



Groupe
Pierre & Vacances
CenterParcs

GROUP STRATEGIC PLAN – AMBITION 2022

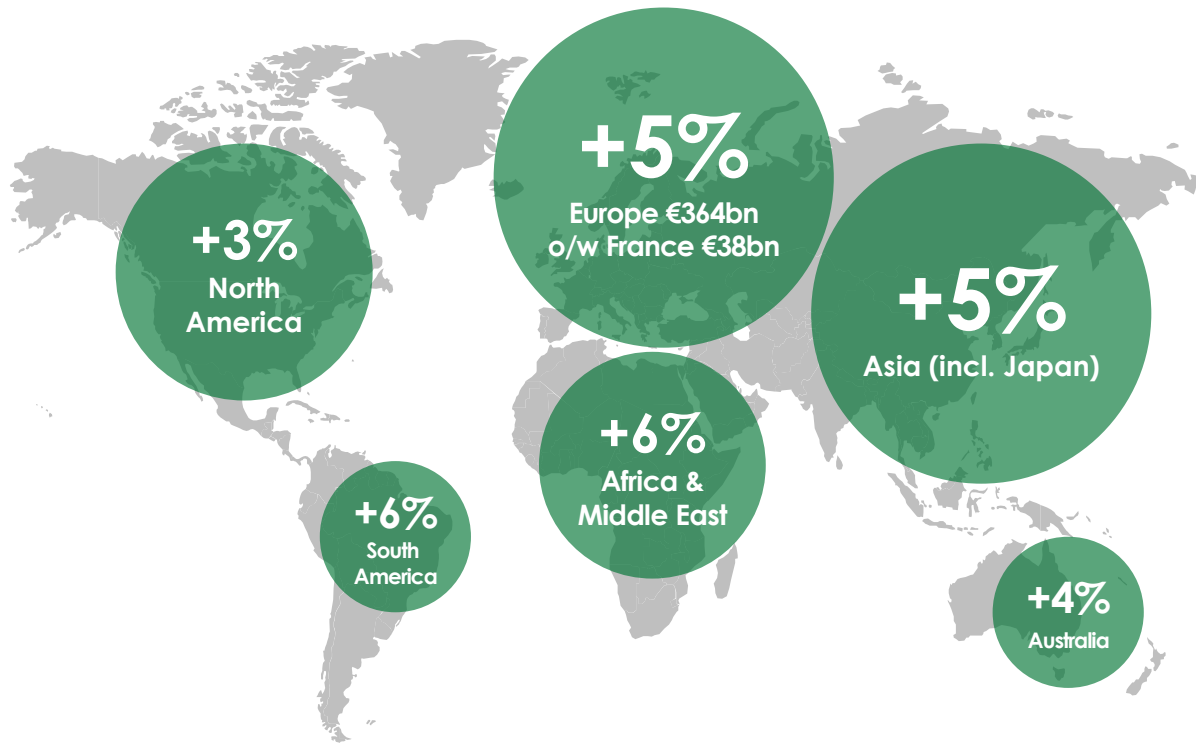
22 November 2018

“

To strengthen our European leadership with **experiential, innovative** and **responsible** tourism

”



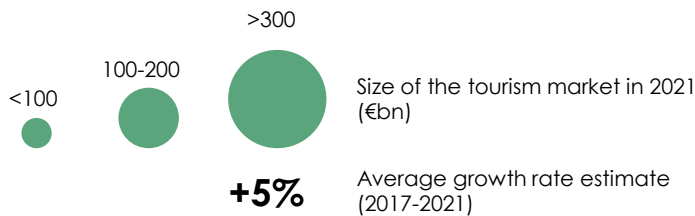


5%

growth in global tourism,
 double the level in the
 accommodation offer

100

million international tourists
 in France in 2020





Years spent on the Group's Board of Directors



Sites visited over the past six months in all countries where the Group is present



Staff met in all of the Group's businesses



Customers met on sites, of all profiles – families, business travellers, couples – very attached to our brands



A European leader

8 million customers



Reference brands

170 PV sites, 26 CP/SP,
100 Adagio, 28,000 rentals
and 3,000 properties
managed by Maeva.com



A unique offer

All types of destination and
accommodation



A strong innovative ability

New concepts such as
Villages Nature Paris



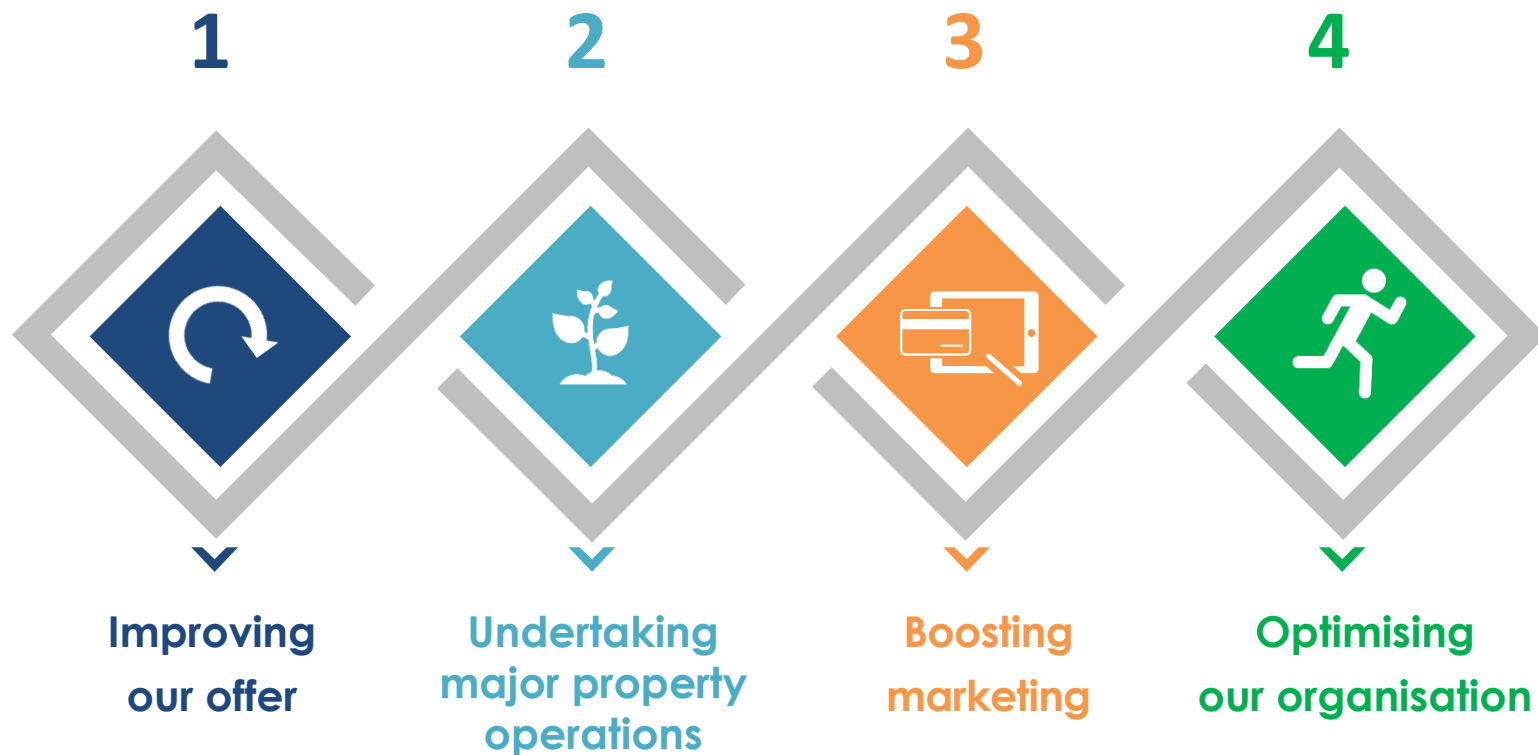
A powerful environmental culture

Avoriaz Sans Voitures,
Géothermie
(Villages Nature Paris)



A lasting shareholding structure

Our strategy is based on 4 fundamental focuses





1. Improving our offer

**Renovating
our offer...**

€450m o/w €415m
financed by owners/partners
to **renovate** our
tourism network

... to better value it ...

Moving our
accommodation **upscale**
and sharply increasing
letting rates

Enhancing our activities

**...and enhance the
customer experience**

Offer of **additional services**
with a digitalised journey



2. Undertaking major property operations

Developing new and innovative offers

- ✓ New concepts / models, all brands – all countries
- ✓ Extending existing sites with a renewed offer proposal

Continuing development in countries where we are located

- ✓ All brands
- ✓ In France,
- ✓ In Spain
- ✓ In Germany, Holland and Belgium

Conquering new countries

- ✓ In Europe: Scandinavia, Eastern Europe, Switzerland, Italy...
- ✓ In China with local partners



Target: To create **25,000** additional **beds**

⇒ international impact with a strong reputation and consolidation of results over the long term

INNOVATING

- Communication focused on image
- New packages
- Original holidays

PERSONALISING

- Tailor-made holidays
- Flexibility on dates and duration of stays
- Loyalty programmes

EXPLOITING DATA

- Unique data base
- New marketing tools
- Growth in direct sales



Target: To increase margins by reducing intermediaries, marketing associated products and optimising stock management

Simplifying processes and tools

Reducing decision-making circuits

Reducing reporting

Optimising purchases



Target: To cut head office costs by **8%**

To speed up decision-making, improve customer service and agility, and hence performance

Tourism

4%

Annual growth in same-structure **accommodation revenue**

5%

Current operating margin in tourism in 2022

Property development

€3bn

Business volume in property in 2022

6%

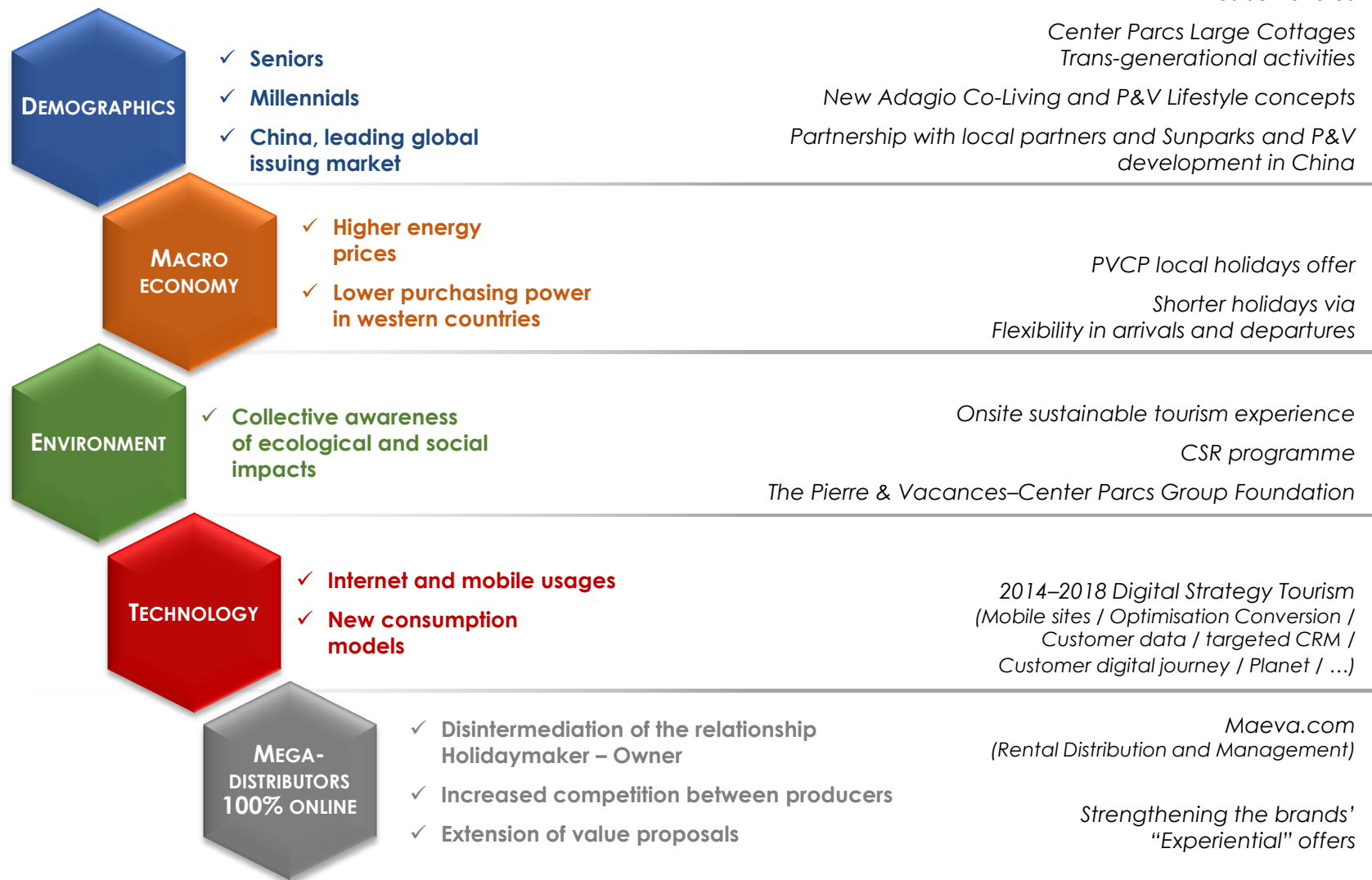
Average margin on property business volume




Targets:

- Conquering new markets
- Strengthening our position as leader via changes to our organisation, our way of functioning, our offer, our distribution and our communication.

2 Ambition 2022: Tourism





Living shared moments – refocusing on self and family

Expectations of progress and surprise – without taking risks

Doing everything online – looking for human contact

Disconnecting from daily lives – remaining connected

Being served immediately – making time for oneself

Using - not owning

**SIGNIFICANT CHANGES IN
CUSTOMER EXPECTATIONS**

*Customers increasingly
well informed*

*Faster
obsolescence of offers*

*Demand for original
experiences
activities and
services, as well as
accommodation*

*Demand for
Quality and
Customer Service*

SIGNATURE: ▪ PVCP: “Making your holidays the best experience »

APPROACH: ▪ To become a “Customer Company”, focused on customers to develop our offers and experiences

Customers increasingly well informed



Stepping up Digitalisation and Innovation

Placing the customer at the heart of the business model to personalise relations and make the customer journey more fluid

Faster obsolescence of offers



International expansion of the offer

Developing an exclusive stock (destinations and accommodation) in line with customer expectations and with a coherent pricing

Demand for original experiences activities and services, as well as accommodation



Enhancing Customer Experience

Modernising the accommodation offer, by adding memorable Experiences, Services and Activities

Demand for Quality and Customer Service



Valuing and Investing in our Human Capital

Relying on committed teams, that fully respect the Group's values, and acquiring/developing new skills

DEVELOPING WEB AND MOBILE SALES

INDUSTRIALISING CUSTOMER RELATIONS AND KNOWLEDGE TO CREATE A FLUID AND PERSONALISED JOURNEY

INNOVATING TO REACH STRATEGIC OBJECTIVES

2022 TARGETS

- 55% of sales via the Web (+5pts vs 2018 / +€60m*)
- 30% of Web sales on Mobile (+14pts vs 2018 / +€80m*)
- Reduction in sales costs (Lean organisation and simplification of processes)

- Optimised and personalised customer journey for 80% of Web and Mobile customers (+€15m* generated by conversion)
- NPS** >30% over all customer contact points

- 20 successful and transversal partnerships with Start-Ups
- PVCP “Employer Brand” for Start-Ups

PRIORITY ACTIONS

- **Boosting conversion (+10%, especially on Mobile) by developing Personalisation of Customer Relations**
- **Optimising repurchase rates and developing communities around our brands**
- **Developing sales of complementary activities and sales, especially via packages**

- **Generalising the Customer Voice programme to detect new expectations and eliminate sources of criticism**
- **Developing a unified Customer Vision, in real time and omnichannel by strengthening the CRM and Data Science divisions**
- **Creating a 100% fluid and coherent customer journey**

- **Creation of the Transversal Innovation Department (2018)**
 - Making **Design Thinking** systematic to full meet customer expectations
 - Reducing **Time to Market** thanks to **rapid** and **agile deployments**
 - Technological **watch**
- **Launching a Start-Ups partnership programme**

*Business volume

**NPS: Net Promoter Score

**2022
 TARGETS**

- **+19 international destinations by 2022** (30 vs 11 in 2017 – excluding development in China)
- **Growth making full use of international leverage** (70%* of growth over 4 years, by using all business models)
- **Strengthening the offer in historical countries**



- ✓ **+21** International destinations
Management Contract / Franchise
- ✓ **+14** openings in Spain
Lease and Management Contract
- ✓ **+3,000** accommodation units marketed



- ✓ **+7** International destinations
- ✓ Lease and Management Contract
- ✓ Conversions of SunParks into Center Parcs
Major renovation and extension programme
(**+1,200** cottages)



- ✓ **+9** International destinations
- ✓ **+58** openings
Franchise / Management Contract / Lease
- ✓ Renovation programme (FR)



maeva.com

- ✓ **+6** International destinations
- ✓ **44,000** products (28,000 products so far)
- ✓ **150** camp sites affiliated in 2022

* Pierre & Vacances, Center Parcs and Adagio brands

**2022
 TARGETS**

- Stepping up innovation in the accommodation and common areas concepts for all brands
- Developing the “Instagrammability” of places and experiences
- **New Services and Experiences (digital and physical) aligned with customer expectations** (+35% business volume over 4 years)

Accommodation and Reception



Lifestyle by P&V concept
 (new accommodation types,
 / Restaurant and Bar / ...)



Co-Living apartments
 connected / voice
 activation domotics



Development of
Insolites and **Exclusives**
 ranges
Mid-Size CP



Original and theme-based
 accommodation
 (tree houses,
 open air...)

Common Areas Concepts



Welcome project
 New Welcome/Reception
 areas and associated services



Roll-out of **Le Cercle**



New **Welcome / Reception**
 areas
 New **Retail** deployment
 New **Indoor Activities**



New Agencies
 (Bourgenay 2018)
 New campsite concept
 (design and events)

Enhanced Activities, Services and Experience



Deployment/enhancement of
Make My Day

Digital Conciergerie
My Little Pierre Enhancement
 of Planet

Packaged Offers
 Flight/transfer/car rental etc.



Digital Conciergerie
Interactive terminals
 Dynamic signalling

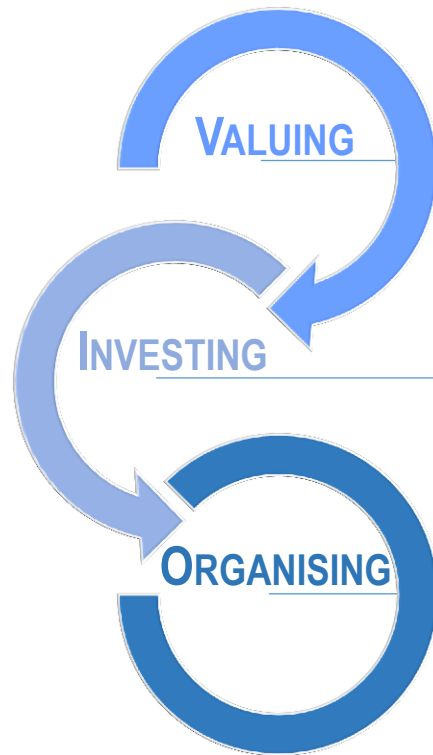
Cashless and Bracelets

Multiplication of sales points
 (PDAs*)

*PDA: Personal Digital Assistant

**2022
TARGETS**

- Strengthening and acquiring key talents to materialise **Ambition 2022**
- Focalising and training teams on improving customer relations and satisfaction
- Implementing a 100%-Lean organisation



To motive and retain employees

- Employee satisfaction = Customer satisfaction
- Employees = Ambassadors

To acquire, develop and make talents loyal

- Deployment of the Employer Brand and new recruitment circuits
- Permanent Managerial and Hospitality training sessions

To improve performance and develop the customer culture

- Roll-out of digital tools for staff onsite
- Cross fertilisation and deployment of best practices
- Accelerated deployment of Lean Management principles
(KPI: % of time spent with customers vs Back Office)

IN 2018

- **European Leader**
- **Accommodation** Marketing and Operation
- Innovative **Products**

- **Historical model** (Developer–marketer–operator) **rounded out with complementary business models.**
 Tourism operation of property products with various models
- **Autonomous and dynamic** tourism brands:
 - Limited cross-selling
 Non-pooled customer data
 - Limited skill transfers
 - Reaction customer relations/meeting demand

- Investment in **Repairs and Renovations** of Gardens and Residences depending on age;
Reactive CAPEX and OPEX plan

- **Mid and upscale accommodation**
- Professional and committed teams

IN 2022

- **International Leader**
- **Creator of enhanced and personalised Experiences**
- Innovative customer **experiences (Customer Centricity)**

- **Multi-model Development, Distribution and Operation** (Directly-operated, Franchise, Mandate, Affiliation, Commercialisation...)
- **Cross fertilisation and coordination** of Business Lines:
 - Mutualised customer data base
 Integrated customer journey
 - Sharing of systematised best practices
 - Anticipation of customer needs and demands

- Investment in **Innovation** and in predictive **maintenance; Early management plan for** CAPEX and OPEX

- **Excellence** in all Standards
- Teams **100% available for customers**, with detailed knowledge of them and pro-active in improving the customer experience

2 Ambition 2022: Property development

PROPERTY DEVELOPMENT, A QUALITATIVE AND QUANTITATIVE LEVERAGE TO GROWTH IN THE TOURISM NETWORK

1

NEW

Innovative and focused on sustainable development

France, Germany, Holland, Belgium

France

France and other European countries, Spain primarily

- PV premium
- Pierre & Vacances 3 and 4-star

France and other European countries

France



2

RENOVATION

Renovation operations at Center Parcs domains in Germany, Belgium and Holland



DIVERSIFICATION OF FINANCING AND MANAGEMENT METHODS

Financing methods



Block sales of Center Parcs cottages in France, Germany, Holland and Belgium



In France, Germany, Holland, Belgium and China



Fixed- and variable rate rents in France, Germany, Holland and Belgium



Financing of infrastructure and leisure facilities (Center Parcs France and Germany)



Adagio and Senioriales residences with third-party developers

Management methods

- **Lease management** with fixed or variable rents,
- **Management contracts**
- **Franchises**

MID-SIZE CENTER PARCS

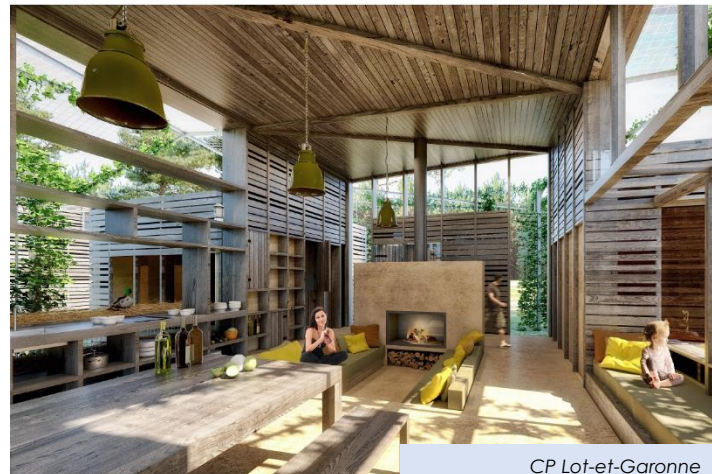
- Center Parcs Lot-et-Garonne:
 - **A new domain** with 400 cottages
 - Semi-public company to acquire support services and facilities
 - Building permits free of all claims
 - Opening: H2 2021
- Center Parcs Saone & Loire and Jura
 - Project for 400 cottages each
 - Preliminary administrative instruction underway



CP Lot-et-Garonne
Cottages insolites « Explorer »



CP Lot-et-Garonne
Centre Village



CP Lot-et-Garonne
Cottages insolites « Ferme »

CENTER PARCS DES BOIS FRANCS:

- Renovation of the domain:
 - 477 cottages in 2018 and 2019
- Extension of the domain:
 - 322 additional cottages, essentially in the VIP or exclusive category.
 - A renovated dome, an extended aquamundo, new indoor and outdoor leisure activities and BtoB infrastructure
 - A new wildlife and nature experience: the castle and its farm,
 - Opening: H2 2022



*Bois Francs
Extension of
Aquamundo*



*Bois Francs
Hameau « Forêt »*

CENTER PARCS ROYBON:

- 1,000 cottages
- 16 December 2016: validation by the Lyon Appeal Court of the prefectural authorisation in terms of protected species and cancellation of the prefectural decree for the water law
- 20 February 2017: appeal by PVCP to State Council concerning the Water Law decree
- 7 November 2018: study of appeal by State Council.

VILLAGES NATURE PARIS:

Extension of almost 600 cottages and apartments in two tranches;

- 175 cottages for an opening in 2021
- 405 cottages and apartments for an opening in 2022/2023



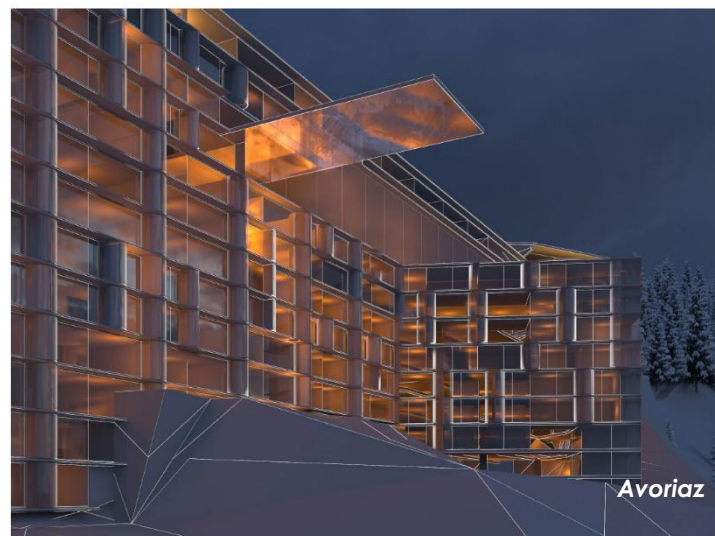
MOUNTAIN – PROJECTS BEING BUILT

- Méribel – Hévana Residence
 - PV premium 5-star Residence
 - 95 apartments
 - Delivery: December 2019
- Avoriaz – Arietis Residence
 - PV 4-star Residence
 - 39 apartments
 - Delivery: February 2020



MOUNTAIN – PROJECTS IN DEVELOPMENT

- Aime La Plagne– Projet ZAC Aime 2000
 - 1 **Lifestyle hotel** (248 rooms - opening December 2021)
 - 2 4 and 5-star residences (300 apartments –2023)
 - Shops and leisure equipment, aqua fun centre and indoor leisure centre
- Avoriaz
 - 1 **Lifestyle hotel** with 229 rooms - opening: December 2021



ACQUISITION/RESALE OPERATIONS IN SPAIN



€100m in business volume over 4 years

SALOU



115 apartments

EMPURIABRAVA



48 apartments

MOJACAR



115 apartments



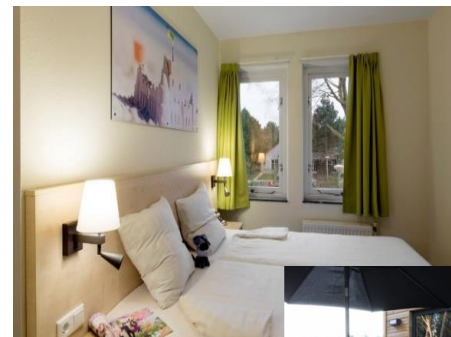
RENOVATION/PROPERTY DISPOSAL OPERATIONS AT EXISTING CENTER PARCS DOMAINS FRANCE, GERMANY, BELGIUM AND THE NETHERLANDS

Over the next four years:

- Volume of property development business: €650m
- Amount of renovation works: €350m



100% of Center Parcs domains renovated by 2022

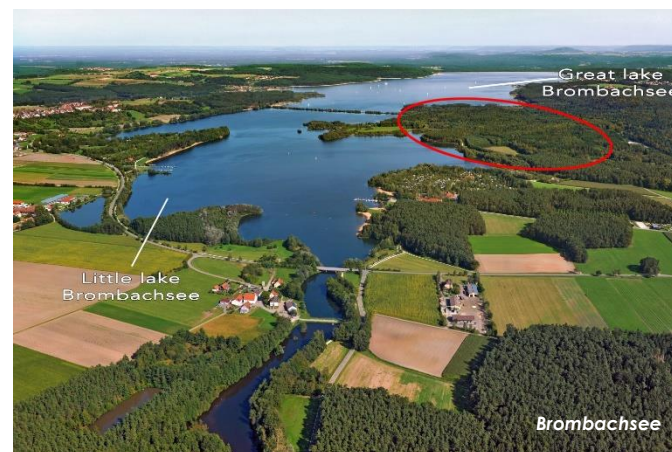


EXTENSIONS

- Potential extensions of Center Parcs domains: around 1,000 cottages spread over 11 domains.
- Schedule: post renovation programmes

NEW DEVELOPMENTS IN GERMANY

- **Brombachsee (Bavaria)**
 - 800 cottages plus facilities
 - Opening : 2023
- **Others sites being studied** around Berlin and near the Baltic sea



REMINDER:

Partnership with HNA Group including two parts:

- **Development in China of Center Parcs and Pierre et Vacances concepts via a joint-venture 60% HNA - 40% PVCP**
- **HNA holding in PV SA (10% of capital post-operation):**
 - Signing of a shareholding pact between HNA and the PV SA holding company S.I.T.I
 - Lock-up clause: HNA cannot sell of PV shares until the closest of the following dates: (i) the loss of the exclusivity right of the JV, (ii) 5 years after the date of the JV creation
 - S.I.T.I pre-emptive rights for all PV share disposals by HNA.

SHAREHOLDING DEVELOPMENTS:

- **Framework agreement signed with China Development Bank** (leading public financial institution in China) for a stake to be owned by CBD in the JV

STRATEGIC DEVELOPMENTS:

- **A multi-dimensional partnership strategy**
 - Partnerships strengthened with Chinese property developers (Riverside, Country Garden,...)

- **PV premium in France**

- Strengthening of property prospection for residences in mountain and coastal areas

- **Center Parcs in Germany:**

- Search for three additional lands to cover the country's territorial density

- **Center Parcs in Europe, in addition to Belgium, Germany and Holland:**

Search for developments of domains:

- In Northern Europe:
 - Denmark: LOI signed on 6 September 2018 for operation under management contract of a domain with 500 cottages on the coast in the south of Denmark.



- Sweden, Austria, Switzerland
- In Southern Europe: Italy, Spain

- **Pierre & Vacances in Europe, in addition to France and Spain:**

Search for existing sites and lands, as a priority in Belgium, Germany, the Netherlands, Switzerland and Austria

PROVISIONAL PROPERTY DEVELOPMENT BUSINESS VOLUMES OF €3 BILLION BREAKING DOWN INTO:

- **€1.8 billion in France and Spain**
- **€1.2 billion in Germany, Belgium and Holland**

- **1/3 marketed to individuals, 2/3 to institutional investors**
- **Virtually all projects controlled or identified**
- **80% delivered between now and 2022, 20% for the following two years**



PROVISIONAL PROPERTY DEVELOPMENT MARGIN: 6% ON AVERAGE