

# Center Parcs Investor Presentation

Results for the 24 weeks ended 7 October 2021

17 November 2021



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# Section 1

## Overview and Operational Update



# Center Parcs Overview

## FY22 H1 Summary

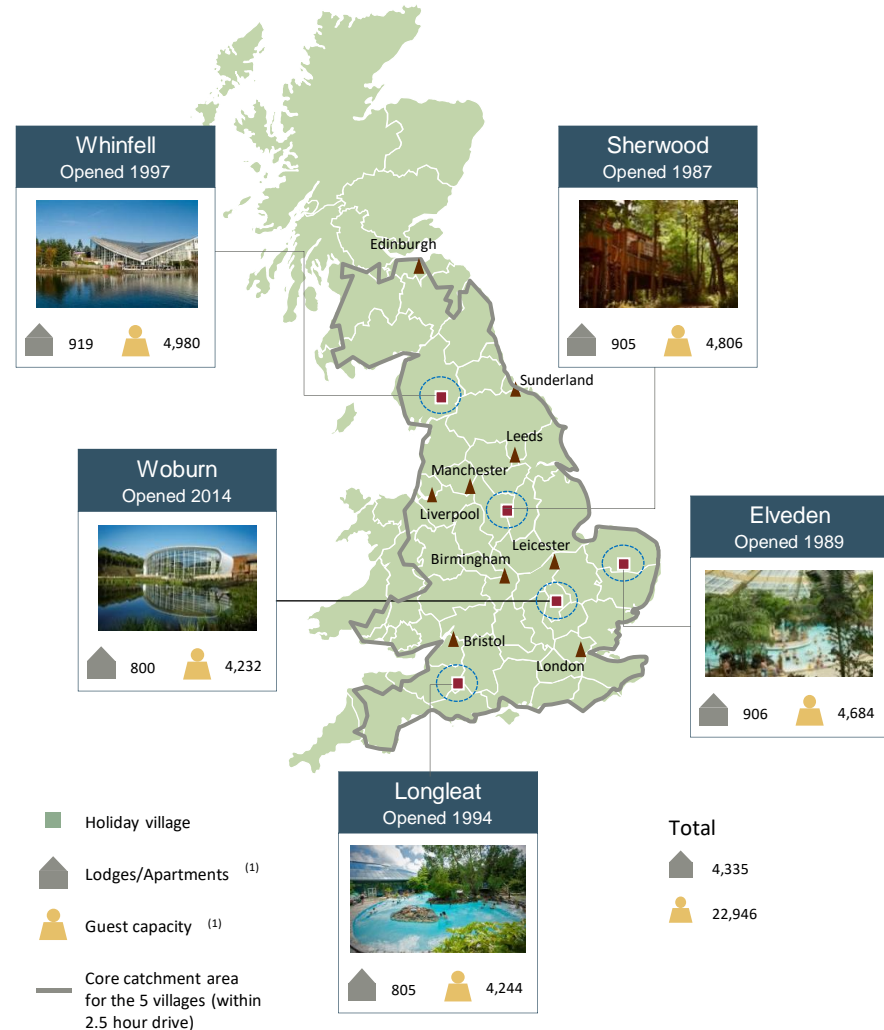
24 weeks ended 7 October 2021

- ✔ A record second quarter and half-year with EBITDA of £119.4m, despite operating to self-imposed reduced capacity limits
- ✔ Occupancy of 79.4% compared to 98.2% in FY20
- ✔ ADR comparatives significantly impacted by mix of lodges sold and underlying yield management optimisation actions
- ✔ Cash of £157.7m at 7 October 2021 and £175.6m at 11 November 2021

## Outlook

- ✔ Self-imposed capacity limits have continued, mainly due to resourcing levels. Capacity is expected to be increased progressively over the second half of the year
- ✔ FY22 is now 74% sold as at 11 November 2021 compared to 81% at the same point in time in 2019 for FY20 (pre-Covid). This reflects the impact of capacity restrictions during FY22
- ✔ Demand for FY23 is encouraging with 15% now sold<sup>(1)</sup> compared to 10% for FY21 at the same point in time in 2019
- ✔ Underlying ADR for both FY22 and FY23, while impacted by the factors noted above, is encouraging and reflects strong demand for future breaks

(1) As at 11 November 2021



- All UK Villages re-opened on 12 April 2021 and remain open at the date of this update
- Processes to ensure the villages remain Covid secure are now well embedded in standard operating procedures
- Guest feedback has been outstanding and recognises Center Parcs continues to deliver an unparalleled customer experience while ensuring the safety of guests and staff remains a top priority
- Staff resourcing has impacted certain areas of operations and is now the main driver of continuing with self-imposed reduced capacity limits
- Actions are in place to enable operating capacity to be increased progressively over the second half of the year




# Section 2

## Financial Summary



# Financial Summary

		H1 FY22	H1 FY21	H1 FY20	FY22 Versus FY20
Revenue		£227.5m	£81.5m	£235.1m	(3.2)%
EBITDA		£119.4m	£13.3m	£117.8m	+1.4%
Operating Margin		52.5%	N/A	50.1%	+2.4%

Occupancy		79.4%	32.2%	98.2%	(18.8)%
ADR		£258.22	£241.21	£202.13	+27.7%
RevPAL		£205.02	£77.57	£198.43	+3.3%

**Outstanding Results Delivered In H1 FY22**

# Liquidity Update

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- Cash of £157.7m at 7 October 2021
- £175.6m at 11 November 2021
- High cash balances driven by return to profitable trading and strong bookings for future arrival dates
- Guest cancellations and refund levels are slightly higher than the pre-Covid period but not resulting in material cash outflows
- No further drawdowns from Brookfield into the securitised structure during this financial year
- Provided the villages remain open the business does not require any further financial support
- Covenant waiver remains in place. Testing will recommence in February 2022. For this test date FCF may be amended to add equity proceeds received during the testing period to EBITDA as part of the covenant calculation
- No distributions will be made during the period that the waiver is in place



# Section 3

## Capital Investment



# Capital Investment

	H1 FY22 £m	H1 FY21 £m
Investment projects	1.5	0.6
Accommodation upgrades	5.7	2.7
New builds	-	1.3
<b>Total Investment Capital</b>	<b>7.2</b>	<b>4.6</b>
<b>Maintenance Capital</b>	<b>8.1</b>	<b>9.0</b>
<b>Total Capital Expenditure</b>	<b>15.3</b>	<b>13.6</b>

**Capital Investment Programme Ahead of Prior Year**

# Capital Investment



**ELVEDEN AQUA SANA POOL**



**LONGLEAT RAJINDAS**



**SHERWOOD RAJINDAS**



**WOBURN JOULES**



# Section 4

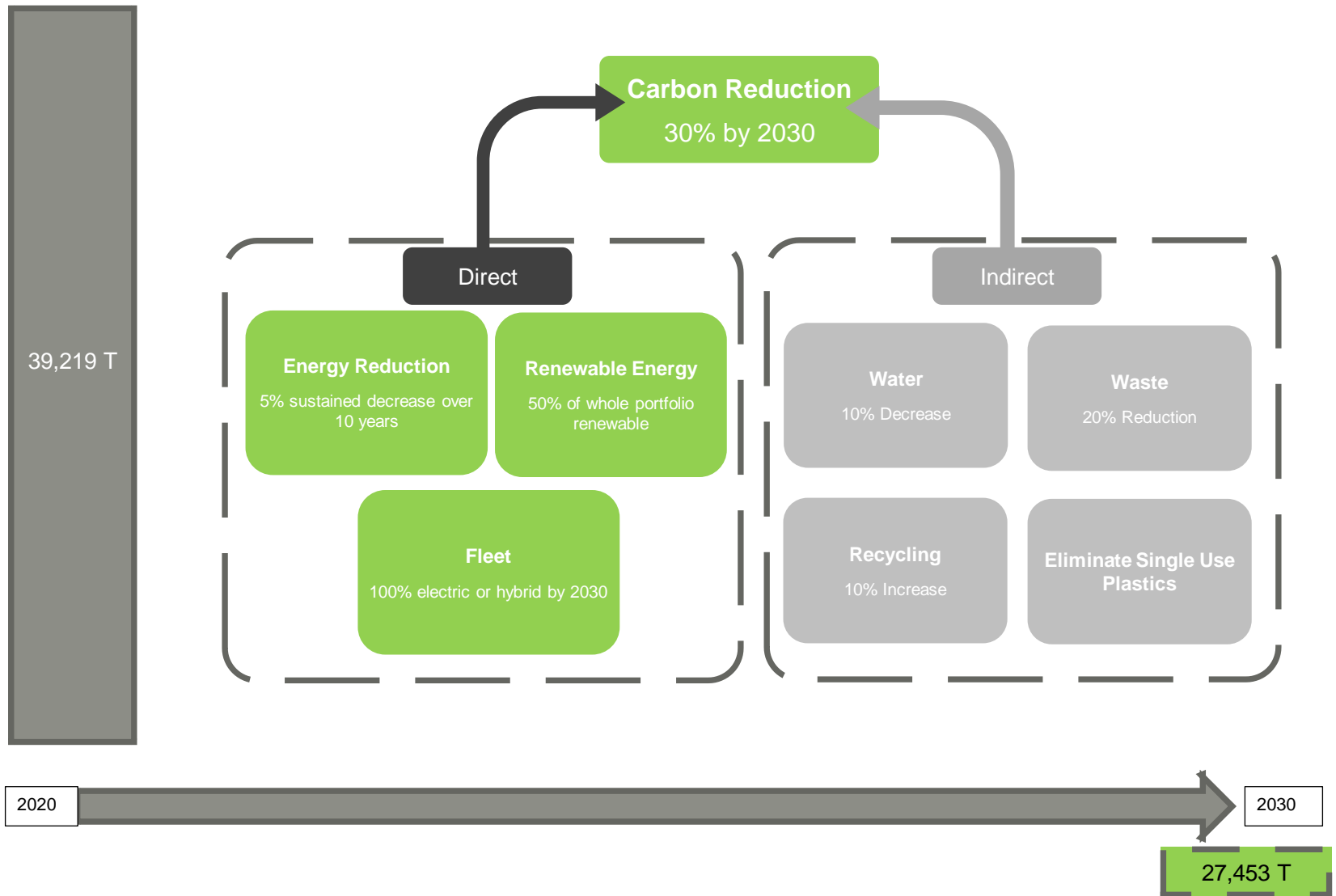
## ESG Update



- A new corporate website is now live and contains examples of our initiatives in each of the Environmental, Social and Governance categories
- The site may be found at <https://corporate.centerparcs.co.uk/>
- A new carbon reduction target has been set to further reduce emission by 30% by 2030. This, together with the initiatives already delivered, will mean carbon emissions almost halving over a 20 year period
- Carbon targets are to be delivered by actions to reduce emissions, not through offset programmes
- Social and Governance activities are clearly referenced
- Website content will frequently be updated as the ESG framework continues to develop

**Corporate Website Now Live**

# Carbon Reduction - Roadmap to 2030



**Further 30% Reduction With No Carbon Offsetting  
 Nearly Halving Carbon Emissions Over a 20 Year Period to 2030**



# Section 5

## Ireland Update



# Ireland Update

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- Center Parcs Longford Forest in Ireland re-opened on 4 June 2021 and remains open at the date of this update
- The village remains outside of the UK securitised structure
- The village is trading well, operating at occupancies similar to the UK villages and there is high demand for future breaks
- Excellent guest feedback with a satisfaction score of over 90%
- Strong profits and cash flows are now being generated and provided the village remains open, the entity does not require further financial support
- Opportunities to expand the village are now being progressed and a planning application is expected to be submitted to the Irish authorities in 2022
- Any future development would be financed outside of the UK securitised structure



# Section 6

## Sixth UK Site Update





## Potential Development of Sixth UK Site

- On 12 July 2021 Center Parcs announced that it had entered into an option agreement in relation to approximately 553 acres of land in West Sussex
- The option agreement has been entered in to by CPUK6 Limited, a company that sits outside of the WBS structure. The Option allows Center Parcs to acquire either the freehold or a long lease of the land subject to obtaining planning permission for a holiday village on the site
- Center Parcs is engaging with local stakeholders and commencing pre-planning works with a view to submitting a planning application to the relevant local authority in due course
- The application is expected to be for a c.900 lodge development with a sub-tropical swimming paradise, restaurants, shops, indoor and outdoor activities and an Aqua Sana spa
- Estimated construction cost of between £350m to £400m

## Potential Development of Sixth UK Site

- Pre-planning costs will not be funded by the WBS structure and if the planning application is successful, the WBS structure has no obligation to provide funding for the development
- Financing will be considered in due course and may be a blend of shareholder equity and third-party development funding
- When completed and trading, the intention is to procure the accession of CPUK6 Limited into the WBS under the terms of the debt structure
- Further updates will be provided as part of the usual quarterly reporting

# Section 7

## Summary and Outlook





- An outstanding record result for the first half of the financial year
- Villages are broadly full to the self-imposed reduced capacity limits in place to protect the guest experience and maintain the integrity of village operations
- Subject to resourcing levels, capacity restrictions are expected to be eased progressively over the second half of the year
- Strong cash position with £157.7m at 7 October and £175.6m as at 11 November 2021
- As long as the villages remain open, despite occupancy restrictions, a strong outturn for the year is currently expected
- Bookings for FY23 are encouraging with 15% occupancy sold to date compared to 10% at the same time in 2019 for FY21

**The Business Continues to be in Excellent Shape**

# Financial Calendar and Contacts

## Financial Calendar

- **February 2022**  
Quarter 3 results FY22 for 36 weeks to 30 December 2021
- **July / August 2022**  
Full year results FY22 for 52 weeks to 21 April 2022

## Contacts

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