorded no revenues, as well as localised closures as a result of the tier restrictions in later periods. Adjusted EBITDA for financial year 2021 was a loss of £11.9 million.

(2) Primarily due to self-imposed restrictions, Center Parcs' villages operated at 80.5% capacity during financial year 2022 which affected revenues from accommodation and on-site sales.

The following graph shows Adjusted EBITDA for financial years 2007 to 2022.



(1) Adjusted EBITDA for financial years 2020 and 2021 were heavily impacted by the closure of all five holiday villages from 20 March 2020 to 13 July 2020, 5 November 2020 to 4 December 2020 and 21 December 2020 to 12 April 2021, during which Center Parcs recorded no revenues, as well as localised closures as a result of the tier restrictions in later periods. Adjusted EBITDA for financial year 2021 was £-11.9 million.

(2) Due to self-imposed restrictions, Center Parcs' villages operated at 80.5% capacity during financial year 2022 which affected revenues from accommodation and on-site sales.

History of the Center Parcs Group

The concept of Center Parcs was developed by Piet Derksen in the late 1960s in the Netherlands which envisioned a new form of self-catering and high-comfort holiday village, complemented with heated bungalows, open fires, central heating, colour TVs and covered swimming pools. During the following two decades, Center Parcs commenced its operations in Belgium, France and Germany.

In 1987, the first Center Parcs village opened in the UK at Sherwood Forest and the second village followed at Elveden Forest in 1989. In 1994, Center Parcs further expanded in the UK by opening its third village, Longleat Forest, near Bath. In 2001, Center Parcs acquired the Oasis Holiday Village (now called Whinfell Forest) in the northwest of England from the Bourne Leisure Group, enhancing Center Parcs' geographic footprint in the UK. In 2001, Center Parcs' continental European operations were separated from the operations in the UK and, since then, they have operated under separate ownership. In 2014, Center Parcs opened its fifth village, Woburn Forest, in Bedfordshire.

Certain funds managed by affiliates of Blackstone, Inc. (the "Blackstone Funds") bought the operating business in May 2006 and subsequently delisted it from the London Stock Exchange where it had been listed on the AIM in 2003 and on the Main Market in 2005. Shortly thereafter, Blackstone Funds purchased the property companies owning the four Original Villages in June 2006. In August 2015, certain funds managed by affiliates of Brookfield Management Inc. (the "**Brookfield Funds**") acquired Center Parcs from the Blackstone Funds.

In July 2019, an indirect parent of Center Parcs (Holding 1) Limited opened a sixth village, Longford Forest, in County Longford, Republic of Ireland. Longford Forest is outside of the Obligor Group.

Key Strengths

Unique, market-leading short break holiday business.

Center Parcs believes that it provides a unique product in the UK holiday market in terms of scale, quality and standard of accommodation and amenities. Each Center Parcs village is set in approximately 400 acres of forest around a lake, with numerous retail and food and beverage offerings, as well as more than 150 leisure and spa related activities and an indoor sub-tropical swimming paradise. Each village has on average 867 units of accommodation with capacity for approximately 4,588 guests. Center Parcs believes that it is the only large-scale UK business offering this type of high-quality family-focused, year-round, all-weather, short-break package, in a forest environment. Center Parcs believes that it is well-positioned to benefit from demand for domestic travel, with its villages typically drawing on a regional population of guests who live within a relatively short driving distance. In a customer survey of approximately 4,000 guests on 5 March 2021, only 3% of respondents stated that they did not intend to take a domestic holiday or short break in the next twelve months.

Difficult to replicate concept with well-known brand and loyal, affluent customer base.

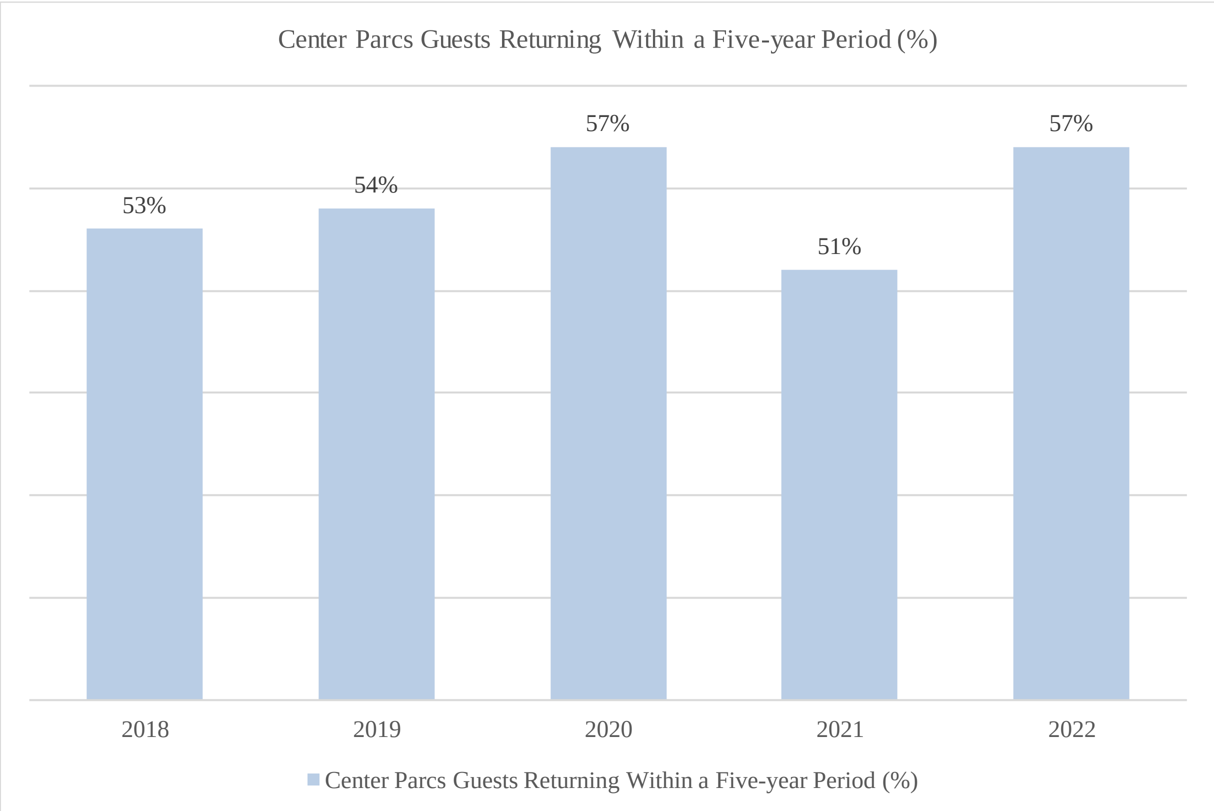
The Center Parcs villages are characterised by a number of qualities that Center Parcs believes make its business model difficult to replicate in the UK. These include:

- limited appropriate sites for villages, which require large forested areas near major population centres;
- long lead time needed to develop new villages due to the stringent requirements for obtaining planning permits;
- significant initial investment cost in addition to on-going capital expenditure required for further development and operations of the business; and
- a wide range of specialised operations and planning expertise required to develop and operate a village.

Center Parcs' unique product offering has generated strong brand recognition and guest loyalty. Center Parcs believes that it has a brand awareness of over 90% in the UK and is considered among the top brands for high-quality short breaks in the UK.

Center Parcs' "intention to return" score was 91.7% in financial year 2022. Approximately 19.4% of Center Parcs' guests return within a 14-month period of their initial visit and approximately 56.7% of guests return within a five-year period as of financial year 2022. Center Parcs maintains a guest database of approximately 289,000 active guests as of 29 December 2022 (i.e., those who had a Center Parcs break in the last 26 months or have an active booking and are contactable by email).

The following graph shows the percentage of Center Parcs guests returning within a five-year period for financial years 2018 to 2022.



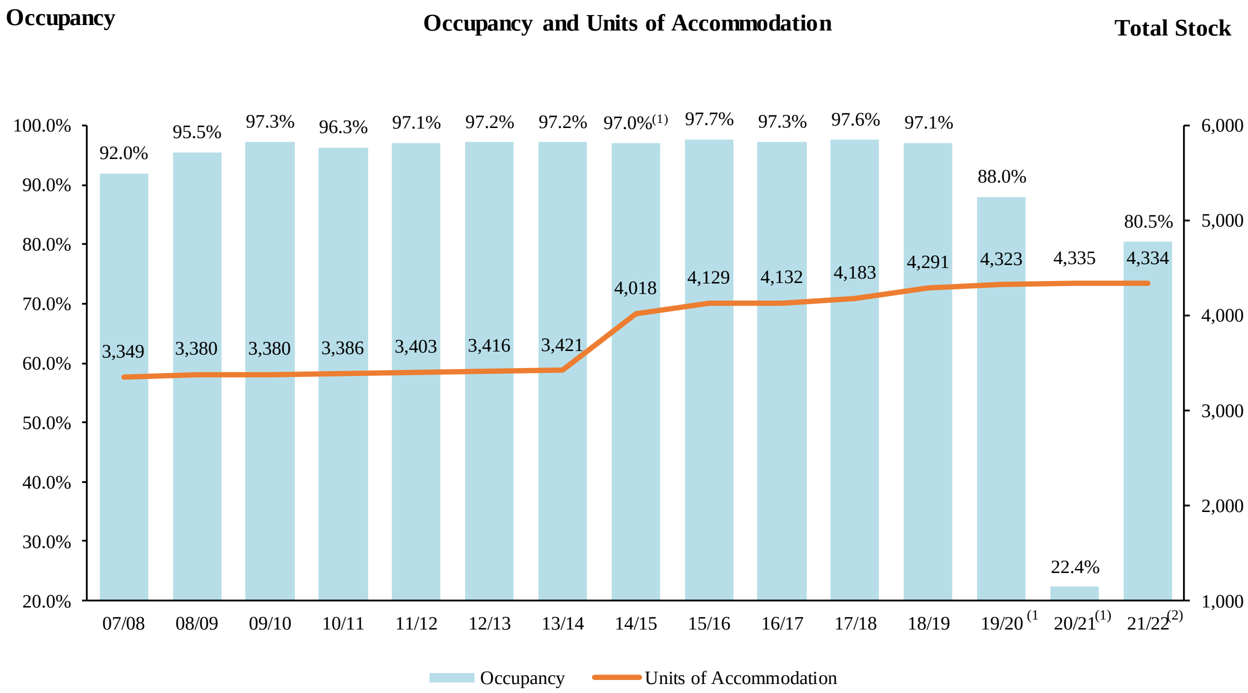
In 2021, Aqua Sana Sherwood Forest won the Best Day Spa award from Good Spa Awards, which also awarded Aqua Sana Whinfell Forest the Best Community Spa award in 2020. Aqua Sana Longleat Forest and Aqua Sana Woburn Forest also won accolades in 2020 from the Professional Beauty Awards, with Aqua Sana Longleat Forest being awarded South West and Wales Spa of the Year and Large Spa of the Year, and Aqua Sana Woburn Forest winning South East Spa of the Year.

Center Parcs' guest profile has remained stable over time and consists of the highest earning categories of the UK population. According to management estimates, Center Parcs ranked significantly over index in a number of the Experian high end consumer classifications, with 58% of guests in financial year 2022 identified under the Experian Mosaic classification as "Domestic Success", "Prestige Positions" or "Aspiring Homemakers" based on postcode analysis.

Resilient growth through economic cycles.

Resilient performance through economic cycles, during both downturns and recoveries, and also through additions in capacity, has resulted in Center Parcs' occupancy levels averaging over 95.9% over the last 20 years, approximately 96.7% in the last 15 years and approximately 97.3% in the last eight years in each case excluding financial years 2020, 2021 and 2022 (which were impacted by COVID-19 closures and self-imposed capacity restrictions), with occupancy levels of 88.0%, 22.4% and 80.5% in financial years 2020, 2021 and 2022, respectively. Occupancy at each of the villages has historically remained high even after the opening of Woburn Forest in 2014 despite an approximately 20% increase in Center Parcs' accommodation available, demonstrating the depth of demand for Center Parcs' villages. Despite the impact of the COVID-19 pandemic on economic conditions as well as on guests' willingness to travel, demand for Center Parcs' villages remained resilient and exceeded expected operating capacity for some breaks.

The following graph shows Center Parcs' occupancy rates and average units of accommodation for financial years 2008 to 2022.



(1) Occupancy levels for financial year 2020 and 2021 were heavily impacted by the closure of all five holiday villages from 20 March 2020 to 13 July 2020, 5 November 2020 to 4 December 2020 and 21 December 2020 to 12 April 2021, during which Center Parcs was either receiving no guests or operating at significantly reduced capacity, as well as localised closures as a result of the tier restrictions in later periods. After the reopening of the villages on 21 April 2021, Center Parcs' villages operated with reduced capacity during financial years 2021 and 2022.

(2) Due to self-imposed restrictions, Center Parcs' villages operated at 80.5% capacity during financial year 2022 which affected revenues from accommodation and on-site sales.

High occupancy levels drive a significant proportion of revenue from guests' on-site spending, which represented 37.2% of Center Parcs' total revenue in the 36-weeks ended 29 December 2022.

The growth of ADR and RevPal, driven by yield management initiatives, demand and on-site investment, including in new types of accommodation and upgrades to existing accommodation, allows Center Parcs to remain profitable in an inflationary economic environment. ADR for financial years 2020, 2021 and 2022 was £194.91, £238.70, and £256.09, respectively, compared with £191.74 in financial year 2019. In the 36-week period ended 29 December 2022 and the 52-week period ended 29 December 2022, ADR was £252.14 and £246, respectively. RevPAL for financial years 2020, 2021 and 2022 was £171.54, £53.45, and £206.23, respectively, compared with £186.08 in financial year 2019. In the 36-week period ended 29 December 2022 and the 52-week period ended 29 December 2022, RevPAL was £213.63 and £228, respectively.

Consistent revenue growth with strong visibility through forward-booking model.

With the exception of the impact of the COVID-19 pandemic in financial years 2020 and 2021, Center Parcs experienced revenue growth each year over the previous ten years, with revenue growing at a CAGR of 5.6% from financial year 2012 to financial year 2022. In addition, Center Parcs' Adjusted EBITDA has grown at a CAGR of 6.3% from financial year 2012 to financial year 2022. Center Parcs places a strong emphasis on advance prepaid bookings, which result in significant revenue visibility, with an average of 25 weeks' booking-to-arrival time in the 36-week period ended 29 December 2022. For financial year 2022, 0% of the available accommodation nights had been booked by the beginning of the financial year (due to COVID-19 closures), 53% by the end of the first quarter, 62% halfway through the financial year, and 71% two months before the end of the financial year.

Under its standard terms and conditions, Center Parcs collects 30% of the accommodation cost at the time of booking if completed more than ten weeks in advance of the short break. The balance of the cost is collected ten weeks prior to the start of the break. If a guest books less than ten weeks prior to the arrival date, the accommodation cost is payable in full on booking. As a result of the COVID-19 pandemic, some changes were made to these conditions, but Center Parcs has since reverted to standard terms and conditions. As at 17 March 2023, bookings for financial year 2023 were 97% sold, as compared to 95% of bookings for financial year 2020 as at the same point in March 2020. Bookings for financial year 2024 were 38% sold as at 17 March 2023, ahead of bookings for financial year 2020 as at the same point in March 2019. Historically, at the end of each financial year, approximately 40% of the bookings for Center Parcs' villages for the following financial year have been sold, excluding financial years 2020 and 2021, which were impacted by the COVID-19 pandemic. However, after the lifting of COVID-19 related restrictions in the UK in 2022, forward bookings for financial year 2023 were 49% sold by the end of financial year 2022.

Sustainable cash flow generation.

With the exception of the periods impacted by the COVID-19 pandemic, Center Parcs' EBITDA margins have been underpinned by high occupancy levels and consistent growth in ADR. Relatively high EBITDA margins combined with the negative working capital characteristics of the business due to its forward-booking model and the relatively low maintenance capital expenditure requirements, which averaged £24.2 million per financial year from financial year 2012 to financial year 2022, has enabled Center Parcs to be highly cash generative, with unlevered operating cash flow as a percentage of Adjusted EBITDA of 96.7% in financial year 2022 (2016: 72.6%; 2017: 58.2%; 2018: 68.6%; 2019: 73.3%).

Well-invested, diversified and high-quality asset base.

Center Parcs owns all five of its UK villages on either freehold titles or long leasehold titles, and with remaining lease terms of between 51 years and 978 years, Center Parcs' asset base has a long life and is diversified and stable. In financial years 2020, 2021 and 2022, respectively, revenue and Adjusted EBITDA have been broadly evenly split amongst its villages, located in different parts of the UK, reflecting both the individual strength of each village and the diversity of Center Parcs' asset base.

Center Parcs has an on-going capital expenditure programme to maintain and enhance the quality of its asset base, pursuant to which it has invested approximately £575 million from financial year 2012 through financial year 2022. Of this investment, £248 million represents maintenance capital expenditures. The remainder represents investment capital expenditure, of which £141 million was invested to upgrade existing accommodation, £75 million was invested to build new developments, £93 million was invested in on-site development, including new leisure activities, food and beverage offerings and facilities upgrades and £17 million was invested in its Digital Roadmap project. In addition, Center Parcs incurred approximately £250 million of total initial development costs in respect of building Woburn Forest.

In financial years 2020 and 2021, the construction of new build accommodation comprised approximately £6.2 million and £10 million, respectively, of investment capital expenditure (with no units of accommodation under construction as at financial year 2022), while a range of ongoing village refurbishments of accommodation, restaurants, retail outlets, spas and other offerings and facilities comprised the remainder. Center Parcs has added 300 new units of accommodation since 2015 and, on average since Financial Year 2018, refurbishes 300 to 400 units of accommodation per year.

Experienced management team with a track record of innovation.

Center Parcs has an experienced management team with a proven ability to execute its business plans and achieve results. In addition, Center Parcs' management team has a track record of innovation reflected in its yield management initiatives, innovation in on-site activities and food and beverage offerings, as well as development of new types of accommodation to help drive ADR. In 2014, the management team successfully opened Woburn Forest on time and on budget. With an average length of service of over 15 years by individual members of its management team, the management team is highly experienced in providing the services that set Center Parcs apart from other UK leisure and holiday providers. Center Parcs also benefits from the operational expertise, relationships, and management experience of Brookfield.

Strategy

Continue to grow revenue through yield management, flexible pricing, targeted marketing and customer relationship management.

Center Parcs actively manages pricing across its villages to maintain its high level of occupancy and to optimise yield during periods of high demand. All bookings are made directly with Center Parcs, with approximately 92% of accommodation bookings made online in financial year 2022. Together with its strong emphasis on advance bookings (average 32 weeks' booking-to-arrival time period in financial year 2022), this provides Center Parcs with significant operational information, allowing it to respond quickly to customer trends in order to optimise its pricing. Center Parcs will continue to operate a flexible pricing model to further grow revenue, and to develop its customer relationship management initiatives to increase demand from the affluent families that form its core guest base.

Center Parcs' guest database of approximately 289,000 active guests (i.e., those who had a Center Parcs break in the last 26 months or have an active booking and are contactable by email) allows it to undertake targeted marketing campaigns using a range of channels, including direct mailings, online and digital marketing, television campaigns and email programmes focused on both existing customers and targeted acquisition of new affluent families.

Continue to invest in revenue-enhancing upgrades of Center Parcs accommodation offering and to expand available capacity.

Center Parcs plans to continue to invest in upgrading the accommodation and facilities in its villages, and to introduce new accommodation and on-site activities. Since 2007, Center Parcs has significantly upgraded all units of accommodation at the Original Villages at an average estimated cost of approximately £50,000 per lodge. Following the upgrade of all existing units of accommodation, Center Parcs has started a cycle of refurbishment for such accommodation which is important to maintain quality and generate repeat business, with approximately 300 to 400 units of accommodation refurbished annually.

There is also capacity for additional new builds of premium lodges at Center Parcs' villages, which typically achieve a premium over the rate achieved on standard lodges. Center Parcs believes that such premium lodges attract affluent guests who are more likely to be high on-site spenders. Center Parcs currently has planning permission to build a further 91 units of accommodation. The new units of accommodation are expected to include waterside lodges, apartments and other executive lodges.

Disciplined investment in village experience.

Center Parcs believes that there are several substantial development projects that could profitably expand Center Parcs' offering, including Project Atlantis, which involves the strategic enhancement of the signature sub-tropical swimming paradise that features at each village. Center Parcs spent approximately £42 million between 2012 and 2022 on implementing Project Atlantis. Improvements included the addition of a new raft ride, the Tropical Cyclone at Whinfell Forest, and a new play area featuring numerous slides and water features at Elveden Forest, Longleat Forest and Sherwood Forest. Center Parcs has also invested approximately £6.5 million in the refurbishment and expansion of the Aqua Sana spa facility at Longleat Forest.

Center Parcs also intends to introduce new leisure activities at each village on a regular basis, as well as innovate upon its existing offering of leisure activities. Development opportunities include introducing zip wires, electric boats and expanding indoor climbing activities to all villages. Center Parcs believes that such investments provide an enriched holiday experience particularly for the affluent families that form its core guest base, and that an improved on-site unique offering helps to drive both accommodation and on-site revenue.

During the closure of Center Parcs' villages as a result of the COVID-19 pandemic, Center Parcs reduced capital expenditure by ceasing and rephasing non-essential capital projects as closures were announced. See "—*Strategy—Continue to increase profitability through controlling costs*".

Grow on-site spend.

Center Parcs generated 35.4% of its total revenue from on-site spend in the financial year 2022. While on-site spend as a proportion of total revenue decreased to 31.0% in financial year 2021 due to social distancing measures, restrictions on on-site activities, removal of bookings for lower value accommodation to maintain lower occupancy, after the lifting of COVID-19 related restrictions in the UK in 2022, Center Parcs plans to operate its villages as normal going forward. As Center Parcs' guests typically remain on-site for the duration of their stay, Center Parcs believes that there are opportunities to grow on-site spend further. For example, Center Parcs has continued to develop a programme of enhanced differentiation in pricing where prices of various offerings are expected to become flexible across seasons, days of the week and times of day to more accurately reflect guest demand.

Center Parcs has franchise, licensing and concession agreements with various providers. These concession partners enable guests to benefit from high street brand offerings and Center Parcs to increase profitability through increased on-site spend. Center Parcs reviews these agreements periodically to ensure that they remain economically attractive and meet its guests' requirements.

Continue to increase profitability through controlling costs.

Center Parcs benefits from having a flexible cost base. Because of the high level of forward booking visibility of the business, Center Parcs is typically able to manage its cost base effectively to meet its business requirements. For example, in light of the current rising cost of living environment in the UK, Center Parcs believes it is equipped to reduce operating hours and optimise staff schedules across its food and beverage offerings and leisure activities to reduce variable costs when forward booking information indicates a reduced number of guests or decreases in on-site spending.

Center Parcs also hedges a large portion of its short-term energy requirements, reducing the effect of energy market volatility on its operational costs. As part of the strategy to seek profitable growth, it intends to continue to generate cost savings through increased efficiency at each village and at its head office.

During the closure of Center Parcs' villages, Center Parcs ensured stringent cost controls and implemented strict cash management procedures to reduce capital expenditure and conserve liquidity, including the rephasing of capital investment projects and cessation of non-essential operating activities as closures were announced. Center Parcs estimates that approximately 37.2% of its total capital expenditure for financial year 2021 was rephased. In addition, Center Parcs also participated in a number of UK government support measures for businesses to reduce the impact of the closures on its liquidity.

Business Description

Product Offering

Center Parcs' focus is on the short-break holiday market. Center Parcs' guests can choose from three pre-defined break durations: the weekend (Friday to Monday), mid-week (Monday to Friday) or a week (Friday to Friday or Monday to Monday, comprised of a weekend break and mid-week break). Guests can also book combinations of these breaks. Accommodation is charged on a per-break rather than per-sleeper or per-night basis (with the exception of the spa suites which are sold on a per-night basis). Approximately 95% of holidays booked in financial year 2022, with the exception of spa breaks, spa suites and corporate bookings, were for three or four night breaks.

Although located near urban centres, Center Parcs villages are each set within approximately 400 acres of forest around a lake and offer year-round, all-weather holidays in a car-free natural environment.

Center Parcs generated 61%, 69%, and 65% of its total revenue from accommodation in financial years 2020, 2021 and 2022, respectively. For the 36-week period ended 30 December 2021 and the 36-week period ended 29 December 2022, Center Parcs generated 66% and 63% of its revenue from accommodation, respectively. Excluding financial years 2020, 2021 and 2022, which were impacted by the COVID-19 pandemic beginning in March 2020, Center Parcs' occupancy rates have averaged approximately 96.7% in the last 15 years.

Each village offers more than 150 leisure and spa related activities, along with on average 15 bars and restaurants and 5 shops. Center Parcs generated 39.2%, 31.0% and 35.4% of its total revenue from on-site spend in financial years 2020, 2021 and 2022, respectively.

Accommodation

Accommodation is a critical part of the overall guest experience at Center Parcs and the key financial driver, representing 65% of total revenue, or £325.4 million, in financial year 2022 and 63% of total revenue, or £268.0 million, in the 36-week period ended 29 December 2022. As of 29 December 2022, Center Parcs offered 4,333 units of accommodation across its five villages. Investment, maintenance and refurbishment are on-going to keep all accommodation up to date, fresh and contemporary.

Accommodation at each village comprises a range of one to four bedroom lodges (with six-bedroom lodges at Sherwood Forest, Whinfell Forest and Woburn Forest), and luxury spa suits, one and two bedroom apartments and hotel rooms, some of which include self-catering facilities. Each village offers a range of different grades of accommodation, from entry level woodland units to exclusive lodges and treehouses with Jacuzzis, steam rooms and an assortment of premium facilities, as well as a small number of apartments and hotel rooms. Center Parcs recently completed the upgrade of all of its accommodation at the Original Villages and, following the upgrade of all existing units of accommodation, Center Parcs has started a new cycle of refurbishment. 2,767 units of accommodation have been upgraded as of the date of this Supplemental Bondholder Report under the current refurbishment cycle.

The following table shows a breakdown of the different grades of accommodation across Center Parcs' villages as of 29 December 2022.

ACCOMMODATION STOCK

	Sherwood	Elveden	Longleat	Whinfell	Woburn	Total
Standard						
Woodland lodges..............................	184	72	228	97	325	906
New woodland lodges.......................	341	460	224	434	60	1,519
Sub-total...	**525**	**532**	**452**	**531**	**385**	**2,425**
Executive						

Executive lodges	29	27	35	63	171	325
New executive lodges	281	182	203	205	95	966
Exclusive lodges	54	55	52	29	63	253
Spa suites	0	4	0	0	8	12
Treehouses	3	4	3	4	3	17
Waterside lodges	0	3	0	0	0	3
Apartments and hotel rooms	11	99	60	87	75	332
Sub-total	**378**	**374**	**353**	**388**	**415**	**1,908**
Total	**903**	**906**	**805**	**919**	**800**	**4,333**

Apartments and Hotel Rooms

Sherwood Forest, Longleat Forest, Elveden Forest and Whinfell Forest have apartment style accommodation which offer executive standard accommodation with self-catering facilities. Woburn Forest has a 75 room hotel.

Woodland Lodges (entry level standard)

The woodland lodges feature oak-style flooring with a well-equipped kitchen (including a full range of integrated appliances), a multi-channel TV and DVD player and well apportioned bathrooms and bedrooms. This level of accommodation is available in two, three and four bedroom layouts.

New Style Woodland Lodges

New style woodland lodges are similar to woodland lodges with newly refreshed interiors and modern interior design, with some additional features and appliances including a 40" flat screen television, state-of-the-art media hub and coffee machine.

Executive Lodges

This level of accommodation offers an overall higher level of functionality and furnishings. The majority of the three to four bedroom executive lodges have saunas as well as the additional benefits of en-suite bathrooms and daily housekeeping service.

New Style Executive Lodges

New style executive lodges are similar to executive lodges with newly refreshed interiors and modern interior design, with some additional features and appliances including a 40" flat screen television and state-of-the-art media hub.

Exclusive Lodges

As the luxury version of the executive lodges range, this accommodation is the top of the range, comprising two storey, four bedroom, detached lodges designed for families or groups who desire the privacy of their own spa area and enclosed garden. The exclusive lodges also include a steam room, sauna and outdoor hot tub. A separate annexe and games room are key features.

Spa Suites

Center Parcs introduced premium quality Spa Suites in November 2011 with the opening of four units at Elveden Forest. Subsequently, Center Parcs has added a further eight Spa Suites units at Woburn Forest, including two new Spa Suites since opening. These are luxurious one bedroom units adjacent to the Aqua Sana spa and provide direct access to the Spa facilities with entry included as part of the tariff. Unlike all other accommodation types, they are sold on a per night basis.

Treehouses

The two storey luxury treehouses are designed for families or friends who want the ultimate Center Parcs experience with views of the forest and a balcony to every bedroom. The accommodation consists of four en-suite bedrooms, an infrared sauna room, a balcony hot tub, as well as a separate games den with pool table, and offers a daily housekeeping service and free Wi-Fi access.

Waterside Lodges

Center Parcs introduced waterside lodges in May 2018 with the opening of three units at Elveden Forest. These two storey, three bedroom, luxury units feature a hot tub and balcony offering views of the lake.

LEISURE ACTIVITIES

Center Parcs offers more than 150 leisure and spa activities at each of its villages. These activities range from passive and gentle to active and high adrenaline. Excluding the Aqua Sana spa, leisure activities comprised 11% of the total revenue and 37% of total on-site revenue, or £13.9 million, in financial year 2021 and comprised 11% of the total revenue and 31% of total on-site revenue, or £55.3 million, in financial year 2022.

Sub-tropical Swimming Paradise

The Sub-tropical swimming paradise is the core leisure offer of each Center Parcs village and is free to guests. The pools are heated all year and have slides, water playgrounds for toddlers and a variety of other features, such as family raft rides at Elveden Forest, Sherwood Forest and Woburn Forest. Across the five villages, the indoor water park averages over 5,500 square metres in size, with an average capacity of over 1,400 people in the pool and changing areas. Various additional activities are also available for a surcharge, including scuba diving and aqua jetting. Guests can also hire a private cabana with seating, a television and complimentary soft drinks.

Outdoor Activities

Outdoor activities offered by Center Parcs vary from adventure golf and nature walks to high adrenaline activities such as high ropes, tree trekking and zip wires. All villages have a lake which offers a wide range of water sports and boats for hire, including electric boats. All villages also provide access to a boathouse and beach, where paddle boats and activities such as canoeing and sailing are on offer. All the villages have an outdoor activity centre providing activities such as Segways®, archery, quad biking and laser combat. Sherwood Forest and Whinfell Forest also have nature centres which allow guests to learn about the village's wildlife as well as provide activities such as falconry, woodland walks and educational tours. Center Parcs also offers festive-themed activities from November through the Christmas period as villages are transformed into "Winter Wonderland". Center Parcs' focus on capacity management has enabled extra sessions for guests, further increasing profitability. New outdoor activities recently introduced include zip wires, mini tree trekking for younger children, woodland wheelers, off road explorers, a vertical drop challenge "The Drop", an inflatable "Aqua Parc" and a children's boating experience "Mini Captain's Adventure".

Indoor Activities

Indoor activities include traditional activities, such as badminton, ten pin bowling, snooker, pool and table tennis, all of which are consistently popular with guests and accordingly, have generated consistent revenue streams. Access to a gymnasium and arcade are also available across all villages. Classes are offered for activities such as fencing and climbing. Pottery painting was introduced initially at Longleat Forest in 2010 and has been rolled out to all villages. It caters to all age groups and is a popular activity which has seen significant revenue growth.

Ten pin bowling is also a popular activity with guests. There are two bowling locations at Sherwood Forest and Woburn Forest and one location at each other village.

New indoor activities more recently introduced include football pool and an "Indoor Climbing Adventure" which has been introduced across all villages and expanded.

Children's Activities

Center Parcs offers a wide range of activities tailored for children aged from six months to 14 years. Many such activities are offered through the "Activity Den". Trained staff offer a spectrum of activities, from traditional crèche and soft play areas for toddlers to hair braiding and activities such as "Den Building" for older children and teenagers. In addition to the "Activity Den", classes for younger guests are offered in sports including football and cricket. Roller skating and junior archery are also popular.

Cycle Hire

The car-free environment makes cycling a key feature of the Center Parcs experience. Each village has a fleet of cycles. Center Parcs reviews its fleet regularly and invests significantly in new ranges of cycles to replace older models. In line with the initiative to pre-book more activities, pre-booking of cycles represented more than half of total cycle bookings in financial year 2022, reducing queuing times and improving planning.

Aqua Sana — Spa and Treatments

The award-winning Aqua Sana spa is open to outside guests as well as to village guests, with most bookings made in advance and pre-paid prior to arrival. Aqua Sana comprised 4% of total revenue and 12% of total on-site revenue, or £22.2 million, in financial year 2022 and 5% of total revenue and 14% of total on-site revenue, or £21.6 million, in the 36-week period ended 29 December 2022.

Each village has between 15 and 25 treatment rooms and extensive spa facilities with a variety of different "experience rooms", hydrotherapy pools, saunas and meditation areas. Treatments range from massage through to more advanced facials and beauty treatments for both men and women.

Aqua Sana facilities have benefited from on-going refurbishment and upgrades, with approximately £3.6 million invested in the last three financial years. Retail shops offer a wide variety of beauty products from well-known brands, including Elemis and Decleor. The Aqua Sana offer at all villages includes a "Vitalé Café Bar" food and beverage offer serving light meals and refreshments. In January 2020, Center Parcs completed a £6.5 million upgrade of the Aqua Sana spa in Longleat Forest. In 2021, Aqua Sana Sherwood Forest won the Best Day Spa award from Good Spa Awards, which also awarded Aqua Sana Whinfell Forest the Best Community Spa award in 2020. Aqua Sana Longleat Forest and Aqua Sana Woburn Forest also won accolades in 2020 from the Professional Beauty Awards, with Aqua Sana Longleat Forest being awarded South West and Wales Spa of the Year and Large Spa of the Year, and Aqua Sana Woburn Forest winning South East Spa of the Year.

Center Parcs also offers spa suites at certain of the villages that provide a package of an overnight stay combined with access to the Aqua Sana. Unlike other accommodations, these can be booked on a nightly basis. Woburn Forest opened with six spa suite units and a further two have been subsequently added**.**

Revenue from outside guests has been an area of growth, comprising 32% of Aqua Sana revenue in financial year 2022 and 42% in the 36-week period ended 29 December 2022. The business continues to work towards ensuring the right offer for both village guests and outside guests.

Online booking is available for Aqua Sana through its website. Aqua Sana receives dedicated operational and sales and marketing support. Center Parcs will continue to refurbish and upgrade facilities and invest in system enhancements at the Aqua Sana spas.

Conference Facilities

Sherwood Forest and Woburn Forest offer purpose-built conference and meeting facilities. Woburn Forest provides the largest conference facilities and can accommodate up to 400 delegates. Each of the villages offers an extensive range of leisure activities, which can be used during conferences for teambuilding purposes, such as raft building, tree trekking or aerial adventures. The use of these conference and meeting facilities are booked through Center Parcs' Corporate Events division.

ON-SITE FOOD AND BEVERAGE

Center Parcs seeks to provide its guests with an extensive range of dining experiences, with on-site food and beverage sales comprising 15% of total revenue and 42% of total on-site revenue, or £75.5 million, in financial year 2022 and comprising 15% of total revenue and 42% of total on-site revenue, or £65.9 million, in the 36-week period ended 29 December 2022.

Each village has an average of 15 restaurants and bars. This provides a choice of restaurants, some targeted at families, with play areas and children's menus while others offer premium dining. Center Parcs believes that these on-site food and beverage facilities are popular with its guests and have enabled higher sustained pricing and limited promotional activity compared with restaurants located on high streets. Menus are reviewed regularly and restaurants have been refurbished and upgraded on a rolling cycle to ensure that standards and the experience are maintained to a high standard. In financial years 2020 to 2022, Center Parcs carried out major refurbishments at "Vitale" at Sherwood Forest, "The Pancake House" at Elveden Forest, "Refresh" at Woburn Forest, and "Rajinda Pradesh" at Sherwood Forest and Longleat Forest.

Concession partners operate certain outlets and account for approximately one third of on-site spend on food and beverage. Approximately one-sixth of the outlets are operated under a concession agreement with The Big Table Group. Under this concession agreement, the concession fees payable by The Big Table Group to Center Parcs is the greater of a set minimum fee or a specified percentage of their respective revenue. Revenue generated by The Big Table Group prior to the COVID-19 pandemic was above the minimum guaranteed. Concession partners bring industry operational expertise to Center Parcs and have brought high street brand names such as Café Rouge, Las Iguanas, Amalfi and Bella Italia to the villages.

The food and beverage offer includes the following:

- Starbucks is operated as a franchise in all villages under licence, with 13 units in operation as of the date of this Supplemental Bondholder Report;
- Café Rouge (all villages), Bella Italia (Elveden Forest, Whinfell Forest, Sherwood Forest and Longleat Forest), Amalfi (Woburn Forest only) and Las Iguanas (Longleat Forest and Woburn Forest) are managed under a concession agreement by The Big Table Group;
- a gastro pub concept restaurant operates in Sherwood Forest, Elveden Forest and Longleat Forest - these units are operated by Center Parcs;
- a takeaway or delivery service in all villages, Dining In, which offers guests the opportunity to choose among Indian, Chinese and Italian cuisine;
- an American style restaurant (Huck's) operates in all villages - these restaurants are family orientated and include a children's play area;

- a Sports Café operates in all villages and offers a wide menu choice throughout the day and provides big screen sports entertainment;
- an Asian fusion restaurant, Rajinda Pradesh, offers a premium dining experience in all villages;
- fast food restaurants in all villages are located inside and adjacent to the water park complex and adjacent to the pools;
- Leisure Bowl bars adjoin the bowling lanes in all villages;
- The Pancake House is a restaurant operating in all five villages;
- a "Vitalé Café Bar" café in the Aqua Sana catering for both village and outside guests;
- a traditional English pub at Whinfell Forest; and
- the Venue, mainly used for corporate functions but also seasonal events, in Sherwood Forest and Woburn Forest.

ON-SITE RETAIL

Center Parcs offers a range of both food and non-food retail at each of its villages, which comprised 5% of total revenue and 14% of total on-site revenue, or £24.9 million, in financial year 2022, and comprised 5% of total revenue and 14% of total on-site revenue, or £22.8 million, in the 36-week period ended 29 December 2022.

The retail outlets have been designed to complement the activities at Center Parcs and the requirements of its guests. Each village has an average of five main retail outlets and a number of satellite retail offers. Center Parcs also entered into an agreement with Joules for its retail shops at each of Center Parcs' sites.

The on-site supermarket, the ParcMarket, provides guests with a full range of products comparable to a high street convenience store for guests' self-catering requirements. The shop includes a range of fresh foods, fresh breads and pastries baked on-site, and a wide range of wines, beers and spirits as well as a comprehensive grocery offer. Prices are monitored against comparably sized outlets in the surrounding areas.

Each village also has a confectionery shop, a gift shop with a wide variety of gifts and souvenirs and a toy store catering for children of all ages. There is also a shop within the cycle centre.

Since 2008, the World Duty Free Group (formerly known as the Nuance Group) has been Center Parcs' strategic retail partner. The World Duty Free Group's management of these retail units has allowed Center Parcs to develop a partnership with an operator with a well-established retail network. The presence of the concession partners enables guests to benefit from high street brand offerings and Center Parcs to leverage industry expertise. Approximately 41% of all retail shops at Center Parcs are currently operated under concession agreements with the World Duty Free Group.

CENTER PARCS VILLAGES

The following table sets out certain key information in respect of each Center Parcs' five villages:

	Sherwood Forest	**Elveden Forest**	**Longleat Forest**	**Whinfell Forest**	**Woburn Forest**
Year of opening	1987	1989	1994	1997	2014
Acres	391	413	405	415	357
Units of accommodation	905	906	805	919	800
Tenure of lease	999 years from 14 September 2000	999 years from 14 September 2000	First lease: 72 years and 11 months from 23 March 2000 Second lease: 72 years, five months and 29 days from 25 August 2000	First lease: 125 years from 8 November 1995 Second lease: 123 years, 7 months and 12 days from 27 March 1997	99 years from 24 December 2010

	Sherwood Forest	Elveden Forest	Longleat Forest	Whinfell Forest	Woburn Forest
			Third lease: 64 years, one month and 25 days from 1 January 2009		
Annual rent (per annum)	£100	£100	First lease: £872,412 Second lease: £44,225 Third lease: £20,000	£1,000 (for both leases)	£641,412
Rent review	–	–	Every five years, upwards only (but limited by reference to revenue increase)	–	Every five years

SHERWOOD FOREST

Sherwood Forest, opened in 1987, was the first of Center Parcs' villages in the UK. Sherwood Forest is set in approximately 391 acres of woodland and lakes and has an open, rather than covered, village square, which generates a continental atmosphere with alfresco dining. In financial year 2022, Sherwood Forest generated £108 million in revenue and £61.3 million Adjusted EBITDA. For the 36-week period ended 29 December 2022, Sherwood Forest generated £90 million in revenue and £50.7 million Adjusted EBITDA.

Location

The village is located approximately 20 miles from the M1 motorway, 17 miles from the city of Nottingham (population over 320,000) and nine miles from the town of Mansfield, within Nottinghamshire. The nearest town is Ollerton, which is three miles to the northeast.

Transport Links

Road access to the village from the north and south is from the M1/A1. The nearest mainline rail station is Newark North Gate which runs East Coast services between Newark and London Kings Cross (journey time is approximately 80 minutes), although the nearest rail services are from Mansfield.

Catchment Area

Located centrally within England, its accessibility provides a large catchment area within easy reach of areas north, south, east and west of the country. The main catchment areas are the Midlands and Yorkshire, as well as major cities such as Leeds, Manchester, Nottingham and Birmingham.

Tenure

The property is held in leasehold title under the terms of a headlease with Scottish & Newcastle Plc. The term of the lease is 999 years from 14 September 2000 for a passing rent of £100 per annum (a premium of £100 million was paid initially to the lessor).

ELVEDEN FOREST

Elveden Forest opened in 1989 as the second of Center Parcs' villages. Elveden Forest covers an area of approximately 413 acres. In financial year 2022, Elveden Forest generated £103 million in revenue and £55.3 million Adjusted EBITDA. For the 36-week period ended 29 December 2022, Elveden Forest generated £88 million in revenue and £47.6 million Adjusted EBITDA.

Location

Elveden Forest lies approximately 85 miles to the northeast of London, approximately one hour's drive from the M25 motorway, in the heart of Suffolk, in the Breckland area. The property is located in Elveden Forest, approximately two miles south of Brandon between Cambridge and Norwich. The nearest town is Thetford, approximately four miles to the north of the property. Bury St. Edmunds is approximately 16 miles to the southeast of the property and Cambridge is approximately 35 miles to the southwest.

Transport Links

Access to the property from the south is via the M11 motorway, the A14 and the A11. The nearest mainline station is in Thetford, which provides a service to London, Cambridge and Norwich.

Catchment Area

According to the management of the village, Elveden Forest considers its catchment area to be within a 2.5-hour drive of the property. These catchment areas include Suffolk, Norfolk, Cambridgeshire, Hertfordshire, Essex and — to a lesser extent — southern England.

Tenure

The property is held in leasehold title under the terms of a headlease with Scottish & Newcastle Plc. The term of the lease is 999 years from 14 September 2000 for a passing rent of £100 per annum (a premium of £100 million was paid initially to the lessor).

LONGLEAT FOREST

Longleat Forest opened in 1994 as the third of Center Parcs' villages. In financial year 2022, Longleat Forest generated £96 million in revenue and £53.7 million Adjusted EBITDA. For the 36-week period ended 29 December 2022, Longleat Forest generated £84 million in revenue and £47.7 million Adjusted EBITDA.

Location

The property is located approximately four miles west of Warminster and 25 miles southeast of Bristol. It forms part of the Longleat Estate. Longleat Forest covers an area of approximately 405 acres.

Transport Links

The village is within easy access of the A303, providing links with the M3 motorway to the east and M5 motorway to the west. Both the M4 motorway and the M27 motorway are just over 20 miles to the north and south, respectively, providing excellent road connections with major centres throughout the south of England and the Midlands. The nearest rail connection is found at Warminster, which has direct access to London.

Catchment Area

Longleat Forest draws the majority of its guests from southern England and South Wales. The catchment area includes Bristol, Southampton, Swindon, Exeter and the M4 motorway corridor.

Tenure

Parts of the property are held under two underleases from SPV 2 Limited (a subsidiary of CP Cayman Limited Holdings L.P., which in turn holds such parts of the property under two headleases from the Marquis of Bath. The term of the first under lease is 72 years and 11 months from 23 March 2000 to 22 February 2073 for a current passing rent of £872,412 per annum (pursuant to a January 2020 rent review). A premium of £10 million was paid to the lessor. The term of the second underlease is 72 years, five months and 29 days from 25 August 2000 to 22 February 2073 for a current passing rent of £44,225 per annum (pursuant to a January 2020 rent review). Both underleases had a first rent review in July 2004, their second rent review (due in July 2009) was settled in 2010 and third rent review (due in 2014) was settled in July 2015. The most recent rent review was settled in January 2020. Rent reviews are carried out every five years. Rent reviews are upwards only but limited by reference to revenue increase relative to whichever of the preceding review periods has the greatest revenue. The remainder of the property (an outdoor activity centre) at Longleat Forest is held under a lease between The Most Honourable Alexander George Seventh Marquis of Bath, including his heirs and successors, and Longleat Property Limited. The term of this lease is 64 years, one month and 25 days from 1 January 2009 to 25 February 2073 for a current passing rent of £20,000 per annum. This lease is subject to a rent review mechanism on similar terms as the above-mentioned two underleases.

WHINFELL FOREST

Whinfell Forest was initially built by Rank and opened in 1997. It was subsequently sold to Bourne Leisure and then acquired by Center Parcs in 2001. Whinfell Forest comprises approximately 415 acres of land and is home to one of the UK's last remaining colonies of red squirrels, which can be seen regularly throughout the village. In financial year 2022, Whinfell Forest generated £99 million in revenue and £52.5 million Adjusted EBITDA. For the 36-week period ended 29 December 2022, Whinfell Forest generated £83 million in revenue and £43.1 million Adjusted EBITDA.

Location

The property is located between Penrith and Temple Sowerby on the A66. Penrith is the closest town (population approximately 15,000) and is approximately four miles west of the village.

Transport Links

The M6 motorway is approximately seven miles to the west of the village, providing motorway access to Scotland and the northwest of England, as well as to the Midlands and the south of England. The closest rail facilities are located in Penrith, which provides connections to major centres, including Edinburgh, Glasgow, Manchester, Birmingham and London.

Catchment Area

Whinfell Forest is the most northerly of the Center Parcs' villages and it therefore tends to attract guests from Scotland, the north of England and north Wales. The main catchment areas include Glasgow and the west coast of Scotland, Newcastle and the north east, Liverpool, Manchester and the North West. However, due to the proximity of the village to the Lake District, this facility also has a higher proportion of long-distance guests.

Tenure

The property is held under three separate titles - one being freehold and two being long leasehold. The leasehold titles are held under two leases scheduled to expire in 2120 for a total passing rental of £1,000 per annum. A premium of £3,288,500 (plus VAT) was previously paid in instalments for one lease, and a premium of £112,000 was paid in respect of the other lease.

WOBURN FOREST

The fifth village in Center Parcs' portfolio comprises approximately 357 acres of mature forested land in Woburn, Bedfordshire and was opened to paying guests on 6 June 2014. Woburn Forest was built with the same core offer as the Original Villages but introduced modern and contemporary accommodation designs and has a higher proportion of premium accommodation offerings. As of 31 December 2020, Woburn Forest had 800 units of accommodation comprising 717 lodges, a 75 room hotel and 8 spa suites. There are 415 units of executive accommodation, representing 52.0% of the total, a higher percentage than any other village. This is designed to service the anticipated demand of its affluent guest base in the south of England.

As part of a further development phase, 57 additional premium and executive lodges opened in autumn 2017, three treehouses opened in July 2018, 12 lodges opened during financial year 2020 and two lodges opened during financial year 2021.

In financial year 2022, Woburn Forest generated £97 million in revenue and £51.4 million Adjusted EBITDA. For the 36-week period ended 29 December 2022, Woburn Forest generated £82 million in revenue and £43.7 million Adjusted EBITDA.

Location

Woburn Forest is located approximately 60 miles north of London in Bedfordshire.

Transport Links

Woburn Forest is six miles from the M1 motorway. The village also has convenient rail links, with a journey time of 45 minutes by train from London St. Pancras to Flitwick train station, located approximately two miles away.

Catchment Area

Woburn Forest is the only Center Parcs village within a 90-minute drive time of London households. Woburn Forest also has the highest volume of core target households within that drive time. For much of this population, the penetration for Center Parcs has historically been low.

Tenure

The property is held in leasehold title under the terms of a lease with Woburn Estate Company Limited and Bedford Estates Nominees Limited. The term of the lease is 99 years from 24 December 2010 for a current passing rent of £641,412 (payable from March 2018) per annum. A premium of £3,540,600 was paid to the lessor. The lease contains a rent review clause with an upwards only review to take place every 5 years (with the next review due on 31 March 2023) by reference to the greater of an increase in rent in line with the retail price index, a fixed percentage increase in the passing rent or the historic increase in revenue at Woburn Forest.

VILLAGE DEVELOPMENT

The first step in the development of a new Center Parcs village is the identification of an appropriate site. There are limited appropriate sites for villages as the Center Parcs' model requires large forested areas near major population centres. Following the identification of the site, planning permits for the development of the village need to be obtained. The development of a new village has a long lead time due to the stringent requirements for these permits. In addition, a wide range of specialised operations and planning expertise are required to develop a new village, including cost plans and budgets as well as studies assessing the economic, geological and ecological impact of the new village. The planning phase is followed by tender and procurement processes for the construction. These processes are then followed by the actual construction and pre-opening training of village staff.

From time to time, Center Parcs evaluates suitable locations for new villages to develop or acquire. In July 2021, Center Parcs announced that it had secured an option agreement to acquire 553 acres of privately owned woodland at Oldhouse Warren off Balcombe Road, Worth, Crawley, West Sussex. After undertaking site surveys and pre-planning permission works on the site, Center Parcs concluded that the potential sixth site at Oldhouse Warren is not a suitable location for a Center Parcs village. As a result, Center Parcs announced on 8 February 2023 that it will not be progressing plans to develop a forest holiday village at Oldhouse Warren. Center Parcs also announced plans to continue searching for a suitable location for a potential sixth site in the UK.

There are significant costs associated with the development of a village. For example, the development cost for Woburn Phase 1 was approximately £250 million. The actual building of the village involved the construction of 706 units of accommodation in addition to the Village Square, the Indoor Plaza, the Subtropical Swimming Paradise and other activity and leisure areas. Center Parcs estimates that the current cost of developing a new village would be between £350 million and £450 million.

In July 2019, an indirect parent of Center Parcs (Holding 1) Limited opened a sixth village, Longford Forest, in County Longford in the Republic of Ireland. Longford Forest is outside of the Obligor Group. The 400-acre Longford Forest village includes 466 lodges and 30 apartments, which can accommodate approximately 2,700 guests, more than 100 indoor and outdoor family activities including the Subtropical Swimming Paradise and the Aqua Sana spa and a range of restaurants and shops. The development of Longford Forest cost approximately €265 million. Center Parcs believes the development of Longford Forest resulted in the creation of approximately 750 jobs during the construction and approximately 1,000 permanent jobs after Longford Forest's opening.

Village Operations

OPERATIONAL MANAGEMENT

Each of Center Parcs' villages is managed by a Village Director and a deputy Village Director, who oversee the events manager, guest services manager and on-village revenue manager. Other individuals responsible for the management of the village are the technical services manager, housekeeping manager, leisure services manager, village financial controller, human resources manager, security manager, village duty managers and food and beverage manager. As of 29 December 2022, Center Parcs had an average of approximately 1,678 employees at each village. Center Parcs' villages are akin to small towns with their own infrastructure, including gas, water and power provision.

One of the key focus points of village operations is guest satisfaction. 96% of guests rated their break as "excellent" or "good" in financial year 2022. Center Parcs uses the "Delivering Excellent Service" metric to measure service provision across offerings. Guest feedback, particularly the monitoring of "Delivering Excellent Service" scores through guest surveys, forms a central part of the internal review and improvement process for each village. Each operating unit at a village has target "Delivering Excellent Service" scores as part of its bonus schemes.

RISK MANAGEMENT

Each village's Village Director is supported by an independent health and safety team at the head office. Each village has regular risk meetings throughout the year. Center Parcs' risk management policy focuses on health and safety including guest safety, food safety, lodge safety, employee safety, fire safety and child protection. Center Parcs also centrally monitors enterprise risk and key performance indicators.

SUPPLY CHAIN

Center Parcs primarily has a centralised procurement function to ensure quality, competitiveness, regulatory and ethical policy compliance, continuity and consistency across its five villages. Center Parcs mainly uses national suppliers that service all five villages, ensuring economies of scale and commercial leverage, and therefore controlling overall costs. Center Parcs' villages also use local suppliers for certain goods and services to ensure provenance and speed of service as well as to support corporate social responsibility initiatives. Altogether, Center Parcs manages approximately 2,100 suppliers centrally and purchased approximately £130 million of goods and services in financial year 2022. Center Parcs has a dedicated sourcing team focusing on utilities, food and beverage, fixtures, fittings and inventory, technical and ground services, laundry services and leisure goods and services.

GUEST PROFILE

Over 90% of the UK population lives within a 2.5-hour drive of at least one of Center Parcs' villages, and the majority of Center Parcs' guests live within a two hour drive of the village they choose to visit.

In financial year 2022, 80% of Center Parcs' guests were families, with families with pre-school children, families with school age children and families with mixed age children comprising 28%, 31% and 21% of all guests, respectively. However, Center Parcs' guest profile changes within the year depending on school holiday breaks. During the peak holiday seasons in financial year 2022, for example, 89% of Center Parcs' guests were families, with families with pre-school children, families with school age children and families with mixed age children comprising 14%, 48% and 27% of all guests, respectively, while families made up 75% of all of Center Parcs' guests during off-peak seasons, with families with pre-school children, families with school age children and families with mixed age children comprising 34%, 22% and 19% of all guests, respectively.

According to management estimates, Center Parcs ranked significantly over index in a number of the Experian high end consumer classifications, with 58% of guests in financial year 2019 identified under the Experian Mosaic classification as "Domestic Success", "Prestige Positions" or "Aspiring Homemakers" based on postcode analysis.

MARKETING

Center Parcs is positioned as a relatively upmarket, high-quality short-break holiday option for affluent families wanting to spend time together, away from the stresses and routine of everyday life. Brand value and integrity underlies Center Parcs' marketing strategy.

Center Parcs engages directly with guests, with approximately 92% of bookings made online in financial year 2022 and the remaining through its in-house contact centre. Center Parcs does not deal with online affiliates or travel agents. As such, there are no commission payments made to third parties selling Center Parcs to consumers.

Center Parcs' accommodation pricing strategy is based on a dynamic demand driven model, where prices start at a low level in order to generate demand and generally rise as sales increase along with demand as the short-break holiday dates approach. This approach rewards and encourages early booking (Center Parcs has an 18-month booking horizon) and has helped Center Parcs increase revenues through economic cycles and has allowed it to maintain and improve occupancy rates. This is reflected in "intention to return" scores of 91.7% in financial year 2022.

The dynamic demand-driven pricing model, overseen by its dedicated pricing team, enables management to optimise accommodation revenues by linking price to demand throughout the year. The pricing model utilises granular data, mapping holidays by length of break, accommodation type (with over 180 different types across the villages for the purposes of the pricing model), time of year as well as by village and incorporates the previous year's average price as a base, adjusted for inflation and other factors (including the time of week, whether the period is peak or off-peak and high occupancy versus quieter occupancy periods). This allows Center Parcs to smooth out its pricing across the seasons, adapt its accommodation pricing to guest demand and facilitate its yield management. Prices are reviewed daily and any changes can be updated on the Center Parcs website within 30 minutes. Any prices can be benchmarked against other villages, to adapt the progression of bookings against the expected booking profile.

Center Parcs' on-site pricing is generally less variable than its accommodation pricing. All activities except for the Subtropical Swimming Paradise are booked on a pay-per-use principle, and all activities are available for pre-booking. In financial year 2022, more than 84% of on-site activities were pre-booked and pre-paid. Center Parcs maintains clear price lists for its activities to increase transparency.

Center Parcs maintains a guest database of approximately 289,000 active guests as of 29 December 2022 (i.e., those who had a Center Parcs break in the last 26 months or have an active booking and are contactable by email). Over 19% of guests return within 14 months, and approximately 57% of guests return within five years as of financial year 2022. Given the cost effectiveness of targeting guests who have previously stayed at a Center Parcs village, a significant proportion of the Center Parcs marketing budget is focused on communicating with its existing guest base, targeting repeat visits and the sale of on-site activities. When making a booking all guests create a Center Parcs account, which allows them to store their information and party details and simplify their ongoing booking process with Center Parcs. This is also an opportunity for Center Parcs to track and analyse data for insight over time. The retention strategy focuses on an email programme that maintains communication with guests, from initial enquiry for information, through booking of accommodation, pre-arrival booking of activities, to the post-visit Welcome Home and Anniversary emails. Constantly evolving communications methods in line with consumer behaviour, Center Parcs are moving to eradicate paper communications. Recently the Village Life magazine was moved to an online digital communication rather than paper, with content complementing the ongoing lifestyle blog, "Under The Treetops". A series of pre-arrival emails to guests encourages them to plan and book their itinerary of activities and restaurant bookings well in advance and, again, this has moved to be purely via digital channels. In addition, Center Parcs constantly monitors on-going guest feedback through its online guest service questionnaire, which has been completed by approximately 35% of guests in financial year 2022, as well as through various quantitative and qualitative research projects (including surveys and focus groups), website behavioural tracking and social media reporting and monitoring to review the various elements of its business. Guest questionnaires are also exclusively online delivering industry-leading response percentages and therefore rich guest feedback. Such research helps guide marketing communications, and has also been the basis of improvements in both guest service and product development (for example, accommodation refurbishment, pool upgrades, new leisure activities and software developments). Center Parcs also offers a “come back soon” price guarantee to guests when they leave thus incentivising guests to return and quickly rebook within a month of their visit.

In addition to its retention strategy, Center Parcs integrates acquisition marketing activities across a mix of available marketing channels such as TV, radio, web, email, newspapers and magazines, outdoor and social media, all aimed primarily towards a more affluent market to bring in new affluent guests that have the potential to provide repeat business and good lifetime value through multiple return visits. Typically, Center Parcs runs an integrated cross-channel media campaign, led by television and internet advertising and search, supplemented by email, social media and other forms of public relations activities, all of which are seasonally, geographically and demographically targeted for optimal effects. The largest spend of the year is focused upon the key booking period from late December through to late February, when large numbers of UK consumers are in the market for holidays and short-breaks and the propensity to book is higher.

Center Parcs operates a service programme called “Delivering Excellent Service” to enhance the level of service it provides to its guests. All staff have been trained under the Making Memorable Moments Programme. This effort has yielded improved results, as measured by responses to guest questionnaires.

Information Technology

Center Parcs’ has a modern information technology platform utilising proprietary and third-party hardware and software, including market-standard booking and customer relationship management tools, firewalls and data protection mechanisms, off-site servers, and dedicated on-site IT staff. Center Parcs uses price variability between seasons and across villages in order to respond to changes in demand, local economic conditions, and guest spending profiles.

Center Parcs maintains a sophisticated customer database with fully integrated accommodation and on-site spend data, designed to improve customer analytics, full social media and customer relationship management and a robust online platform recognising individuals and profile segments. As a result, Center Parcs is building the future opportunity to (i) improve its ability to identify and target the most profitable guest profiles and customer lifetime value; (ii) develop and facilitate access to guest data for guest-facing service departments and provide more targeted guest services, such as differentiating between first-time guests and repeat guests and recognising differing family make ups, such as children’s ages; (iii) boost individual guest identification indicating individual preferences to enable Center Parcs to better tailor guest services; and (iv) allow for an improved user booking experience by providing a seamless, consistent and more responsive process across its booking systems.

BOOKINGS SYSTEMS

Center Parcs’ pre-arrivals booking systems comprise a telephone-based in-house contact centre and an online service via its website. Center Parcs significantly improved cost efficiency and efficiency of email and call handling through the consolidation of its call centre operations to its head office in 2010. Guests are able to book leisure activities in advance through these booking systems, which do not apply any booking fees. In addition to benefiting guests, these pre-arrivals booking systems help optimise yield management and give Center Parcs greater planning time to ensure it meets demand through extra sessions/capacity. A dedicated revenue management team ensures that accommodation demand and capacity are constantly monitored to ensure revenue optimisation. In financial year 2022, more than 84% of activities were pre-booked and pre-paid prior to arrival. All bookings are made directly with Center Parcs, with approximately 92% of accommodation bookings made online in financial year 2022. Guests can book either online (using Center Parcs’ website or mobile site) or on-site using purpose built on-site booking points.

Intellectual Property

CP Opco and Center Parcs Limited, together, owned 35 registered trademarks as of 29 December 2022. These include trademarks for the Center Parcs® name and logo; restaurants such as The Pancake House® and Hucks®; leisure venues like The Venue®; activities such as Action Challenge® and Aqua Sana® spa; ParcMarket® on-site supermarket; and Jardin Des Sports® sports centre.

Center Parcs Europe NV operates 26 villages across the Netherlands, Belgium, Germany and France under the Center Parcs name, in addition to one village under the “Villages Nature” brand in France. Center Parcs Europe NV is not owned by Brookfield. CP Opco and Center Parcs Europe NV are party to a brand sharing agreement pursuant to which CP Opco is exclusively entitled to use its trademark registrations for the Center Parcs brand in the UK, Channel Islands and the Republic of Ireland, and Center Parcs Europe NV is exclusively entitled to use its trademark registrations for the Center Parcs brand in Albania, Austria, Belgium, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Israel, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Monaco, the Netherlands, Norway, Poland, Portugal, Romania, Serbia, Slovak Republic, Slovenia, Spain, Sweden, Switzerland and Ukraine. If CP Opco or Center Parcs Europe NV intend to use the Center Parcs name or other trademarks that include or are confusingly similar to them to brand a holiday centre in a jurisdiction outside of these territories, the party planning to expand into that new territory must submit a detailed business plan to the other party inviting them to participate in all aspects of the development, funding, ownership and future management of that holiday centre in that new territory such that CP Opco and Center Parcs Europe NV will participate on terms identical to each other. If the other party accepts the invitation, and CP Opco and Center Parcs Europe NV participate in the development and management of a holiday centre in a new territory, trademark applications and registrations used in connection with any such development will generally be jointly applied and paid for. If the other party does not accept the invitation, the offering party will have the exclusive rights to open and operate holiday centres under the Center Parcs name and the other trademarks. The brand sharing agreement also governs the marketing arrangements pursuant to which Center Parcs Europe NV may market its holidays in the CP Opco territory pursuant to distribution agreements with travel agents in the UK provided that the content of any publicity referring to Center Parcs Europe NV's holidays has been previously agreed by CP Opco. CP Opco must include in its brochures a page promoting Center Parcs Europe NV's holiday villages, the content of which is agreed with CP Opco. The page includes clear language that the two entities are owned separately. Under the marketing arrangements, CP Opco is required to take telephone inquiries and bookings for Center Parcs Europe NV from customers calling the number in its brochure. For this service, it is entitled to receive a variable commission based on the annual accommodation revenue of the bookings made.

Center Parcs believes that its trademarks are valuable to the operation of its villages and are an integral part of its marketing strategy, and is not aware of any existing infringing uses that could reasonably be expected to materially affect its business.

Employees

As of 29 December 2022, 17% of employees have been with Center Parcs for over ten years. Center Parcs has no employees on zero hour contracts. As of 29 December 2022, Center Parcs employed a total of 9,006 colleagues (including fixed term or temporary colleagues) with a full-time equivalent of 5,500 employees. Of the full-time equivalent of 5,500 employees, 376 were based at the head office, and an average of 1,025 full-time equivalent employees were working at each village. The following table provides a breakdown of Center Parcs' number of employees by village for the last three financial years.

	As of 23 April 2020[(1)]		**As of 22 April 2021[(2)]**		**As of 21 April 2022**	
	Full-time equivalents	**Total**	**Full-time equivalents**	**Total**	**Full-time equivalents**	**Total**
Sherwood............	982	1,767	932	1,635	1,052	1,875
Elveden...............	1,036	1,844	938	1,570	1,050	1,811
Longleat..............	948	1,653	863	1,459	893	1,513
Whinfell..............	970	1,475	938	1,323	954	1,393
Woburn...............	978	1,649	865	1,382	975	1,647
Head Office..........	327	363	319	350	348	378
Total	**5,242**	**8,751**	**4,855**	**7,719**	**5,272**	**8,617**

(1) As of 23 April 2020, approximately 90% of Center Parcs employees were furloughed pursuant to the UK government's CJRS.

(2) As at 22 April 2021, 20.5% of employees were furloughed pursuant to the UK government's CJRS.

As of 29 December 2022, 42% of the Group's employees were housekeepers, 20% of employees were employed in leisure activities and 23% of employees were employed in food and beverage outlets.

Center Parcs is a large local employer in the locations where it operates and its strong brand awareness helps it attract new employees. Center Parcs uses a centralised online recruitment system, in addition to references from current employees. All new employees go through an induction programme that introduces them to Center Parcs' customer service initiatives. Employees also have access to on-the-job training including a management training course for employees looking to transition into management roles. Center Parcs also offers apprenticeships, diploma courses and over 200 technical and professional courses each year to its employees.

Maintenance and Inspection

Center Parcs uses both planned preventative maintenance and reactive maintenance regimes to ensure that its accommodation, facilities, amenities, plant, equipment, fixtures and fittings are inspected and maintained to a standard acceptable to its target guest base.

The planned preventative maintenance regime helps to ensure that Center Parcs has visibility of the total cost of maintaining its assets and the cost of replacing end of life assets. The reactive maintenance regime ensures that Center Parcs has a technical services team on call to attend to any maintenance issue 24 hours a day, 365 days a year. The technical services teams are complimented by external experts, technicians and engineers as required.

The Director of Operations and the senior management team of each village meet regularly. The Director of Operations and CEO undertake an annual inspection of standards and maintenance related issues and there is an annual asset review undertaken with the CEO, Development Director, Head of Assets, Director of Operations and Village Director.

Insurance

Center Parcs maintains insurance of the types it believes to be commercially reasonable and available to businesses in its industry, and in amounts exceeding the statutory minimums. It maintains insurance policies that provide coverage for property related risks, business interruption following loss of or damage to property, employers' liability and public and product liability.

Center Parcs' current insurance policies expire on 30 June of each year. While insurance premiums as a whole have remained relatively stable over recent years, property insurance premiums have increased in recent years as a result of global natural disasters and extreme weather conditions. In addition, cybersecurity insurance premiums have also increased as a result of increasing rates of cybersecurity threats around the world. Center Parcs cannot predict the level of the premiums it may be required to pay for subsequent insurance coverage or the level of insurance available.

Legal Proceedings

From time to time, Center Parcs has been and is involved in disputes and litigation related to its business and operations.

In particular, the nature of the leisure activities which it provides and the industry in which it operates tend to expose Center Parcs to claims by guests for personal injuries. Center Parcs investigates such claims thoroughly and, depending on the circumstances, will settle or defend the claim accordingly. Center Parcs may also be subject to investigations and prosecution for alleged violations of health and safety laws and regulations.

Center Parcs is not currently party to any actual or threatened legal proceedings or disputes which may have a material adverse effect on its business, results of operations or financial condition.

Regulation and Environment

The villages operated by Center Parcs are subject to a number of national and local laws relating to the operation of holiday breaks, including those regarding the sale of alcohol and offering of entertainment. Operating in forested areas with endangered wildlife, the villages are also required to adhere to strict environmental codes.

Center Parcs' operations are subject to increasingly stringent national and local environmental laws and regulations, including laws and regulations governing air and noise emissions; wastewater and storm water discharges and uses; oil spillages; the maintenance of storage tanks and the use, release, storage, disposal, handling and transportation of, and exposure to, chemicals and hazardous substances; and otherwise relating to health, safety and the protection of the environment and natural resources and the remediation of contaminated soil and groundwater.

Center Parcs is committed to operating in a sustainable and ethical way. In 2010, Center Parcs took the decision to drastically reduce its carbon footprint and positively contribute towards the global effort to tackle climate change. Center Parcs set a target of reducing its carbon emissions by 20% over 10 years (2010-2020). Center Parcs achieved this target two years ahead of its original goal. In total, Center Parcs reduced its carbon footprint by more than 13,000 tonnes over this period.

This reduction was achieved through a number of targeted capital investments and projects. At Sherwood Forest, Center Parcs works with a specialist energy supplier to provide the village with electricity and heat generated by anaerobic digestion. The anaerobic digestion plant supplies 22% of the village's heat and 78% of the required electricity. Woburn Forest was designed with an energy centre to supply heating and hot water to lodges and central buildings across the village, which helps deliver energy more efficiently. In 2020, Center Parcs switched its grid electricity to 100% renewable energy.

Center Parcs has set a number of further sustainability targets for 2030. Center Parcs aims to reduce its carbon emissions by a further 30% by 2030 from a baseline year of 2020.As part of this commitment, by 2030, Center Parcs intends to source 50% of its energy from renewable sources, install biogas plants at two more of the villages, transition its fleet of vehicles to 100% electric or hybrid vehicles, reduce energy use by 5% and water use by 10% and reduce waste by 20% and increase recycling by 10%. Center Parcs is committed to achieving net zero by 2050 for its scope 1 and 2 greenhouse gas emissions, in line with the legally binding commitments made by the UK government and similar commitments in the EU. Over the coming years, Center Parcs will develop a Net Zero strategy outlining the route to achieving this. Center Parcs will also calculate its Scope 3 emissions and determine a potential carbon reduction trajectory for these.

Center Parcs is subject to applicable rules and regulations relating to its relationship with its employees, including minimum wage requirements, child labour laws, health benefits, and overtime and working condition requirements. In addition, Center Parcs is subject to the Equality Act 2010.

Center Parcs was the first UK organisation to receive the Wildlife Trust's "Biodiversity Benchmark" across all of its sites, with all of the villages retaining their certification as of October 2018.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Longford Management Services Agreement

The services agreement between CP Opco and Center Parcs Ireland Limited ("**CP Ireland**") dated on or about the Fourth Closing Date (the "**Longford Management Services Agreement**") provides for CP Opco to provide certain operating services and development management services in relation to the sixth Center Parcs village to be developed and opened at Newcastle, Ballymahon, County Longford, Ireland (the "**Longford Forest**"), in return for the payment of on-going charges of £10,000 per annum in respect of development management services provided until practical completion of Longford Forest and ongoing operating services (such per annum amount to be invoiced by CP Opco monthly in arrears). CP Opco will be required to provide or procure a broad range of services, including: pre-opening operating services; human resources support; sales and marketing services; guest services; pricing and accounts; using all reasonable endeavours to procure insurance in the name of CP Ireland; legal, compliance and company secretarial support; central purchasing and liaison with suppliers; health and safety advice; procurement and management of IT services; vehicle fleet management; site maintenance services; management of concessions and licensed units; internal audit services; services in respect of the preparation of management accounts and statutory accounts; tax; strategic support; advice in relation to tender processes for the building of infrastructure; using all reasonable endeavours to obtain required licences and consents; appointment of consultants; liaising with external counsel and negotiation with contractors; management of the construction programme; using all reasonable endeavours to monitor building contracts; arranging appropriate financing arrangements; and any other services provided by CP Opco to the existing villages. CP Opco is required to provide the operating services and the development management services to at least the same overall standard, scope and quality as are provided to the existing villages.

CP Opco also grants CP Ireland a royalty-free, non-exclusive, non-transferable, irrevocable and perpetual licence to use and reproduce any brands or trademarks owned or licensed by CP Opco and used by any of the existing villages (including the core "Center Parcs" brand and trademarks) for the purposes of running the business of Longford Forest which is described in further detail below. This IP licence is terminable only in certain limited circumstances as described below.

The Longford Management Services Agreement, but not the licence of the intellectual property rights, may be terminated in the following circumstances: (i) if CP Opco and CP Ireland cease to be affiliates, by either CP Opco or CP Ireland providing two years' written notice; and (ii) by either CP Opco or CP Ireland for non-payment, subject to an aggregate grace period for payment of 15 days. If CP Opco and CP Ireland cease to be affiliates, CP Opco may terminate the Longford Management Services Agreement and the licence of the intellectual property rights by written notice if CP Ireland does or omits to do anything which causes a material adverse effect to the value of the core "Center Parcs" brand and trademarks (taken as a whole). In addition, if CP Opco and CP Ireland cease to be affiliates: (i) CP Ireland may terminate the licence of the intellectual property rights only by six months' written notice and (ii) CP Opco may terminate the licence of the intellectual property rights only by three months' written notice if CP Ireland ceases to brand Longford Forest as a "Center Parcs" site. The licence of CP Opco's intellectual property rights (excluding the marks referred to below) is a royalty free, non-exclusive and non-transferable (subject to the terms of the Longford

Management Services Agreement) licence whereas the licence of the trademarks (which includes the core Center Parcs brand and trademarks, and any other brands or trademarks owned or licensed by CP Opco and used by any of the existing villages) is a royalty-free, non-exclusive, non-transferable (subject to the terms of the Longford Management Services Agreement) and (unless terminated in accordance with the Longford Management Services Agreement) irrevocable and perpetual licence.

Where a notice of termination has been served by CP Opco due to CP Ireland doing or omitting to do anything which causes a material adverse effect on the value of the core "Center Parcs" brand and trademarks (taken as a whole) the licence of the intellectual property rights will terminate on the date on which CP Ireland receives the written notice of termination whereas, in respect of the other provisions of the Longford Management Services Agreement, CP Opco shall provide exit services to CP Ireland for a period of 12 months from the date of the written notice of termination. If CP Opco and CP Ireland cease to be affiliates and either CP Opco or CP Ireland provides two years' written notice to the other to terminate, CP Opco shall provide exit services to CP Ireland for six months prior to the end of the two year notice period. Such exit services include the handover of data (to the extent permitted by law) required to honour future bookings of Longford Forest and market to past and existing guests of Longford Forest and assistance with the handover or replacement of third party supplier contracts, shared IT services and equipment, payroll and HR systems, and the phasing out of the use of CP Opco's intellectual property rights. The exit services will be provided in return for a service charge of a sum equal to CP Opco's cost of providing the exit services, such amount being increased by 20% if CP Opco and CP Ireland cease to be affiliates. At any time when exit services are provided, CP Opco and CP Ireland will not be affiliates and the termination events which lead to CP Opco being required to provide exit services only apply once CP Opco and CP Ireland cease to be affiliates.

The liability of CP Opco to CP Ireland whether arising from negligence, breach of contract or otherwise shall not exceed an aggregate cap of £15 million. CP Opco may also be liable to CP Ireland where it causes damage to any physical property up to an aggregate cap of £10 million provided that CP Ireland must first recover any loss for damage to physical property from insurance proceeds. Neither CP Opco nor CP Ireland limits its liability for fraud, death or personal injury arising from its negligence or that of its employees, agents or subcontractors. Neither CP Opco nor CP Ireland shall be liable to each other for: (i) loss of profits, revenues or contracts, business interruption, or loss or corruption of data; or (ii) indirect, special or consequential loss or damage, even if such loss was reasonably foreseeable and whether arising from negligence, breach of contract or otherwise.

Other Related Party Transactions

In the ordinary course of business, Center Parcs may enter into transactions, including intercompany loans and investments, with related parties.

DOCUMENTS INCORPORATED BY REFERENCE

This Supplemental Bondholder Report should be read and construed in conjunction with the documents specified in the list below, which documents shall be incorporated in, and form part of, this Supplemental Bondholder Report; provided, however, that any statement contained herein or in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Supplemental Bondholder Report to the extent that a statement contained in any such subsequent document which is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Supplemental Bondholder Report. Any further information or documents incorporated by reference in the documents incorporated by reference below does not form part of this Supplemental Bondholder Report. Information contained in the documents incorporated by reference into this Supplemental Bondholder Report, which is not itself incorporated by reference herein, is not relevant for investors.

Copies of the documents incorporated by reference in this Supplemental Bondholder Report may be viewed electronically and free of charge at the website links set out below (the "**Website**"). Parcs' website does not form any part of this Supplemental Bondholder Report. The Website is provided for convenience only, and its content does not form any part of this Supplemental Bondholder Report, other than in respect of those financial accounts expressly being incorporated by reference into this Supplemental Bondholder Report. The information incorporated by reference into this Supplemental Bondholder Report is an important part of this Supplemental Bondholder Report.

The list below sets out the details of each of the documents incorporated by reference in this Supplemental Bondholder Report:

- Consolidated Financial Statements of Center Parcs (Holdings 1) Limited for the 52 weeks ended 21 April 2022 (all pages) (available at: Center Parcs (Holdings 1) Limited 2022);
- Consolidated Financial Statements of Center Parcs (Holdings 1) Limited for the 52 weeks ended 22 April 2021 (all pages) (available at: Center Parcs (Holdings 1) Limited FY21);
- Consolidated Financial Statements of Center Parcs (Holdings 1) Limited for the 52 weeks ended 23 April 2020 (all pages) (available at: Center Parcs (Holdings 1) Limited 2020);
- Financial Statements of CPUK Finance Limited for the 52 weeks ended 21 April 2022 (all pages) (available at: CPUK Finance Limited FY22);
- Financial Statements of CPUK Finance Limited for the 52 weeks ended 22 April 2021 (all pages) (available at: CPUK Finance Limited 2021);
- Financial Statements of CPUK Finance Limited for the 52 weeks ended 23 April 2020 (all pages) (available at: CP-UK-Finance-FY20);
- Financial Statements of Center Parcs (Operating Company) Limited for the 52 weeks ended 21 April 2022 (all pages) (available at: Center Parcs (Operating Company) Limited 2022);
- Financial Statements of Center Parcs (Operating Company) Limited for the 52 weeks ended 22 April 2021 (all pages) (available at: Center Parcs (Operating Company) Limited FY21); and
- Financial Statements of Center Parcs (Operating Company) Limited for the 52 weeks ended 23 April 2020 (all pages) (available at: Center Parcs (Operating Company) Limited FY20).