

Center Parcs Investor Presentation

Results for the 24 weeks ended 8 October 2020

Thursday 19 November 2020



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3. Capital Investment

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Section 1

Overview & Covid-19 Update



Center Parcs Overview

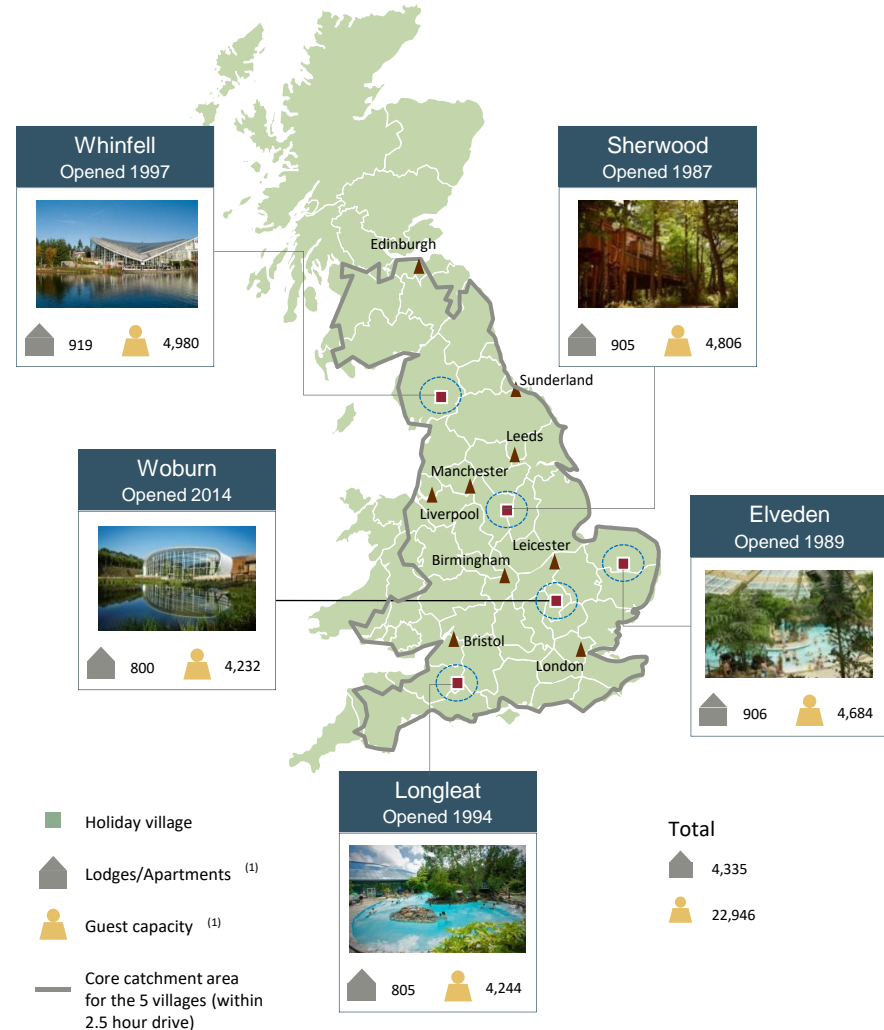
FY21 H1 Summary

24 weeks ended 8 October 2020

- ✔ Cumulative EBITDA £13.3m, with occupancy during the period of trading of 61.4%
- ✔ Q2 profit offset previously reported Q1 loss
- ✔ Year over year net ADR significantly impacted by mix of lodges sold
- ✔ Cash of £105.2m at 8 October

Outlook

- ✔ Sherwood village closed on 30 October and in line with Government legislation all remaining villages closed on 5 November 2020 until at least 3 December 2020.
- ✔ Liquidity remains strong with cash of £87.3m at 12 November. Majority of guest refunds for cancelled breaks completed, with c.40% uptake in offer to move to alternative date.
- ✔ Villages ready to re-open at short notice. Cash burn (excluding refunds) during latest closure period expected to be slightly higher than previous closure
- ✔ Occupancy for Q4 now broadly in line with last year
- ✔ Re-opening update will be given in due course



(1) As at 8 October 2020

Covid Update

- “Rule of 6” and 10pm closure of certain hospitality venues introduced on 25 September 2020
- “3 Tier” restrictions commenced 14 October 2020
- Nottinghamshire entered Tier 3 (Very High Risk) and Sherwood Village closed on 30 October 2020
- Full UK Lockdown from 5 November 2020, remaining villages closed until at least 3 December 2020
- As with first lockdown closure strong liquidity controls put in place
 - Employee furloughing
 - Elimination of non-essential operating costs
 - Re-phasing of Capital expenditure
 - For cancelled breaks, offer to guests to take up an alternative date with £100 incentive. c. 40% take up of this offer
- Villages ready to re-open at short notice. Cash burn (excluding refunds) is therefore slightly higher than previous closure period
- Re-opening dates will be announced in due course

Section 2

Financial Summary



Financial Summary

Quarter 1	Quarter 2		Half Year To Date	% change vs FY20
£1.2m	£80.3m	Revenue	£81.5m	(65.3)%
£(19.7)m	£33.0m	EBITDA	£13.3m	(88.7)%
-	41.1%	Operating Margin	16.3%	(33.8)%



-	63.1%	Occupancy	32.2%	(67.2)%
-	-	Occupancy (Open Period)	61.4%	(37.5)%
-	£242.79	ADR	£241.21	+19.3%
-	£153.12	RevPAL	£77.57	(60.9)%



Results Reflect Closure of Villages in Quarter 1

Liquidity / Refunds Update



Date	Cash	Village Status	Refund Status	Date Change Uptake
16 July 2020 (Q1)	£102.2m	All villages open from 13 July	Majority of refunds complete for breaks cancelled to 13 July	c.35% uptake in alternative date offer with £100 incentive
8 October 2020 (Q2)	£105.2m	All villages open	Complete	-
12 November 2020	£87.3m	Sherwood closed from 30 October, remaining UK villages closed on 5 November	Majority of refunds complete for breaks cancelled to 3 December	c.40% uptake in alternative date offer with £100 incentive

**Strong liquidity with majority of guest refunds complete
£20.9m of £160m funds allocated by Brookfield for the UK
also remains undrawn**

Covenant Waiver



- Covenant Waiver requested in July 2020
- Testing of the 110% Class A and 100% Class B FCF DSCR is waived for the Financial Covenant Test Dates falling August 2020, February 2021 and August 2021
- Testing will recommence in February 2022. For this test date FCF will be amended so that if any of the Group's villages are closed during the relevant testing period as a result of measures implemented by the Group in response to any COVID-related or other pandemic, Center Parcs will be allowed to add equity proceeds received during the testing period to EBITDA in order to pass the Financial Covenant tests
- Throughout the waiver period Center Parcs will continue to calculate and report the covenant ratios
- No distributions during waiver period
- As at the Financial Covenant Test Date falling in August 2020, the Class A and Class B FCF DSCR ratios were 2.3:1 and 1.5:1 respectively

Section 3

Capital Investment



Capital Investment

	Half Year to Date £m	Same Time Last Year £m
Investment projects	0.6	3.0
Accommodation upgrades	2.7	4.3
New builds	1.3	2.7
Total Investment Capital	4.6	10.0
Maintenance Capital	9.0	12.1
Total Capital Expenditure	13.6	22.1

Reduced Capital Investment Reflects Village Closures

Whinfell Treehouses



Whinfell Treehouses Completed in August 2020

Whinfell Treehouses



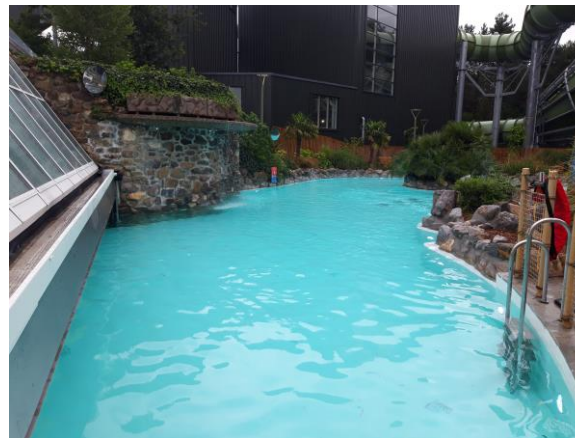
Whinfell Treehouses Completed in August 2020

Sherwood Changing Rooms



Sherwood Changing Room Refurbishment Complete

Sherwood Wild Water Rapids



Sherwood Rapids Refurbishment Complete

Section 4

Ireland Update



- Center Parcs Longford Forest in Ireland closed on 6 October following the Irish Government's decision to move to Level 3 of the "Plan for living with Covid-19"
- Subsequently, restrictions were moved to Level 5
- The Irish Government will review the restriction levels on 1 December 2020
- Center Parcs' village in Ireland sits outside the WBS structure and has sufficient liquidity to meet its current obligations
- Prior to closure the village was trading and operating well

Section 5

Summary & Outlook



Summary & Outlook

- UK Villages closed until at least 3 December 2020
- £87.3m cash at 12 November with majority of refunds completed for cancelled breaks
- c.40% uptake in offer to move to an alternative date with £100 incentive
- Cash burn (excluding refunds) during current closure period will be slightly higher than previous closure to facilitate swift re-opening
- Occupancy for Q3 is materially affected by the current village closures
- Occupancy for Q4 is now broadly in line with the prior year
- Capacity restrictions will be maintained at c.75% on re-opening
- Further update on re-opening in due course

Financial Calendar and Contacts

Financial Calendar

- **Mid February 2021**
Quarter 3 results FY21 for 36 weeks to 31 December 2020
- **July / August 2021**
Full year results FY21 for 52 weeks to 22 April 2021

Contacts

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