Groupe

Pierre & Vacances
CenterParcs

UNIVERSAL REGISTRATION DOCUMENT 2020/2021

Including the Annual Financial Report

Domaine Center Parcs Le Bois aux Daims

Summary

Groupe

Pierre & Vacances
CenterParcs

UNIVERSAL REGISTRATION DOCUMENT

Including the Annual Financial Report

2020/2021

The Universal Registration Document
from the **www.groupepvcp.com**
website can be consulted and downloaded

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

This Universal Registration Document has been filed on 17 March 2022 with the AMF, as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of the said regulation. The Universal Registration Document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by a securities note [1] and, if applicable, a summary and any amendments to the Universal Registration Document. The whole is approved by the AMF in accordance with Regulation (EU) 2017/1129.

(1) Or note on financial securities.

PROFILE AND KEY FIGURES at 30 September 2021

A leading European operator of holiday residences

12,000 employees serving almost 8 million customers

2 COMPLEMENTARY BUSINESS LINES

- Design and construction /renovation of holiday residences and villages
- Sale of built units to individual (54%) or institutional investors (46%)

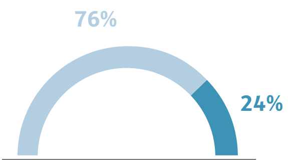
- Operation of residences and villages under a lease or management agreement
- Sale of holidays (Group products or third party accommodation) to French (42%) or international (58%) clients

6 TOURISM BRANDS

Pierre & Vacances · Center Parcs · Sunparks · Les Villages Nature Paris · adagio aparthotel · maeva.com

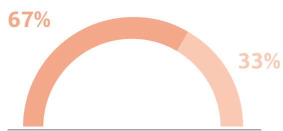
€1,054 million of revenue in 2020 / 2021

Breakdown of Group revenue by business lines



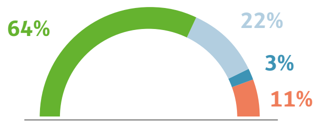
- Tourism
- Property development

Breakdown of Tourism business revenue by activity



- Rental
- Related businesses (events, services, shops, catering, marketing businesses...)

Breakdown of rental revenue by destination



- Countryside (Center Parcs and Villages Nature Paris)
- Seaside (Pierre & Vacances)
- Mountain (Pierre & Vacances)
- City (Adagio)

* *Consolidated revenue according to the operational reporting.*

OVER 50 YEARS OF HISTORY

1967

Gérard Brémond launches Avoriaz, a new resort concept, with no cars and an architecture which fits in with the surroundings. He offered apartments for sale off-plan on the condition that the buyers rent their property when not in use, taking over the management and upkeep work.

1970-1997

The Group grows by acquiring companies, taking over sites and completing major resort developments such as Cap Esterel, Port-Bourgenay, Port-Crouesty, Pont-Royal, etc.

1999

The Group is floated on the stock exchange, to obtain the funds required to expand in France and abroad.

2000s

Growth intensifies with the acquisition of Orion Vacances, GranDorado (2000), Maeva (2001), Center Parcs Europe (50% in 2001 then 100% in 2003), Résidences MGM (2002), Sunparks (2007), Les Senioriales (2007) and Citéa (2011). In 2007, PVCP and Accor come together to develop a network of city residences under the brand name Adagio City Aparthotel.

2014

PVCP develops a new distribution of online holiday rentals and rental management business through its platform maeva.com

2016

PVCP acquires "La France du Nord au Sud", a renowned online holiday rentals operator in France and Spain.

2017

A unique tourist destination at the heart of a unique green space opens: Villages Nature Paris, a joint-venture with the Eurodisney Group.

2018

Opening of the 6th German Center Parcs, Park Allgäu.

2021

Launch of the «ReInvention» strategic plan.

284 SITES* OPERATED IN EUROPE

43,500

apartments, houses and cottages, by the sea, in the mountains, in the cities and in the countryside, in France (59%) and internationally (41%)

48%

of Pierre & Vacances and Center Parcs sites under a lease agreement are eco-labelled or have an environmental certification

* *excluding the marketing business, multiple ownership and franchise.*

CHAIRMAN
Gérard Brémond

CHIEF EXECUTIVE OFFICER
Franck Gervais

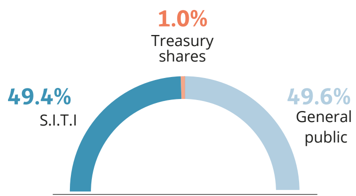
13 BOARD MEMBERS

2 EMPLOYEE REPRESENTATIVES

4 INDEPENDENT MEMBERS

5 WOMEN

SHARE CAPITAL DISTRIBUTION



S.I.T.I: Holding company held by Gérard Brémond

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PRESENTATION OF THE GROUP 1

1.1 Presentation of the Group

Established in 1967 by its Chairman, Gérard Brémond, the Pierre & Vacances-Center Parcs Group **is the European market leader for holiday accommodation and holiday property investments.**

The Group has a holiday residence portfolio with 284 destinations worldwide, owned by third-party investors and operated under six brands: Pierre & Vacances, Center Parcs, Sunparks, Villages Nature® Paris, maeva.com and Adagio.

The Group provides accommodation to almost eight million customers each year, attracted by a diverse holiday rental offering with à la carte services and activities, in residences or villages, in the mountains, at the seaside, in the countryside or in cities, both in France and internationally.

1.1.1 Business model

1.1.1.1 The complementary nature of two businesses

The Group's holiday residence portfolio is made up of successive **external acquisitions** (acquisition of Maeva in 2001, takeover of Center Parcs Europe in 2003, acquisition of Sunparks and creation of Adagio in 2007, acquisition of Intrawest in 2009, etc.), lease contracts on **existing residences** (particularly in the case of Adagio), but also **new residences and villages built** by the Group's real estate services.

The main feature that sets the Pierre & Vacances-Center Parcs Group apart from other tourism operators is that it is both a **property developer and a tourism operator:**

- the Group's property subsidiaries design, build and/or renovate holiday residences in a capacity as project manager (Pierre & Vacances Développement), and market them off plan to individual buyers (Pierre & Vacances Conseil Immobilier) or institutional buyers;
- once delivered, these residences are managed by the Group's tourism subsidiaries via a 9- to 15-year lease signed with the owners of the properties (the predominant operating method to date), or via a management mandate.

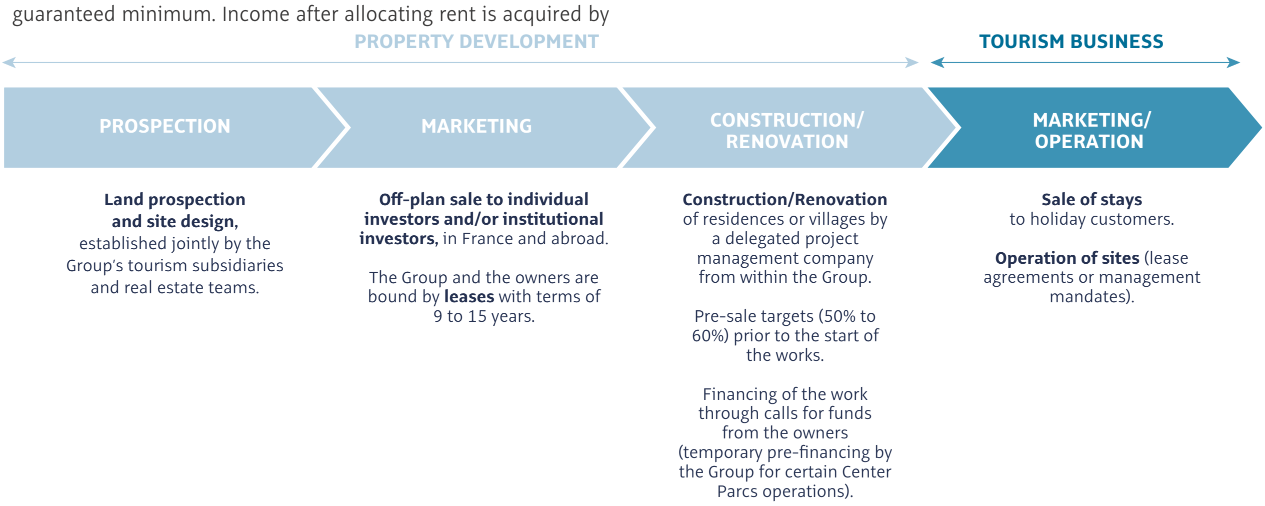
  Under a lease, the tenant (a Pierre & Vacances-Center Parcs Group company) undertakes to pay the owner a fixed or variable rent (depending on the operating performance) with or without a guaranteed minimum. Income after allocating rent is acquired by the Group. At the end of the leases, the Group may have to adjust the proposal made to the owner as part of the renewal of its lease to ensure consistency between changes in the economic context and tourism performance and changes in rents.

  At 30 September 2021, 95% of the holiday residence portfolio operated by the Pierre & Vacances-Center Parcs Group was managed on a lease basis.

  Under a mandate, the owner entrusts the Pierre & Vacances-Center Parcs Group with renting their property for predefined periods. The Group is then a service provider, invoicing management fees. The operating income is acquired by the owner.

  Among tourist customers, 83% of the marketing of holidays is carried out through direct distribution channels, including 51% via the Group's websites, and 17% through agencies and tour operators.

The complementary nature of the Property Development and Tourism businesses provides a dual advantage: these two businesses have separate cycles, which protect the Group from cyclical or industry crises. For customers, the integration of the two provides strong fundamentals such as quality sites and architecture, as well as sustainable and comfortable houses and apartments.



The Group property subsidiaries also support the qualitative development of the tourism offer.

Regular renovation work at the residences and villages is one of the main pillars ensuring that the brands remain appealing and maintaining them permanently in line with current market trends.

While the Group ensures regular maintenance work on the buildings it operates, renovation works are financed by:

- mostly individual owners for individual leases, at the end of the lease;
- the Group and/or by institutional investors, under the framework of multi-year renovation programmes for institutional leases;
- property renovation operations, consisting of the resale, on behalf of institutional owners, of Domaines Center Parcs in a future state of renovation to individual and/or institutional investors.

  This strategy gives a second wind to the Domaines Center Parcs by ensuring the investments necessary for financing renovations while offering institutional owners some liquidity to their investment. It also makes it possible to generate real estate income (collection of real estate marketing and project management fees as a service provider) and to increase the average selling prices of holiday stays thanks to the new standing of the services offered.

  Finally, the size of these operations enables the Group to highlight its expertise in countries where Center Parcs is often better known than the Group's other brands and where its tourism business stands out better than its property businesses. This reputation becomes a measure of confidence for institutional investors and strengthens the adherence of partners. It also ensures the maintenance of a high-quality property network that is becoming increasingly difficult to acquire in attractive tourism regions.

One of the strategic priorities of the Reinvention 2025 plan, announced in May 2021, is modernising and upgrading the holiday residence portfolio. This plan includes:

- CAPEX amounting to €430 million[(1)] financed by the Group over five years, including 60% for the Domaines Center Parcs;
- a massive renovation plan for the Domaines Center Parcs: €715 million, 90% of which financed by our institutional partners (the vast majority of which through secured financing, subject to firm agreements, and for the most part currently under way).

1.1.1.2 An asset-light model

Operation of real estate assets held by third-party investors

The Group does not aim to be or remain the owner of the assets it operates.

- tourist **accommodation units** built or renovated by the Group are sold off-plan (in VEFA – sale in future state of completion/VEFR – sale in future state of renovation) to third-party investors:
  - **individual investors** are the traditional owners of the Group.

    The sale of the properties to these individuals is managed by the property marketing subsidiary, Pierre & Vacances Conseil Immobilier, via a network of dedicated sales professionals, partners and private advisors (banking networks, asset managers and specialist entities).

    Although the Group historically targeted French investors, it has successfully applied its property sales model to individual investors in Germany, Belgium and the Netherlands, in markets with no tax incentives aimed at this type of personal investment,
  - in addition to selling to individual investors, the Group targets **institutional investors** (mainly for Center Parcs programmes): groups of accommodation units are marketed "as blocks" to banking institutions or insurance companies. In some cases, these assets go on to be resold to new investors, whether individual and/or institutional.

At 30 September 2021, 54% of the apartments operated under lease agreements were owned by individuals (72% for Pierre & Vacances, with the vast majority of its holiday residence portfolio in France, 63% for Adagio and 31% for Center Parcs Europe), and 46% by institutional investors;

- within the Domaines Center Parcs, the **central facilities,** made up of businesses, shops and water parks belong to institutional owners or semi-public companies (which financed their construction as far as new projects are concerned).
- as a general rule, in the Pierre & Vacances residences and villages, the Group still owns some of the **commercial premises** (restaurants, bars, conference rooms, etc.), general services and leisure facilities (aquatic centres, sporting facilities, kids' clubs, etc.).

Development of asset-light models

maeva.com

maeva.com was formed in 2014 as a result of the Group's desire to create an essential French platform for the distribution of online holiday rentals.

Specialising in holiday rentals in campsites, residences, holiday villages but also in houses, villas and apartments for individuals, maeva.com offers a rich and complete range of 50,000 rentals in France by forging special partnerships with:

- more than 3,500 private owners who wish to rent out their second homes, managed in about a hundred destinations through 20 of its own agencies and a network of professional partners;
- more than 1,700 tourism professionals: camp-sites, real-estate agents, holiday residences, holiday villages, etc.

Thanks to this comprehensive offering, every year, maeva.com generates traffic of more than 12 million views on its websites and assists almost 500,000 holidaymakers in finding their holiday rental.

(1) i.e. an additional €130 million compared to the previous plan (Change Up). It should be recalled that the full financing of the Reinvention 2025 strategic plan remains subject to the completion of an equity reinforcement transaction (the "Backing Process").

To strengthen its links with its partner campsites, owners and real estate agencies, and to help them in their strategy of enhancing the value of their products and in their commitment to sustainable tourism, maeva.com has built a unique service and distribution platform:

- for individuals who own a second home and for affiliated seasonal rental agencies, maeva.com provides an "all-in-one" offer with Maeva Home (optimisation of rental income, comprehensive management of the property, renovation strategy). Initially intended for the Group's former leasehold owners looking for a professional and efficient management alternative, this offer is now available to any private owner who leases on a seasonal basis and was initially attracted by the services of real estate agencies or online players such as Abritel or Airbnb;
- for professional partners in the outdoor hotel industry, maeva.com provides a set of professional solutions (revenue management, central purchasing, web acquisition, support for the ecological transition) and in 2018 launched an affiliation programme. To date, the eco-committed Campings Maeva chain has 24 campsites that offer 100% family-friendly holiday experiences at their sites, through three concepts created by the brand: Maeva Escapades, Maeva Club and Maeva Respire.

Thanks to the continuous development of these new services and to its commitment, which attest to its strong appeal and the evolution of its business model, maeva.com is pursuing its goal of positioning itself as the leading European distribution and service platform for individuals and vacation rental professionals.

Marketing mandates for partner residences

In a bid to expand the Pierre & Vacances offer outside France, the Group has signed marketing agreements for some of the stock of independent partner sites that meet all the brand's quality and services standards.

In 2021, Pierre & Vacances marketed almost 239 residences or villas in France or outside France, representing an increase of 12 sites relative to 2020. This network of partners covers 24 high-quality destinations in 10 countries: France (Corsica and Reunion Island), Spain (including the Canaries and the Balearics), Italy (Sardinia, continental Italy), Croatia, Portugal (including Madeira), Greece (continental and the islands), Malta, Cyprus, Mauritius, the United Kingdom (England and Scotland). Over 20% of these residences offer a very high standard of settings and services, thus doubling the premium offer of Pierre & Vacances. Thanks to these sites, the Group also proposes new accommodation types such as villas with private swimming pools (in Mauritius, Crete, Ibiza, Portugal and Corsica).

Management mandates

In addition to lease management, the Group is expanding internationally through residence management mandates for the Pierre & Vacances, Center Parcs and Adagio brands.

- For Pierre & Vacances, several management mandate projects are under advanced negotiation, including a first contract signed in France for a site opening in 2023. In Spain, the Group manages 12 residences under mandate.
- Center Parcs Europe currently operates two Domaines under mandate – Sandur Parcs in the Netherlands and Terhills Resort in Belgium – and has just signed a new management contract with the Nordborg Center Parcs in Denmark. In addition, the Group is pursuing its research in its existing markets, mainly Germany and Scandinavia, but also in new destinations such as the Middle East, Italy and Russia.
- For Adagio, 12 aparthotels are managed under mandates by the joint-venture (in addition to the 52 mandates Pierre & Vacances has entrusted to the joint venture).

Franchise

Franchise residences are managed and operated by a third party and the Group receives a percentage of revenue for the use of its brand.

To date, franchise contracts are favoured by Adagio for its international development: 25 residences are operated under franchise or master franchise abroad (United Arab Emirates, Brazil, Russia, Germany, the Netherlands). In France, 8 aparthotels are operated under franchise.

Franchises are also being developed under the Pierre & Vacances brand. In 2021, two franchised residences were opened: a premium franchise in St Cyprien and a Pierre & Vacances franchise in Île aux Moines. At the same time, prospecting is continuing internationally, with a priority focus on known or nearby markets such as Italy, Portugal and Switzerland.

1.1.1.3 A unique tourism offering

Under its different brand names, the Group offers a wide range of destinations, accommodation and comfort levels. The Group provides à la carte services for holiday rentals, so that customers are free to manage their holiday budget and select their preferred activities.

169 sites – 16,131 apartments and houses

(438 sites – 21,760 accommodation units including the marketing/multiple ownership and franchise business)

Holiday residences in France, southern Europe and worldwide, in the most attractive seaside resorts, countryside and mountain locations.

Fully-equipped apartments or houses and included or à la carte services for holidays which combine comfort, freedom and nature.

26 sites – 17,405 cottages

In large holiday sites close to major European cities, spacious and comfortable cottages are arranged around a dome containing shops, restaurants and services as well as the Aqua Mundowater park, providing multiple relaxation and leisure opportunities.

89 sites – 9,996 apartments

(122 sites – 12,950 apartments including franchise and master-franchise)

Fully-equipped, spacious apartments with kitchens and hotel services in the heart of European cities and all over the world, for medium to long stays, business or leisure.

50,000 marketed holiday rentals – 3,500 accommodation units under management

maeva.com is a web platform listing holiday rentals in France and Spain. It offers a wide range of person-to-person accommodation or accommodation within holiday residences and campsites.

maeva.com addresses both holiday customers and second-home owners with an exclusive service for managing and marketing their property.

A European presence focused on local tourism

One of the Group's distinguishing features is the diverse range of its European destinations, enabling most customers to travel to their holiday destination by car. The aim is to have sites close to large cities to facilitate access to short stays, but also to offer long stays for more traditional holidays.

At 30 September 2021, 58% of the accommodation units operated by the Group were located in France, 12% in the Netherlands, 10% in Spain, 10% in Germany and 8% in Belgium. The Group also operates in other European countries (Switzerland, England, Italy, Austria, Morocco), via its Adagio residences.

A diversified customer base

Pierre & Vacances-Center Parcs Group customers are essentially families. However, the Group's wide range of offers (short-stays, flexible arrivals, development and expansion of on-site activities, packaged-offers, etc.) enables the Group to attract seniors as well as millennials, groups and couples without children. In Adagio Aparthotels®, the customer base comprises business men/women (55%) and holiday customers (45%).

Leading the way in direct distribution

The holiday residence portfolio is marketed through direct distribution (83%), of which 51% via the Group websites, offering a more affordable solution. In order to broaden the customer base and attract customers on shoulder season, the Group also uses indirect distribution (17%), through international agencies and tour operators active in all European countries.

1.1.2 Competitive environment

1.1.2.1 A reference player

With 284 sites and 43,532 apartments operated through leases or under contract, the Pierre & Vacances-Center Parcs Group is the European holiday residence market leader.

In France, holiday residences and aparthotels generated revenue of €3.6 billion in 2019. The sector represents about 25% of the built commercial accommodation portfolio, the other components being hotels (48%), furnished units (16%) and holiday villages (9%).

On the French market, the Pierre & Vacances-Center Parcs Group occupies a leading position with 206 residences (25,036 apartments) out of a total of nearly 2,280 residences for the market as a whole.

It faces competition from multiple sources – traditional players (holiday residences – Odalys, Appart'City, Lagrange, Goelia Vacanceole, Belambra, Club Med – open-air accommodation, etc.) but also online players (specialist companies and C2C – Airbnb, HomeAway, etc.). In Northern Europe, Center Parcs Europe's main competitors are Landal Greenparks (over 100 villages in 9 countries, and almost 12,000 bungalows in the Netherlands, Germany, Austria, Belgium, etc.) and Roompot (1,185 bungalow parks in the Netherlands, Germany and Belgium).

In such a competitive environment, the Group has been focusing on what sets it apart, i.e. the guarantee of a level of quality that only large brands can provide, flexibility with long and short holidays, customisable themes and offers, various price range (combining transportation, services and activities) and a broad choice of destinations.

Pierre & Vacances-Center Parcs also has a property development business and operates non-medicalised residences for active, independent senior citizens under the Senioriales brand. These residences are sold either to home-buyers or as rental investments to individual or institutional investors. Senioriales's main rivals in this market are specialist retirement home property developers such as Aegide and Les Villages d'Or, and more general property developers such as Akerys Promotion, Bouwfonds Marignan, Bouygues Immobilier, Altarea and Nexity.

1.1.2.2 Strong competitive advantages

Its range of complementary and distinguished brands enables the Group to provide a comprehensive and unique offering in furnished rentals with à la carte services. Against the current backdrop, **the Group's ability to meet the needs of each customer** is a decisive factor, particularly in terms of furnished rentals (fully-equipped apartments and houses, autonomous units), flexibility (length of stays, check-in and check-out days), services and entertainment for all, catering, price and security.

In this regard, the Pierre & Vacances-Center Parcs Group has **many advantages over its competitors:**

- a wide range of European destinations in four different settings: seaside resorts, mountain resorts, countryside and city residences;
- a unique position as the only provider active in the holiday residence, holiday village and city residence segments;
- a strong brand image with wide recognition, an extensive business network and a significant social media presence;
- a balanced portfolio of brand names ranging from a budget offering (e.g. Maeva) to premium tourism (e.g. Pierre & Vacances premium, Center Parcs VIP, Adagio premium);
- local tourism offers low-cost holidays (over 90% of our customers travel to our sites by car) and is less exposed to geopolitical risks and health- and weather-related hazards;
- a flexible offering (à la carte services, flexible break lengths and check-in and check-out dates);
- a secure offering in comparison with "C2C" options (Airbnb, Homeaway, etc.): reception, caretakers and a standardised offering ensures the quality of the apartments and surrounding.

1.1.3 Summary of business model

Our Purpose: "As a European leader in local tourism, we are committed to helping people get back to basics in a preserved environment"

Capital

Share capital
- A Group listed on the stock exchange since 1999
- 50% of the shares held by its founding Chairman, Gérard Brémond

Human capital
- 12,000 talented employees, committed to customer satisfaction on a daily basis
- 65% of employees under the age of 45

Environmental capital
- Over 280 destinations in the heart of natural environments with vast, responsibly-managed natural spaces

Social capital
- 8 million customers with a range of profiles
- Over 18,000 individual owners and nearly 50 institutional owners
- A trust-based relationship with our clients, all of our financial partners and local authorities

Industrial capital
- A multiproduct "asset light" business model able to be rolled out globally and combining property development and tourism operation
- Recognised know-how: 50 years of expertise in creating, developing and operating tourism destinations
- 6 tourism brand names with strong recognition

Value creation process

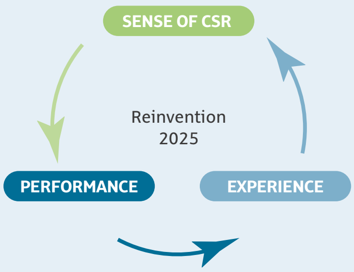
Tourism operator

Operation of sites (lease agreements or management mandates)

Marketing of holidays

Property development business supporting the development of the holiday residence portfolio

A "Reinvention 2025" strategic plan based on three pillars:



4 main brands

Center Parcs	Pierre & Vacances, maeva.com	adagio
61% of Group revenue	30% of Group revenue	9% of Group revenue

Industry trends

- New generations of families: Millennial parents
- Stays with a positive impact
- Search for educational and differentiating experiences

Creating shared value

Strong fundamentals:
- €1,054 million in revenue* in 2021/2021
- A local tourism which is resilient in times of health crisis
- Financing secured

Committed employees:
- 57% of Center Parcs Europe employees took part in the annual satisfaction survey
- 50% of Maeva employees took part in the annual satisfaction survey
- 54% loyalty rate among seasonal workers for Pierre & Vacances France
- 52% women managers

Enhancing the regions, protecting the environment: A strong regional network
- High quality tourist sites in terms of architecture and landscapes
- Relationships built with local stakeholders for an improved customer experience
- Up to 600 direct jobs created when a Center Parcs opens
- All Center Parcs sites provide a nature activity
- 35% of purchases made locally by Center Parcs France

Long-term relationships with our customers and owners:
- 81%: Acceptance of contract amendments
- NPS: 22.5% for the Pierre & Vacances, Premium, Villages and maeva.com brands / -3.2 for Center Parcs Europe

Preservation of the environment:
- 59% of sites awarded an eco-label in the operational phase (Green Key or ISO 14001 labels)
- 24.5% of Center Parcs Europe energy needs covered by renewable energies

* *According to operational reporting.*

1.1.4 Reinvention 2025 strategy

On 18 May 2021, the Group announced its new strategic plan to 2025, Reinvention.

This strategic plan, which will enhance performance and create value, is based on a new vision of reinvented local tourism, with three major pillars, in line with the Group's Purpose(1):

- a radical modernisation and general move upmarket of our offering, supported by additional investments (€130 million) compared to the previous plan, in addition to a renovation programme of over €700 million for the Domaines Center Parcs, mainly financed by their owners;
- a shift from a hosting offer to a 100%-experiential offer, which is more digital, personalised and service-oriented;
- an ambitious and responsible development of new concepts, placing our real estate expertise at the service of the customer experience.

"Reinvention 2025": strategic decisions and associated objectives

Modernisation and move upmarket

- Additional and ongoing investments: €430 million financed by the Group over five years, of which 60% in the Domaines Center Parcs.
- A massive renovation plan for the Domaines Center Parcs: €715 million in financing, including 90% by our institutional partners, for the renovation of all the Domaines:
  - change in the mix: 62% of accommodation units will be premium category or higher by 2025 (+16 pts vs 2019);
  - target RevPar growth of 35%, based on our background in renovations (+43% observed for the last seven Domaines renovations).
- Continued rationalisation of the Pierre & Vacances portfolio, with a strategy adapted by site category (aggressive renovation of 18 top and mid performer residences, representing €16 million in Capex over two years, with a target RevPar growth of 23% for these renovated sites).

Shift to 100%-experiential offers

- Accelerating the roll-out of family booster activities(2) in all Center Parcs Domaines.
- Boosting on-site sales: growth in pre-stay activity reservations; new leisure and catering offerings focused on Discovery and Nature; flexibility; and revenue management.
- Digitised offering for a smooth customer experience.
- Overhaul of the customer experience and the commercial strategy (pricing, revenue management and CRM).
- New maeva.com camping range for "slow tourism".
- New "wellbeing" and "organic/local" strategic partnerships.

Ambitious and responsible development, at the service of the customer experience

- "Business partner" real estate at the service of the qualitative and quantitative development of the tourism offering: dynamic development of new projects and renovation work in France and Europe.
- A deliberate choice: an effort rate(3) representing 30% of accommodation revenue.
- A selective approach to projects: priority given to renovation and smaller development projects, which are better integrated into their environment.
- Development of contracts that provide an alternative to leasing: management contracts and franchises.
- New Lifestyle, Eco-resorts and Premium concepts, representing 90% of the real estate margin.

Progress report

The Group began the implementation of Reinvention 2025 by translating this strategic plan into (i) strategic roadmaps by Business Line and (ii) cross-functional initiatives at Group level, thus making the most of the autonomy of the business lines and the strength of a unified Group for the execution of the plan, which is being steered by the Executive Committee. This dual dynamic makes it possible to enhance each brand and to pool shared approaches.

Modernisation and move upmarket

The renovation plan for Center Parcs ski areas continues to be rolled out. In 2021, renovation work concerned nine Domaines in France, Germany, the Netherlands and Belgium, amounting to a committed CAPEX for the financial year of €118 million, of which €7.5 million financed by the Group.

Customer Experience

Several projects were launched as part of the overhaul of the customer journey, the digitisation of the experience and the commercial strategy (pricing, revenue management and CRM). By way of illustration, the following initial projects were launched:

- setting up well-being activities at the Center Parcs Domaines, in partnership with Dr Good!®;
- adapting the Commuters tailor-made service, at Adagio, to new ways of working for regular business trips;
- continued roll-out of the Maeva Respire ("breathe") concept.

(1) "As the European leader in local tourism, we are committed to helping people get back to basics in a preserved environment".
(2) Family Booster (n.): Energise and boost good family vibes; strengthen family ties, which are the key to happiness.
(3) Cost of rent: weight of rent paid to owner-lessors in relation to revenue from accommodation.

Ambitious and responsible development

The Group is implementing its development strategy:

- priority given to renovation and smaller development projects, which are better integrated into their environment, notably including:
  - the opening, in July 2021, of a Pierre & Vacances premium residence in Deauville, in the "Hôtel des Douanes", an emblematic building from the 19th century which was restored respecting its historical appearance,
  - continued construction work on the Center Parcs Domaine in Landes de Gascogne, a new generation of medium-sized Domaines, subject to stringent measures to manage their ecological footprint;
- Diversification of development methods through contracts that provide an alternative to leasing, notably including:
  - the opening, in Belgium, in May 2021, of Terhills, the second Domaine under a Center Parcs management contract,
  - the conversion, by Pierre & Vacances, in France, of two leasehold residences into franchise agreements, in Saint-Malo and Saint-Jean-de-Luz. Discussions are under way with regard to asset-light developments (franchises or management contracts) in France and Europe;
- development of new Lifestyle concepts, with final building permits obtained for two future lifestyle hotels in Avoriaz and Aime 2000 – La Plagne.

Corporate Social Responsibility

A responsible approach is at the heart of our brands, our services and our processes, to contribute to the transformation of the Group and tourism with a view to developing a more resilient model. In 2021, this approach materialised in the definition of a new Group CSR strategy, "Acting for positive impact tourism", which will be applied by each brand.

Notably, the Group committed to two strong societal initiatives:

- the "Companies committed to nature" programme, the French component of act4nature international;
- participation in the Companies for Climate Convention.

Lastly, the Group is finalising the development of a cost reduction plan for the support functions and IT tools.

1.1.5 Outlook

Business in Q1 2021/2022

In IFRS standards, Q1 2021/2022 revenue totalled €314.2 million (€271.6 million for the tourism activities and €42.6 million for the property development activities).

The Group's revenue according to operational reporting amounted to €355.5 million for Q1 2021/2022 (€287.7 million for tourism activities and €67.8 million for real estate activities):

- Following remarkable performances over the summer season, business continued to grow in Q1 2021/2022 with revenue up +180% compared to the same quarter the previous financial year (heavily impacted by the effects of the health crisis, with almost all Pierre & Vacances and Center Parcs sites being closed as of the beginning of November 2020). Q1 2021/2022 even outperformed Q1 2019/2020, pre-COVID crisis (+2.1% increase in revenue from tourism activities, including +3.6% from accommodation).
- In Q1 2021/2022, revenue from property development amounted to €67.8 million, compared to €64.4 million in Q1 2020/2021.

As at the date of publication of the press release of 20 January 2022, in view of tourism reservations, the Group anticipates, for Q2 2021/2022 compared to Q2 2018/2019 (pre-COVID):

- growth in business for the Center Parcs Europe division, benefiting notably from a significant increase in average letting rates due to the move upmarket of most Domaines;
- comparable revenue for Pierre & Vacances in France, restated for the decrease in the number of marketable apartments (-11% compared to 2018/2019);
- a further decline in Adagio business, despite an accelerated upturn in terms reservations.

Moreover, as regards the conflict involving Russia and Ukraine, it should be noted that the Group's economic exposure is very marginal, being limited to the revenue generated from Russian or Ukrainian tourism, which represented less than 0.5% of the Group's consolidated revenue at 30 September 2021.

Success of the restructuring process: agreement with Alcentra, Fidera, Atream and the main creditors

As part of the backing process announced on 20 December 2021 in line with the objective of strengthening its equity, which was initiated nearly a year ago, the Pierre & Vacances-Center Parcs Group signed an agreement, on 10 March 2022, (the "Agreement") with Alcentra (the Group's financial creditor), Fidera (also the Group's financial creditor) and Atream (the Group's institutional lender) (the "Investors"), as well as with its main banking creditors, its Euro PP creditors, and its main Ornane holders (the "SteerCo").

Under the terms of the Agreement, the parties have undertaken to support and take all steps and actions reasonably necessary for the implementation and completion of restructuring operations, notably at the level of Pierre et Vacances SA (the "Company"), which are described therein (the "Restructuring Transactions"). The Agreement also provides that, subject to limited exceptions, signatory creditors are prohibited from selling their receivables until 16 September 2022.

This Agreement meets the objectives of the Company and its founder of preserving the Group's integrity and of achieving a balanced financial structure by reducing its debt and securing the necessary liquidity to enable it to roll out its Reinvention 2025 strategic plan.

As announced in the press release dated 20 December 2021, and without prejudice to the conditions precedent detailed below, the completion of the Restructuring Transactions will in particular make it possible to:

- inject €200 million in equity, to reinforce the Group's statement of financial position in view of the implementation of its Reinvention 2025 strategic plan, through:

  (a) a capital increase with preferential subscription rights of approximately €50 million, open to all existing shareholders and fully guaranteed by Alcentra and Fidera,

  (b) a capital increase of approximately €150 million, reserved for:

  - Alcentra and Fidera, in the amount of at least €45 million and no more than €75 million each,
  - Atream in the amount of €30 million,
  - SPG (a Group financial creditor) in the amount of €9 million, and
  - Ornane holders, excluding SteerCo, in the amount of €21 million.

  Alcentra and Fidera undertaking to subscribe, in cash, at parity (unless a different allocation is agreed between them), the new shares reserved for each of the above beneficiaries (excluding Alcentra and Fidera) that may not have been subscribed by them;
- massively reduce the Group's debt, with, notably, the conversion into capital of nearly €552 million of unsecured debt, relating to:
  - the €240 million State-Guaranteed Loan obtained in June 2020 (the "SGL 1"), for a converted amount of €215 million (the balance, i.e. €25 million, being repaid by the Company on the date of completion of the Restructuring Transactions),
  - the Euro PP bond debt for the converted amount of approximately €129 million,
  - the Ornane debt for a converted amount of approximately €98 million,
  - the unsecured bank debt for a converted amount of approximately €110 million.

  These debt-to-equity conversion transactions will enable the Group to divide its gross debt by around three and to return to a sustainable level of indebtedness, well below its level prior to the health crisis;
- establish a new governance structure with shareholders willing to support Executive Management in the execution of its Reinvention 2025 strategic plan; and
- outsource the financing of the real estate activity by creating a dedicated real estate company whose main purpose is to acquire and lease new sites to the Group.

Depending on the capital increase subscription rate among existing shareholders (the capital increase being open to them) and assuming that Alcentra, Fidera, Atream and SPG subscribe exclusively to the entire reserved capital increase, including the share not subscribed by Ornane holders, excluding SteerCo, the Investors will hold, at the end of the Restructuring Transactions, an equity interest in the Company[(1)] of between:

- 21.7% and 24.7% of the Post-Backing Share Capital (as defined below) for Alcentra;
- 20.5% and 23.5% of the Post-Backing Share Capital for Fidera;
- 7.2% of the Post-Backing Share Capital for Atream.

On the same basis, existing shareholders will hold between 4.7% and 10.8% of the Company's share capital.

The completion of all these transactions, which must be effective by 16 September 2022 at the latest (unless specifically extended), remains subject to the prior fulfilment of the conditions described below.

The main components of the Restructuring Transactions, updated compared to those communicated on 20 December 2021, are described below.

1. Transactions on the Company's share capital[(2)]

With the exception of the first transaction below, transactions involving the Company's share capital will be submitted to the shareholders at a General Meeting dedicated[(3)] to the Restructuring Transactions, to be convened in the coming months (the "Restructuring Meeting"):

(i) a reduction in the nominal value of the shares from €10 to €0.01 by way of a capital reduction to be authorised by the Company's shareholders at the Annual General Meeting of 31 March (the "Capital Reduction");

(ii) a free allocation of Company share subscription warrants to all shareholders present at the time of the launch of the Capital Increase, with preferential subscription rights, described below (including S.I.T.I., the current controlling shareholder of the Company, but excluding treasury shares) at an exercise price of €2.75 per new share and valid for five years (the "Shareholder Warrants"). The Shareholder Warrants will be admitted to trading on the Euronext regulated market in Paris. The number of Shareholder Warrants granted per Company share and the exercise parity (number of Shareholder Warrants to be exercised to subscribe for one ordinary share) will be determined at a later date and communicated in the prospectus relating to the various capital increases planned as part of the Restructuring Transactions. The exercise of all the Shareholder Warrants will enable their holders to hold approximately 7.5% of the Post-Backing Share Capital[(4)] at the end of the Restructuring Transactions;

(1) Based on Post-Backing Share Capital. For more details, see Appendix 1 (dilution tables).

(2) It should be recalled that the conversion of the entirety of the 2,016 preference shares in circulation will take place, pursuant to the Company's articles of association, ipso jure, at the end of the Annual General Meeting to be held on 31 March 2022, and will be duly noted by the Board of Directors on that date, according to a conversion ratio of one ordinary share for one preference share, resulting in the recognition of 2,016 ordinary shares divided into (a) 1,349 ordinary shares resulting from the conversion of the same number of category B preference shares in circulation and (b) 667 ordinary shares resulting from the conversion of the same number of category C preference shares in circulation. This conversion will have no impact on the Company's share capital, which, at 31 March 2022, will remain unchanged and will include the same total number of shares as previously, but will thenceforth be composed exclusively of ordinary shares, all of the same class.

(3) In addition to the Restructuring Meeting, the Company will convene a Special Meeting of Shareholders holding double voting rights to approve the cancellation of these rights and the corresponding amendment to the Company's articles of association, with effect from the date of completion of the Restructuring Transactions.

(4) The "Post-Backing Share Capital" is defined as the Company's share capital at the end of the Restructuring Transactions on a fully diluted basis (a) after recognising the conversion into ordinary shares of the 2,016 preference shares in circulation and (b) taking into account (i) the shares issued after all Shareholder Warrants are exercised, (ii) the shares issued after all Creditor Warrants are exercised, described below, (iii) the shares issued after all Guarantor Warrants are exercised, described below, and (c) after the conversion of the preference shares (all tranches combined) to be allocated free of charge to the Group founder, as described in Section 5 below, but (c) excluding the dilution resulting from (i) the conversion of interest, described in Section 2 below, and (ii) the conversion of preference shares to be allocated free of charge to the Group's top management, described in Section 4 below.

(iii) a capital increase with preferential subscription rights ("PSR") for a total gross amount of €50,085,656, at a price of €0.75 per new share (i.e. 66,780,875 new shares issued), to be subscribed and paid up in cash, without offsetting of receivables, fully guaranteed by Alcentra and Fidera at parity (unless a different allocation is agreed between them) (the "Capital Increase with PSR"). One PSR will be allocated to each existing share and four PSR will allow subscription to 27 new shares, at a price of €0.75 per new share;

(iv) a liquidity offer proposed by Alcentra and Fidera, on a parity basis, under which the latter undertake to acquire, from all shareholders who so wish, the PSR outstanding under the Capital Increase with PSR, for an economic value determined on the day preceding the approval by the Autorité des Marchés Financiers ("AMF") of the prospectus relating to the said capital increase (the "Liquidity Offer"). The unit price of the PSR offered as part of the Liquidity Offer may not under any circumstances exceed €0.22, corresponding to the economic value of the PSR calculated on the basis of the closing price of the share on 5 November 2021, date of submission of the initial offer of Alcentra and Fidera, i.e. €9.16;

(v) a capital increase without PSR for a total gross amount of €149,914,344 at a price of €0.75 per new share (i.e. 199,885,792 new shares issued) to be subscribed and paid up in cash, without offsetting of receivables, reserved for (a) Alcentra in the amount of at least €44,957,172 (i.e. 59,942,896 new shares) and no more than €74,957,172 (i.e. 99,942,896 new shares), (b) Fidera in the amount of at least €44,957,172 (i.e. 59,942,896 new shares) and no more than €74,957,172 (i.e. 99,942,896 new shares), (c) Atream in the amount of €30,000,000 (i.e. 40,000,000 new shares), (d) SPG in the amount of €9,000,000 (i.e. 12,000,000 new shares), (e) Ornane holders, excluding SteerCo, who wish to participate in this capital increase (in proportion to their ownership of Ornane) up to a maximum of €21,000,000 (i.e. 28,000,000 new shares) (the "Reserved Capital Increase"). To this end, in the coming weeks, Ornane holders will be asked to (a) join the Restructuring Transactions in exchange for the payment of the consent fee described below and/or (b) participate in the Reserved Capital Increase. In this context, Alcentra and Fidera have each undertaken, for their part, to subscribe, in cash, at parity (unless a different allocation is agreed between them) to the total amount of the Reserved Capital Increase not subscribed to, if applicable, by the aforementioned beneficiaries (other than Alcentra and Fidera); it being specified that some of them have already indicated that they will not participate in the Reserved Capital Increase;

(vi) a debt-to-equity conversion in the amount of €551,532,491 (amount to be increased by accrued interest at the date of the conversion), via the issue of shares with share subscription warrants (the "Creditor Warrants" and, with the shares, the "Share Warrants") reserved for the unsecured financial creditors of the Company and its subsidiary Pierre & Vacances FI and paid up through offsetting transactions in the amount of their receivables at a price of €4 per new share (i.e. 137,883,122 Share Warrants, including 53,750,000 Share Warrants, representing approximately 9.6% of the Post-Backing Share Capital, that will result from the conversion of €215 million of the €240 million SGL 1 obtained on 10 June 2020[1]) (the "Capital Increase by Conversion"). The Creditor Warrants will have an exercise price of €2.25 per new share and a period of validity of five years. The Creditor Warrants will be admitted to trading on the Euronext regulated market in Paris. The exercise parity of the Creditor Warrants will be determined at a later date and communicated in the prospectus relating to the various capital increases planned as part of the Restructuring Transactions. The exercise of all the Creditor Warrants will enable their holders to hold approximately 7.5% of the Post-Backing Share Capital. A monetisation of the receivables held by certain creditors will be carried out by Alcentra and Fidera (at parity) for an amount of approximately €25.5 million (the "Monetisation Offer"); the receivables thus acquired by Alcentra and Fidera will be converted as part of the Capital Increase by Conversion to the tune of approximately €25.1 million under the same terms and conditions as the other creditors participating in said Capital Increase by Conversion;

(vii) a free allocation of Company share subscription warrants (the "Guarantor Warrants") to Alcentra and Fidera, at parity (unless a different allocation is agreed between them), at an exercise price of €0.01 per new share and with a validity period of six months, in consideration for the Liquidity Offer and their guarantee commitments in relation to the Capital Increase with PSR and the Reserved Capital Increase. The Guarantor Warrants will be admitted to trading on the Euronext regulated market in Paris. The exercise parity of the Guarantor Warrants will be determined at a later date and communicated in the prospectus relating to the various capital increases planned as part of the Restructuring Transactions.

The proceeds of the Capital Increase with PSR and the Reserved Capital Increase, in the total amount of €200 million, will, first and foremost, repay the Company's debt on the date of completion of the Restructuring Transactions; it being specified that (a) the repayment of the residual debt will be made with the Group's available cash and (b) any surplus will be allocated (in the following order): to the payment of the settlement fee described below (consent fee), to the payment of the fees relating to the Restructuring Transactions, and to financing the Group's general needs.

Moreover, the following amounts will be due by the Company:

(i) a structuring and coordination fee for the Restructuring Transactions in the total amount of €2.7 million, payable on the date of completion of the Restructuring Transactions to the Investors participating in the Reserved Capital Increase under the conditions described in Section 1 (v) and distributed equally between them;

(1) The 53,750,000 Share Warrants to be received by the lending institutions, and on the income of which the State will benefit from a claw-back clause under its guarantee pursuant to the Decree of 23 March 2020, will be subject to a mechanism to be agreed between the lending institutions and the State, both in terms of their management and of the possible implementation of the claw-back clause.

(ii) a consent fee, payable to the Ornane holders (including Alcentra and Fidera) who accept the Restructuring Transactions before a date to be defined by the Company and the Investors, as well as to bank creditors and to holders of non-significant Euro PP bonds who have already accepted the Restructuring Transactions and who have not benefited from the increase, for an amount of 1% of the debt concerned, i.e. €2.8 million; and

(iii) an early repayment in cash of 2% of the debt of unsecured bondholders (i.e. holders of Ornane and non-significant Euro PP bonds) and bank creditors that did not benefit from the increase, i.e. €5.5 million.

Depending on the Capital Increase with PSR subscription rate among existing shareholders, and assuming that Alcentra, Fidera, Atream and SPG subscribe exclusively to the entire Reserved Capital Increase, including the share not subscribed by Ornane holders, excluding SteerCo, the Investors will hold, at the end of the Restructuring Transactions, an equity stake in the Company of between 21.7% and 24.7% for Alcentra, between 20.5% and 23.5% for Fidera, and around 7.2% for Atream (Investors not acting in concert)[(1)].

On the same basis, and depending on the Capital Increase with PSR subscription rate, the existing shareholders will hold between 4.7% and 10.8% of the Company's share capital at the end of the Restructuring Transactions[(2)].

In the event that the new shares reserved for Atream, and/or Ornane holders are not subscribed by them as part of the Reserved Capital Increase, certain Investors are likely to cross the 30% threshold in terms of their stake in the Company's share capital or voting rights as a result of the Restructuring Transactions. The Investors concerned will request an exemption from the mandatory filing of a public offer from the AMF, pursuant to Article 234-9 of its General Regulations.

The dilutive impact of the transactions on the Company's share capital described above is shown in the tables presented in Appendix 1, below, on the basis of different assumptions concerning the participation of shareholders in the Capital Increase with PSR, the participation of beneficiaries in the Reserved Capital Increase (other than the Investors) and the conversion of receivables in the Increase by Conversion in respect of the Monetisation Offer.

The treatment of the debt of the Group's main financial creditors in the context of the Restructuring Transactions (bank creditors, Euro PP and Ornane holders) is shown in Appendix 2 below.

2. Treatment of interest

The Agreement provides that the interest relating to the financial debt concerned by the Restructuring Transactions will be treated as follows:

(i) with regard to the interest on the bridge financing concluded in 2021: (a) payment at contractual maturities until the date of completion of the Restructuring Transactions and (b) payment on the date of completion of the Restructuring Transactions of interest accrued but not yet due;

(ii) with regard to the interest on the secured debt other than the bridge financing entered into in 2021 and the portion of the unsecured debt subject to refinancing: (a) payment at contractual maturities until the start of the accelerated safeguard procedure (see Section 8 below) and (b) payment on the date of completion of the Restructuring Transactions of interest accrued during the accelerated safeguard procedure and of interest accrued but not due on the date of completion of the Restructuring Transactions;

(iii) with regard to the balance of interest on the unsecured debt (subject either to the conversion of debt into equity or to the early repayment in cash of 2%): (a) for interest due before the start of the accelerated safeguard procedure, payment in accordance with contractual maturities, (b) for interest due between the start of the accelerated safeguard procedure and the end of the subscription period for the Capital Increase with PSR, payment on the date of completion of the Restructuring Transactions and (c) where applicable, the conversion into principal of any interest accrued but not due as of the last instalment of interest paid pursuant to paragraphs (a) and (b) above and the end of the subscription period for the Capital Increase with PSR. In this respect, it should be noted that the Restructuring Transactions provide that all interest will cease to accrue from the end of the subscription period for the Capital Increase with PSR.

3. Refinancing or maintaining a portion of existing debt

The Agreement also provides for the refinancing or maintenance of a portion of the existing debt, as follows:

(i) refinancing of a portion of the bridge financing obtained in 2021 by setting up a senior term loan of approximately €174 million at the date of completion of the Restructuring Transactions for the benefit of the Dutch subsidiary Center Parcs Europe NV, as borrower. The senior term loan will have a maturity of five years and will bear interest at the same rate as that provided for the bridge financing, i.e. 3.75% per annum;

(ii) refinancing of the existing debt that was increased when the new bridge financing was set up in 2021 for a principal amount of approximately €103.5 million, by setting up a term loan with a maturity of five years bearing interest at the same rates as the existing high debt;

(iii) refinancing of principal in the amount of €25 million of existing unsecured debt, stemming from the existing revolving credit facility and the existing consolidated facility, under the same maturity and interest rate conditions as those described in paragraph (ii) above; and

(iv) maintenance of a portion of the €34.5 million State-Guaranteed Loan obtained in November 2021 (the "SGL 2"), for an amount of €25 million in principal, with a maturity of five years, aligned with the maturity of the financing lines described above (the balance, i.e. €9.5 million, being repaid by the Company on the date of completion of the Restructuring Transactions).

(1) The dilution calculations are based on the assumption of (a) the acquisition by Alcentra and Fidera (at parity) of the €25,101,296 in receivables under the Monetisation Offer, i.e. €12,550,648 each, and (b) the delivery, by way of donation in payment, of 52,559 shares held by S.I.T.I. to (i) in the amount of 26,179 shares, Alcentra and (ii) in the amount of 26,180 shares, Fidera and (c) the acquisition by Alcentra and Fidera (at parity) of all the PSR held by S.I.T.I. (followed by their exercise).

(2) See note above.

These financing lines will be secured (with the exception of SGL 2, which is not secured but benefits from the reconciliation privilege), until their full repayment, (a) firstly, for the term loan refinancing part of the bridge financing of 2021 and (b) secondly, for existing and additional high debts, by setting up a security trust similar to that set up for the bridge financing of 2021 for all the securities (bar one) of Center Parcs Holding, a Company subsidiary and the holding company of the Center Parcs division, and by pledging the shares of Center Parcs Holding that have not been transferred to a trust fund and the shares of the sub-subsidiaries Center Parcs Europe NV, Center Parcs NL Holding BV, Center Parcs Germany Holding, Center Parcs Holding Belgique and the other subsidiaries of Center Parcs Europe NV, as well as pledging in respect of the "Center Parcs" brands.

The balance of the Group's financial liabilities concerned by the Restructuring Transactions, i.e. principal in the amount of nearly €552 million, will be converted into equity as part of the Capital Increase by Conversion, according to the terms and conditions specified above, which will lead, subject to changes in business notably related to the health context, to almost zero Group net financial debt, pro forma, for the Restructuring Transactions at the end of the financial year ending 30 September 2022.

The refinancing will be accompanied by the Company's customary covenants relating to the levels of capital expenditure, leveraging and liquidity, as well as the usual cases of mandatory early repayment, notably in the event of a takeover of the Company by a third party.

4. Preference shares allocated free of charge to management

The Agreement provides for the establishment of a free preference share allocation plan, convertible into ordinary shares, and dependent on the achievement of performance criteria, for the Group's Chief Executive Officer (up to approximately one third of the plan) and top management (excluding, to be clear, the Group's founder, who will not be part of top management). In the event that all performance criteria are met and subject, in certain cases, to the usual vesting conditions, the preference shares may be converted, after a period of four years following their allocation, into a number of ordinary Company shares representing up to 3.94% of the Company's share capital (on a fully diluted basis, including any dilution in respect of the Restructuring Transactions).

The Agreement also provides for a long-term profit-sharing plan for other Group managers, which may take the form of a free ordinary share allocation plan or of a retention plan, and for which the conditions remain to be agreed, and which will be set up within 12 months of the completion of the Restructuring Transactions[(1)].

The terms and conditions of the plan for the allocation of free preference shares to the Group's Chief Executive Officer and top management, the associated performance criteria, and the items of the Chief Executive Officer's compensation are further described in chapter 3 of this Universal Registration Document.

5. Preference shares allocated free of charge to the Group founder

Upon completion of the Restructuring Transactions, the Group's founder, Gérard Brémond, will enter into an employment contract with one of the Group's entities, in addition to taking up a position at the New Company (as defined in Section 7 hereafter). As an employee of the Company or one of its subsidiaries, Gérard Brémond will be tasked with supporting the Group in its transition and will therefore benefit from a distinct free preference share allocation plan, which will be convertible into ordinary shares in three tranches, subject to criteria linked to the share price as described below. If all applicable criteria are met, the preference shares may be converted into a number of ordinary Company shares representing up to 3.7% of the Company's Post-Backing Share Capital.

The number of preference shares that may be converted will be dependent on attaining average share prices weighted by target volumes calculated over a rolling period of 60 days or, in the event of a public offering, according to the price of the public offer (a) by the end of a five-year period following the grant date or, (b) in the absence of a public offer for the Company's shares at this date at the latest, on the earlier of the following two dates: the settlement-delivery date of a public offer or after a seven-year period following the grant date. The aforementioned target prices (or the price of the public offer) are as follows: €0.01 for the first tranche converting the preference shares of said tranche into 7,500,000 ordinary shares, €1.90 for the second tranche converting the preference shares of said tranche into 6,500,000 ordinary shares, and €2.25 for the third tranche converting the preference shares of said tranche into 6,500,000 ordinary shares.

This free preference share allocation plan will be subject to shareholder authorisation at a General Meeting that will be convened within 20 days of the completion of the Restructuring Transactions[(2)]. It is expected that a financial shareholder of S.I.T.I. will acquire, as part of a transactional agreement, 500,000 ordinary Company shares as a result of the possible conversion of the preference shares of the aforementioned first tranche.

The terms and conditions of this free preference share plan and the associated criteria are described in chapter 3 of this Universal Registration Document.

(1) The dilution percentages provided for in the press release of 10 March 2022, included in the Universal Registration Document, do not include any dilution in relation to the implementation of the long-term profit-sharing plan.

(2) It should be noted that (a) each Investor has individually undertaken to vote in favour of the resolutions submitted to the said General Meeting relating to this free preference share allocation plan and (b) each creditor who is party to the Agreement has individually committed to retaining the shares they will received as part of the Restructuring Transactions until the date of said General Meeting, and to not exercising the voting rights attached thereto at said General Meeting.

6. Governance

At the end of the Restructuring Transactions, the Company's Board of Directors will be composed of 8 to 9 members (excluding members representing employees) including (a) the Chairman of the Board of Directors (the identity of the person will be determined following future discussions between the Investors and the Company), (b) Franck Gervais, Chief Executive Officer of the Company, (c) one member proposed by Alcentra, (d) one member proposed by Fidera, (e) one member proposed by Atream (which, in view of its sectoral expertise, will have the more specific objective of supervising the implementation of the Group's industrial project), and (f) three to four additional members. Mr Gérard Brémond will no longer have a corporate office at the Group but will be appointed Honorary Chairman (non-director) of the Company, without prejudice to his salaried duties as provided for in Section 5.

The term of office of the members of the Board of Directors will remain three years.

It should be noted that Alcentra and Fidera (and, where applicable, Atream) will each enter into an individual agreement with the Company providing notably for the possibility for each of them, once they hold 5% or more of the Company's share capital, to propose the appointment of a candidate director to the General Meeting.

Certain customary strategic decisions will be incorporated into the Board of Directors' Internal Regulations and will be subject to prior authorisation by the Board of Directors, by way of a reinforced majority of three-quarters of the members of the Board of Directors. Other decisions will be taken by a simple majority of the members present or represented at the Board of Directors.

At the end of the Restructuring Transactions and without prejudice to any other committee that may be created pursuant to the AFEP-MEDEF Code, four committees will be established or maintained (Audit Committee, Appointments and Remuneration Committee, Finance Committee and Strategic Committee). The Group will also continue to refer to the recommendations of the AFEP-MEDEF Code as part of its governance practices.

Moreover, Mr Franck Gervais will resign from his position as Chief Executive Officer of S.I.T.I. and will only retain his offices at the Group. The economic conditions of his duties before and after the Restructuring Transactions (in the latter case, as foreseen with the Investors) are described in more detail in chapter 3 of this Universal Registration Document.

7. New real estate company

A company in which Mr Gérard Brémond (or a company controlled by him) will hold 70% of the share capital alongside Atream and the Company (with each of them holding 15% of the share capital) (the "New Company") will be set up for the purpose of providing asset management services on behalf of a real estate company dedicated to the Group, and which will be established by Atream with other institutional partners (the "Real Estate Company").

A framework agreement relating to the financing of the Group's new sites will be signed by Mr Gérard Brémond, Atream and the Company as part of the Restructuring Transactions. The main purpose of this agreement will be the acquisition by the Real Estate Company, and the leasing to the Group, of residences sold or leased off-plan, as the case may be. To date, six development projects have been identified, representing an amount of around €290 million. They will be subject to a reciprocal preference right, subject to prior validation and confirmation by the parties concerned of the technical feasibility of the transactions. The same mechanism will apply for other real estate assets not identified to date.

The New Company will have an asset management role on behalf of the Real Estate Company and will notably be responsible for selecting and proposing to the Real Estate Company the acquisition of tourism assets that will be leased by the Group, as well as being responsible for sourcing, assembly and project management from design to delivery, and then for the management and, where applicable, the disposal of assets on behalf of the Real Estate Company. The relationships between the Group, the New Company and the Real Estate Company will be based on contracts concluded with the Group under market conditions, on terms acceptable to each of the parties concerned and to the Group, and determined on a transaction-by-transaction basis. The Group may request, as a condition precedent to the conclusion of these contracts, the preparation of one or more reports from independent experts confirming that they reflect market conditions.

The financing for the New Company's initial operating costs will be provided by setting up a partner loan from the Company. This loan, in the amount of €2 million, will be repayable at the end of a five-year period from the date of its availability, and will bear interest at a rate of 3%, payable annually. It must be repaid in full prior to any dividends being paid by the New Company to its shareholders, and will benefit from a cash sweep mechanism.

Lastly, the Group will benefit from a right of first refusal in relation to the assets of the Real Estate Company (a) in the event of sale by the latter of one or more of its assets and (b) in the event that control (as defined by Article L.233-3 of the French Commercial Code) of the Real Estate Company would no longer be directly or indirectly held alone or jointly by Atream.

8. Accelerated safeguard procedure

In order to implement the Agreement and complete the Restructuring Transactions, the Company will request, in the coming weeks, the opening of a conciliation procedure, followed by an accelerated safeguard procedure. Said procedures will only impact the financial creditors directly concerned by the Restructuring Transactions (to the exclusion of any other partner, notably lessors or suppliers).

The other Group companies will not request the start of accelerated safeguard proceedings in their favour.

9. Transactions relating to S.I.T.I., the Company's current controlling shareholder

At the level of S.I.T.I., the following transactions are planned:

(i) the sale by S.I.T.I. of all PSR to be received in connection with the Capital Increase with PSR to Alcentra and Fidera as part of the Liquidity Offer;

(ii) the delivery to S.I.T.I. of its share of the Shareholder Warrants resulting from the completion of the Restructuring Transactions;

(iii) the repayment by S.I.T.I., in cash, of a share of a receivable held by one of its unsecured creditors, followed by the repurchase by Alcentra and Fidera of some of the unsecured receivables of S.I.T.I.'s creditors; and

(iv) the repayment by S.I.T.I. of the balance of its secured and unsecured debt (including to Alcentra and Fidera), by transferring to its creditors (a) the Company shares it holds, (b) the sale price of the PSR it receives pursuant to (i) above and (c) the Shareholder Warrants delivered to it pursuant to (ii) above, according to an allocation key agreed with the creditors.

10. Termination of the existing relations between the Company and Mr Gérard Brémond and S.I.T.I.

As indicated above, Mr Gérard Brémond will resign from all his offices at the Group on the date of completion of the Restructuring Transactions. He will become an employee of the Company or one of its subsidiaries. The economic conditions of his salaried functions are described in more detail in chapter 3 of this Universal Registration Document.

The Agreement stipulates that, on the date of completion of the Restructuring Transactions, all relations between S.I.T.I. and the Group shall be terminated, resulting notably in the termination of the management agreement entered into between the Company and S.I.T.I. providing for the provision by S.I.T.I. of various services. In this context, it was agreed that residual historical debts involving Group companies, on the one hand, and S.I.T.I. and its affiliates (outside the Group) on the other, would be settled, notably a €16.2 million debt dating back over 15 years of a S.I.T.I. sister company to the Group, which will be repaid on the date of completion of the Restructuring Transactions by means of the purchase of a S.I.T.I. Group entity, which will hold (a) a minimum amount of €8.5 million in cash and (b) real estate assets worth €6.5 million (i.e. above the lower limit of the valuation range determined by an expert). The balance of the debt, in the amount of €1.2 million, must be repaid by the S.I.T.I. group to the Group no later than three years after the completion of the Restructuring Transactions.

11. Conditions precedent for the Restructuring Transactions

The implementation of the Restructuring Transactions remains subject to the following cumulative conditions precedent:

(i) obtaining the authorisations required under the applicable merger control regulations in Germany;

(ii) approval of a conciliation protocol during the month of May 2022, subject, where applicable, exclusively to purely technical or documentary conditions precedent, and incorporating the terms of a binding term sheet concluded on 9 March 2022 under the aegis of the ad hoc officers and the Interministerial Committee for Industrial Restructuring (CIRI) with regard to the Villages Nature project, and notably stipulating:

(a) equity financing, by 15 December 2022, from the investors of the current main institutional lessor of the facilities of the Villages Nature project, for an additional phase of site development involving 193 new cottages and an additional facility dedicated to the site (i.e. the construction of a "Rivière Sauvage" ("wild river")), with a view to starting operations in 2025, after acquiring the land concerned; this additional development tranche will be the object of an off-plan commercial lease to be concluded with the investors concerned, and will be divisible to allow the sale of the cottages;

(b) the adjustment of the terms of the main leases entered into with institutional lessors relating to the facilities and certain current accommodation units of the Villages Nature project (payment of rent advances on the date of completion by the Group against rent-free periods; extensions of the terms of leases; reduction in rents with claw-back clauses in the event of a project's return to profitability, converted, in certain cases only, into bond receivables, etc.), as well as the adjustment of the terms of existing guarantees granted by the Group;

(c) the acquisition by the Group of the remaining share capital (50%) currently held by the Group's partner in the Villages Nature Tourisme joint venture and, where applicable, in certain joint entities historically dedicated to the promotion of the project, or holding some residual accommodation units, so that the Group becomes the sole partner of the operating entity and, more generally, gains exclusive control of the operation of the Villages Nature project from the completion of this acquisition. Concurrently with this acquisition, the aforementioned land required for the above-mentioned development tranche and the land for any possible future development tranche, currently held by an entity jointly owned by the Group and the partner, will also be transferred to an entity exclusively owned by the Group; and

(d) the reinforcement of the existing commercial and marketing partnership between the Group and this partner for the continued operation of the Villages Nature project, under the conditions agreed between the parties concerned.

The purpose of the transactions provided for in paragraphs (a) to (d) above, due to be completed by 15 December 2022 at the latest, is to restore the profitability of the Villages Nature project. Said transactions remain subject to a certain number of conditions precedent (notably an audit confirming the components of the equity financing project, which, however, may not call into question the terms of the binding term sheet signed on 9 March 2022) to be lifted by mid-May 2022 at the latest, as well as being subject to resolution conditions relating, essentially, to the failure of the Group's own Restructuring Transactions. It is further specified that the operations relating to the Villages Nature project provided for in paragraphs (a) to (d) above will all be completed on the same date.

(iii) that the Company must obtain the agreement of certain of the Group's institutional lessors to make the necessary adjustments to their documentation, in the context of the completion of the Restructuring Transactions;

(iv) agreement among the parties concerned on the terms of the final contractual documentation of the Restructuring Transactions, including the accelerated safeguard plan and the documentation on the refinancing of existing debt;

(v) the implementation of measures to set up the new governance structure referred to in Section 6 above;

(vi) the absence of any opposition by the creditors to the Capital Reduction, or the lifting of such opposition by the Commercial Court (after agreement of the Investors in the event that guarantees should be granted by the Group in this respect);

(vii) AMF validation, where necessary, of the aforementioned exemption from the obligation to file a public offer as a result of the Restructuring Transactions, purged of any appeal;

(viii) AMF approval of the Company's prospectus, including notably the transaction notes relating to the various capital increases planned as part of the Restructuring Transactions;

(ix) the submission by the independent expert of their report presenting an opinion on the fairness of the price proposed in the context of the capital increases planned as part of the Restructuring Transactions. In this regard, Finexsi, represented by Mr Olivier Peronnet, appointed by the Board of Directors on the proposal of an ad hoc committee of four members mainly composed of independent members, began its work to prepare a certificate of fairness pursuant, on a voluntary basis, to the provisions of Article 261-3 of the AMF's General Regulations. Meetings of the expert and the ad hoc committee of the Company's Board of Directors will be scheduled in the coming weeks;

(x) the adoption by the Restructuring Meeting (and by the Annual General Meeting as regards the Capital Reduction) of all the resolutions necessary for the implementation of the Restructuring Transactions and of the resolutions relating to the new governance of the Company, it being specified that, as indicated above, the resolutions relating to the preference shares to be allocated free of charge to Mr Gérard Brémond will be submitted to a General Meeting called to meet within 20 days of the completion of the Restructuring Transactions; and

(xi) the judgement of the Paris Commercial Court adopting the accelerated safeguard plan.

It should be noted that the employee representative bodies of the various Group entities were consulted and all gave a favourable opinion on the Restructuring Transactions.

12. Indicative timetable for the Restructuring Transactions

This indicative timetable may be significantly amended. Notably, the Restructuring Transactions could be delayed, although the Agreement stipulates a deadline for the completion of the Restructuring Transactions of 16 September 2022, unless otherwise extended. Beyond this date, or in the event of non-compliance with the interim deadlines referred to in lines 3, 4, 9 and 10 of the indicative timetable below, the Group's signatory creditors will no longer be subject to the commitment to retain their receivables stemming from the terms of the said agreement. The dates and implementation of the various legal stages remain at the discretion of the Paris Commercial Court.

1	To be defined	Period during which the holders of Ornane and non-significant Euro PPs may undertake to accept and support the Restructuring Transactions
2	31 March 2022	Annual General Meeting to approve the financial statements for the 2020/2021 financial year
3	16 May 2022	Judgement approving the conciliation protocol relating to Villages Nature
4	17 May 2022	Judgement opening the Company's accelerated safeguard procedure
5	31 May 2022	Publication of half-year results for the 2021/2022 financial year
6	2 June 2022	AMF approval of the prospectus relating to the reserved capital increases and the issuance of share warrants
		Online publication of the transaction note
7	28 June 2022	Restructuring Meeting
8	28 June 2022	Vote by classes of affected parties
9	25 July 2022	Paris Commercial Court judgement approving the Company's accelerated safeguard plan
10	29 July 2022	AMF approval of the additional prospectus documents, notably including the prospectus relating to the Capital Increase with PSR
11	3 August 2022	Start of the PSR trading period on Euronext Paris
		Start of the Liquidity Offer
12	5 August 2022	Start of the Capital Increase with PSR subscription period
13	7 September 2022	End of the PSR trading period
		End of the Liquidity Offer
14	9 September 2022	End of the Capital Increase with PSR subscription period
15	14 September 2022	Results of the Capital Increase with PSR
		Launch of reserved capital increases and issuance of share warrants
		Company press release announcing the results of subscriptions
16	16 September 2022	Settlement-delivery of capital increases
		Admission of new shares on Euronext Paris
		Completion of other Restructuring Transactions:
		- partial refinancing;
		- release of sureties;
		- signature of the new financing documentation (debt, sureties, subordination agreement, etc.)
17	16 March 2023	End of the exercise period of the Guarantor Warrants
18	16 September 2027	End of the exercise period of the Shareholder Warrants
19	16 September 2027	End of the exercise period of the Creditor Warrants

13. Financial performance[1]

The financial targets of the Reinvention 2025 strategic plan, as presented on 18 May[2] 2021, were slightly revised in the autumn of 2021[3] to take into account, notably, (a) a higher-than-expected level of activity in 2022 due to the faster-than-expected post-health crisis recovery and (b) delays in Domaines Center Parcs renovation work and in real estate projects as a result of the COVID crisis.

It should also be noted that these financial targets were established under the assumption that the epidemic context would not evolve unfavourably, and remain conditional on the completion of the Restructuring Transactions.

The main targets revised in the autumn of 2021 (vs the targets announced in May 2021), expressed according to operational reporting, are summarised below:

- estimated revenue from tourism activities of:
  - €1,581 million in 2023 (vs €1,587 million),
  - €1,805 million in 2025 (vs €1,838 million), up €440 million compared to 2019;
- Group EBITDA[4] target:
  - €137 million in 2023 (vs €146 million),
  - €268 million in 2025 (vs €275 million), of which €246 million generated by tourism activities and €22 million by real estate activities. The recurring operating margin for tourism activities is expected to reach 5% in 2023 and 10% in 2025 (unchanged vs May 2021 business plan);
- cash flows before financing of:
  - €34 million in 2023 (vs €49 million),
  - €157 million in 2025 (vs €176 million), i.e. €263 million in operating cash flows over the period from 2022 to 2025 (vs €273 million).

As part of the Agreement, the Investors confirmed that they agreed with the strategy presented in the Reinvention 2025 plan, specifying that an additional delay of between 12 and 24 months in the achievement of the aforementioned financial targets could not be excluded in view of the current health and international context. Prior to the implementation of the Restructuring Transactions, an update of the financial targets agreed between the Group and the Investors will be communicated.

As regards the current 2021/2022 financial year, in view of the activity generated in the first quarter, the level of the tourism reservation portfolio to date and the progress of the strategic plan, the Group anticipates:

- revenue from tourism activities close to the budgeted target (up by nearly 7% compared to the revenue generated in 2019);
- Group EBITDA of around €95 million, higher than the budget; and
- a cash position of approximately €390 million at 30 September 2022, after the completion of the Restructuring Transactions; the cash position at 28 February 2022 was approximately €391 million.

It should also be noted that the Group is currently conducting competitive process for the sale of the "Senioriales" division (development and operation of residences for independent senior citizens), with the aim of concluding an agreement before the end of the 2021/2022 financial year.

The Investors also confirmed, as part of the Agreement, (a) that they did not intend to sell the Group's assets, with the exception of the ongoing Les Senioriales disposal process and other transactions contemplated by the existing business plan, and (b) that the Group will conduct its activities in accordance with its business plan, as amended, where necessary, by the Board of Directors, which will have full discretion in this respect pursuant to the applicable governance rules.

Lastly, the Group requested from the public authorities the so-called "closure" aid aimed at compensating the uncovered fixed costs of companies whose activity was particularly affected by the COVID-19 epidemic and which meet the applicable conditions. The amount of the aid requested, of approximately €24 million, was not included in the aforementioned cash flow forecast at 30 September 2022 (contrary to the information contained in the Company's press release dated 10 March 2022). The Group will pay a portion of this aid to certain individual lessors, in accordance with the amendments signed with them as part of the conciliation procedure initiated in 2021.

Moreover, Center Parcs Leisure Deutschland GmbH, a Company subsidiary affiliated to the Group companies operating the Center Parcs Domaines in Germany, requested specific aid from the German federal government, for a total amount of €42.3 million to date, to offset the impact of the health crisis and the administrative closures in the regions concerned. As the conditions for granting this aid remain subject to interpretation, the Company benefiting from this specific territorial aid could be required to pay the German federal government a possible minority share which may have been overpaid.

14. Financial calendar

The Company's 2022 financial calendar was updated as follows:

- Thursday 31 March 2022: Annual General Meeting;
- Tuesday 19 April 2022: Q2 2021/2022 revenue;
- Tuesday 31 May 2022: Half-year results for 2021/2022;
- Tuesday 19 July 2022: Q3 2021/2022 revenue;
- Tuesday 18 October 2022: Q4 2021/2022 revenue;
- Thursday 1 December 2022: Annual results for 2021/2022.

(1) The full financing of the strategic plan remains conditional on the completion of the Restructuring Transactions. The stated targets take precedence over any conflicting targets previously communicated by the Group.

(2) Several items of financial information, notably in terms of revenue, EBITDA and operating cash flows over the 2019-2025 period, as well as the financial information summarising the terms of the new bridge financing for 2021 and the anticipated liquidity position from June 2021 to September 2022 based on the main assumptions used, are appended to the detailed presentation of the strategic plan of 18 May 2021, available on the Group's website (www.groupepvcp.com) in the "Finance/Publications/Presentations" section.

(3) See the press release presenting the Group's consolidated results for 2020/2021 published on 1 December 2021 and available on the Group's website (www.groupepvcp.com) in the "Finance/Publications/Press releases" section.

(4) EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortisation.

15. Appendix 1: Dilution tables of income from Restructuring Transactions(1)

1. Dilution table corresponding to the assumption that (a) 100% of the shareholders subscribe to the Capital Increase with PSR (i.e. without subscription by Alcentra and Fidera) and (b) Alcentra, Fidera, Atream and SPG exclusively subscribe to the entire reserved capital increase, including the share of Ornane holders excluding SteerCo.

% of issued capital	Initial position	Post (i) Capital Increase with PSR, (ii) Reserved Capital Increase, (iii) Capital Increase by Conversion, (iv) exercise of the Guarantor Warrants and (v) conversion of the 1st tranche of preference shares allocated free of charge to Mr Gérard Brémond	Post-Backing Share Capital	Fully diluted base
Alcentra		25.7%	21.7%	20.8%
Fidera		24.5%	20.5%	19.7%
Atream		8.7%	7.2%	6.9%
SPG (excluding ORNANE conversion)		2.6%	2.2%	2.1%
ORNANE (excluding Alcentra and Fidera)		4.0%	4.3%	4.1%
EURO PP		6.6%	7.2%	6.9%
Banks		16.8%	18.1%	17.4%
Mr Gérard Brémond		1.6%	3.7%	3.5%
S.I.T.I.	49.4%			
Former S.I.T.I. creditors		1.0%	4.5%	4.4%
Free float	50.6%	8.4%	10.8%	10.3%
Top Management				3.9%
TOTAL	**100%**	**100%**	**100%**	**100%**

2. Dilution table corresponding to the assumption that (a) 0% of the shareholders subscribe to the Capital Increase with PSR (i.e. Alcentra and Fidera subscribe, at parity, to €50,085,656 in respect of the Capital Increase with PSR) and (b) all the beneficiaries of the Reserved Capital Increase subscribe under the conditions set out in Section 1(v).

% of issued capital	Initial position	Post (i) Capital Increase with PSR, (ii) Reserved Capital Increase, (iii) Capital Increase by Conversion, (iv) exercise of the Guarantor Warrants and (v) conversion of the 1st tranche of preference shares allocated free of charge to Mr Gérard Brémond	Post-Backing Share Capital	Fully diluted base
Alcentra		29.3%	24.7%	23.7%
Fidera		28.2%	23.5%	22.6%
Atream		8.7%	7.2%	6.9%
SPG (excluding ORNANE conversion)		2.6%	2.2%	2.1%
ORNANE (excluding Alcentra and Fidera)		4.0%	4.3%	4.1%
EURO PP		6.6%	7.2%	6.9%
Banks		16.8%	18.1%	17.4%
Mr Gérard Brémond		1.6%	3.7%	3.5%
S.I.T.I.	49.4%			
Former S.I.T.I. creditors		1.0%	4.5%	4.4%
Free float	50.6%	1.1%	4.7%	4.5%
Top Management				3.9%
TOTAL	**100%**	**100%**	**100%**	**100%**

(1) The dilution calculations presented in this Appendix 1 are based on the assumption of (a) the acquisition by Alcentra and Fidera (at parity) of the Û25,101,296 in receivables under the Monetisation Offer, i.e. Û12,550,648 each, and (b) the delivery, by way of donation in payment, of 52,559 shares held by S.I.T.I. to (i) in the amount of 26,179 shares, Alcentra and (ii) in the amount of 26,180 shares, Fidera and (c) the acquisition by Alcentra and Fidera (at parity) of all the PSR held by S.I.T.I. (followed by their exercise).

3. Dilution table corresponding to the (theoretical) assumption that (a) 100% of the shareholders subscribe to the Capital Increase with PSR (i.e. without subscription by Alcentra and Fidera) and (b) Alcentra and Fidera subscribe to the Reserved Capital Increase under the conditions provided for in Section 1(v) concerning them and in lieu of the subscription commitments of Atream and the Ornane holders (including SPG).

% of issued capital	Initial position	Post (i) Capital Increase with PSR, (ii) Reserved Capital Increase, (iii) Capital Increase by Conversion, (iv) exercise of the Guarantor Warrants and (v) conversion of the 1st tranche of preference shares allocated free of charge to Mr Gérard Brémond	Post-Backing Share Capital	Fully diluted base
Alcentra		31.3%	26.3%	25.3%
Fidera		30.2%	25.1%	24.1%
Atream				
SPG (excluding ORNANE conversion)				
ORNANE (excluding Alcentra and Fidera)		4.0%	4.3%	4.1%
EURO PP		6.6%	7.2%	6.9%
Banks		16.8%	18.1%	17.4%
Mr Gérard Brémond		1.6%	3.7%	3.5%
S.I.T.I.	49.4%			
Former S.I.T.I. creditors		1.0%	4.5%	4.4%
Free float	50.6%	8.4%	10.8%	10.3%
Top Management				3.9%
TOTAL	**100%**	**100%**	**100%**	**100%**

4. Dilution table corresponding to the (theoretical) assumption that (a) 0% of the shareholders subscribe to the Capital Increase with PSR (i.e. Alcentra and Fidera subscribe, at parity, to €50,085,656 in respect of the Capital Increase with PSR) and (b) Alcentra and Fidera subscribe to the Reserved Capital Increase under the conditions provided for in Section 1(v) concerning them and in lieu of the subscription commitments of Atream and the Ornane holders (including SPG).

% of issued capital	Initial position	Post (i) Capital Increase with PSR, (ii) Reserved Capital Increase, (iii) Capital Increase by Conversion, (iv) exercise of the Guarantor Warrants and (v) conversion of the 1st tranche of preference shares allocated free of charge to Mr Gérard Brémond	Post-Backing Share Capital	Fully diluted base
Alcentra		35.0%	29.4%	28.2%
Fidera		33.8%	28.2%	27.1%
Atream				
SPG (excluding ORNANE conversion)				
ORNANE (excluding Alcentra and Fidera)		4.0%	4.3%	4.1%
EURO PP		6.6%	7.2%	6.9%
Banks		16.8%	18.1%	17.4%
Mr Gérard Brémond		1.6%	3.7%	3.5%
S.I.T.I.	49.4%			
Former S.I.T.I. creditors		1.0%	4.5%	4.4%
Free float	50.6%	1.1%	4.7%	4.5%
Top Management				3.9%
TOTAL	**100%**	**100%**	**100%**	**100%**

15. Appendix 2: treatment of the debt of the Group's main financial creditors in the context of the Restructuring Transactions

Current position			Debt treatment			
Debt position	**Borrower**	**Current**	**Reimbursed**	**Capitalised**	**Kept in place**	**Relocated**
Facility 1A (Banks)	CP Europe NV	125,000,000	-	-	-	125,000,000
Facility 1B (ORNANE)	CP Europe NV	54,175,000	54,175,000			
Facility 2A (Banks)	CP Europe NV	49,000,000	-			49,000,000
Facility 2B (ORNANE)	CP Europe NV	33,500,000	33,500,000			
Facility 2C (EURO PP)	CP Europe NV	8,000,000	8,000,000			
Sub-total Bridge Financing 2021	**CP Europe NV**	**269,675,000**	**95,675,000**			**174,000,000**
High RCF	PV SA	118,256,400	23,112,000			95,144,400
High EURO PP 2022 and 2025	PV SA	4,700,000				4,700,000
High consolidation loan	PV FI SNC	4,543,600	888,000			3,655,600
Fortis loan	Subsidiaries	10,000,000			10,000,000	
TOTAL High debt		**407,175,000**	**119,675,000**		**10,000,000**	**277,500,000**
SGL # 2	PV SA	34,500,000	9,500,000		25,000,000	
ORNANE	PV SA	99,999,995	2,000,000	97,999,995		
Non-significant EURO PP 2022 and 2025	PV SA	131,300,000	2,626,000	128,674,000		
Non-significant RCF	PV SA	81,743,600	541,504	61,086,296		20,115,800
Non-significant consolidation loan	PV FI SNC	38,956,400		34,072,200		4,884,200
CADIF loan	PV SA	15,000,000	300,000	14,700,000		
SGL # 1	PV SA	240,000,000	25,000,000	215,000,000		
Real estate debt	Subsidiaries	45,300,000			45,300,000	
Caixa loan	Subsidiaries	4,700,000			4,700,000	
Gross financial liabilities		**1,098,674,995**	**159,642,504**	**551,532,491**	**85,000,000**	**302,500,000**

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1.2 Company information

1.2.1 General information

Legal name

Pierre et Vacances.

Registered office

L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19, France.

Telephone number: +33 (1) 58 21 58 21.

Legal form of consolidation

A French public limited company (société anonyme) with a Board of Directors, incorporated under French law and governed by the French Commercial Code and by its articles of association.

Date of incorporation and term of the Company

The Company was incorporated for a term of 99 years with effect from its registration in the Paris Trade and Companies Register on 7 August 1979, except in the event of an early dissolution or extension.

Corporate purpose (Article 2 of the articles of association)

The purpose of the Company is to:

- acquire equity interests in other companies, by means of the formation of companies, contributions of companies, subscriptions for or purchases of shares or equity interests, mergers, alliances, partnerships or any other means, and particularly in companies that:
  - sell and manage property,
  - acquire, develop and resell land, and construct property,
  - operate, in whatever form, residences, hotels, motels, unfurnished or furnished premises and restaurants of all kinds; all operations related to the organisation and management of stays, leisure activities and holidays; all direct or indirect equity investments in any French or foreign companies involved in the above businesses or likely to promote the development thereof;
- manage and provide technical, administrative, legal and financial assistance to these companies and their subsidiaries;
- and generally, carry out all commercial and financial transactions, and all transactions involving property and equipment, relating directly or indirectly to the above business purpose or likely to help in the development thereof.

Trade and companies register, business activity code (NAF) and LEI

Registered in the Paris Trade and Companies Register under number 316 580 869.

Pierre et Vacances business activity (NAF) code: 7010Z.

Pierre et Vacances legal registration (LEI) code: 9695009FXHWX468RM706.

Financial year

The Company's financial year runs from 1 October to 30 September of the following year.

Access to documents and information relating to the Company

The corporate documents for the last three financial years (parent company financial statements, minutes of the General Meetings, attendance sheets for these meetings, list of directors, Statutory Auditors' reports, articles of association, etc.) can be viewed at the Pierre et Vacances registered office.

In addition, the Company's articles of association and, where applicable, the reports, correspondence, assessments and declarations made by an expert at the Company's request, and the Company's historic financial information for the last two financial years are available at the Pierre et Vacances registered office.

Appropriation of earnings (Article 20 of the articles of association)

Net income generated during the financial year, after deducting overheads and other expenses incurred by the Company, including all depreciation, amortisation and impairment losses, represents the profit (or loss) for the financial year.

Of this profit, less any losses carried forward, at least one twentieth shall be appropriated in order to build up the regulatory reserve required by law. Such transfers should continue for as long as the statutory reserve represents less than one tenth of the total share capital.

The residual balance, plus any profit carried forward, constitutes the profit available for distribution to shareholders.

The Shareholders' Ordinary Meeting may appropriate whatever sums it deems fit, either to be carried forward as retained earnings to the following financial year, or to be transferred to one or more general or special reserves, the use or allocation of which is determined by the Meeting.

The General Meeting may also decide to make payouts from the reserves available for this purpose; where this is the case, the applicable resolution must expressly indicate from which reserves the payout shall be made.

The Meeting may offer each shareholder the option to receive all or part of the dividend payment in the form of shares (subject to legal conditions) or in cash.

Specific clauses in the articles of association

Double voting rights (Article 16 of the articles of association)

With effect from the Extraordinary General Meeting of 28 December 1998, a voting right which is double the right conferred on the other ordinary shares, in view of the portion of share capital that they represent, shall be attributed to all fully paid-up ordinary shares for which proof of registration in the name of the same shareholder for a period of at least two years has been provided.

In the event of an increase in the share capital by incorporation of reserves, profits or issue premiums, double voting rights shall be attributed from the date of issue to registered ordinary shares allotted free of charge to a shareholder as a result of their ownership of existing ordinary shares that are already entitled to double voting rights.

All ordinary shares converted to bearer shares or whose ownership is transferred lose their double voting rights. Notwithstanding the above, the transfer by inheritance, by liquidation of spouses' joint property, or by inter vivos donation to a spouse or relative in the line of succession shall not entail the loss of double voting rights, and shall not interrupt the time period stipulated in Article L.225-123 of the French Commercial Code. The same applies in the event of a transfer as a result of a merger or demerger of a shareholding company.

Identifying shareholders (Article 7 of the articles of association)

The Company may at any time, subject to the conditions laid down by regulations, ask the body responsible for clearing its shares to reveal the names, addresses and nationalities of holders of shares conferring an immediate or future right to vote at its General Meetings, as well as the number of shares they own and any restrictions attached to these shares; at the Company's request, the above information may be limited to shareholders holding a minimum number of shares set by the Company.

Breaching of thresholds (Article 8 of the articles of association)

In addition to the disclosure concerning legal thresholds, the Company's articles of association provide that any individual or entity who, acting alone or in concert, comes to hold a percentage of the capital or voting rights equal to or exceeding 5% or a multiple thereof, directly or indirectly, within the meaning of Article L.233-9 of the French Commercial Code, is required to notify the Company by registered letter with proof of receipt within five trading days of crossing each of these thresholds, indicating the number of voting rights and shares held and the voting rights attached thereto. This notice of the crossing of shareholding thresholds also indicates if the shares or attached voting rights are or are not held on behalf of or in concert with any other individual or entity.

If not disclosed as provided above, the shares that exceed the percentage and should have been disclosed are deprived of voting rights at future General Meetings of shareholders, if one or more shareholders holding collectively at least 5% of the Company's share capital or voting rights so request and the request is recorded in the minutes of the General Meeting. The deprivation of voting rights applies to all future Shareholders' Meetings until the expiry of a period of two years from the date the disclosure is made.

Shareholders' Ordinary Meetings (Articles 16, 17 and 18 of the articles of association)

Shareholders' Ordinary Meetings shall be held at the registered office of the Company or at any other place indicated in the meeting notice. All shareholders have the right to attend General Meetings in person or by proxy, upon proof of their identity and ownership of the shares. The right to participate in General Meetings is subject:

- in the case of registered shareholders, to entry of the shares in the name of the shareholder in the Company registers at least two working days before the General Meeting;
- in the case of holders of bearer shares, to the filing, according to the conditions stipulated by law, of the certificate drawn up on the basis of the shareholder certificate (attestation of participation) issued by the authorised intermediary two working days before the date of the Shareholders' Ordinary Meeting.

Any shareholder shall be entitled to exercise a postal vote using a form that may be obtained under the terms specified in the meeting notice and under the conditions provided by law. Any shareholder may also, if the Board of Directors so decides at the time the meeting is convened, participate and vote at the Shareholders' Ordinary Meeting by electronic means of telecommunication enabling their identity to be established under the conditions provided by law. Shareholders participating in the meeting by videoconference, or by any other electronic means of telecommunication or teletransmission, including the internet, enabling their identity to be established under the conditions provided by law, shall be deemed to be present for the purposes of establishing quorum and majority.

Methods of convening

General Meetings are convened by the Board of Directors or, failing this, by the Statutory Auditors, in accordance with the requirements of Article R.225-162 of the French Commercial Code, or else by a corporate officer designated by the Presiding Judge at the Commercial Court ruling in summary proceedings upon request or, in an emergency, by any interested party or by one or more shareholders together holding at least 5% of the issued capital.

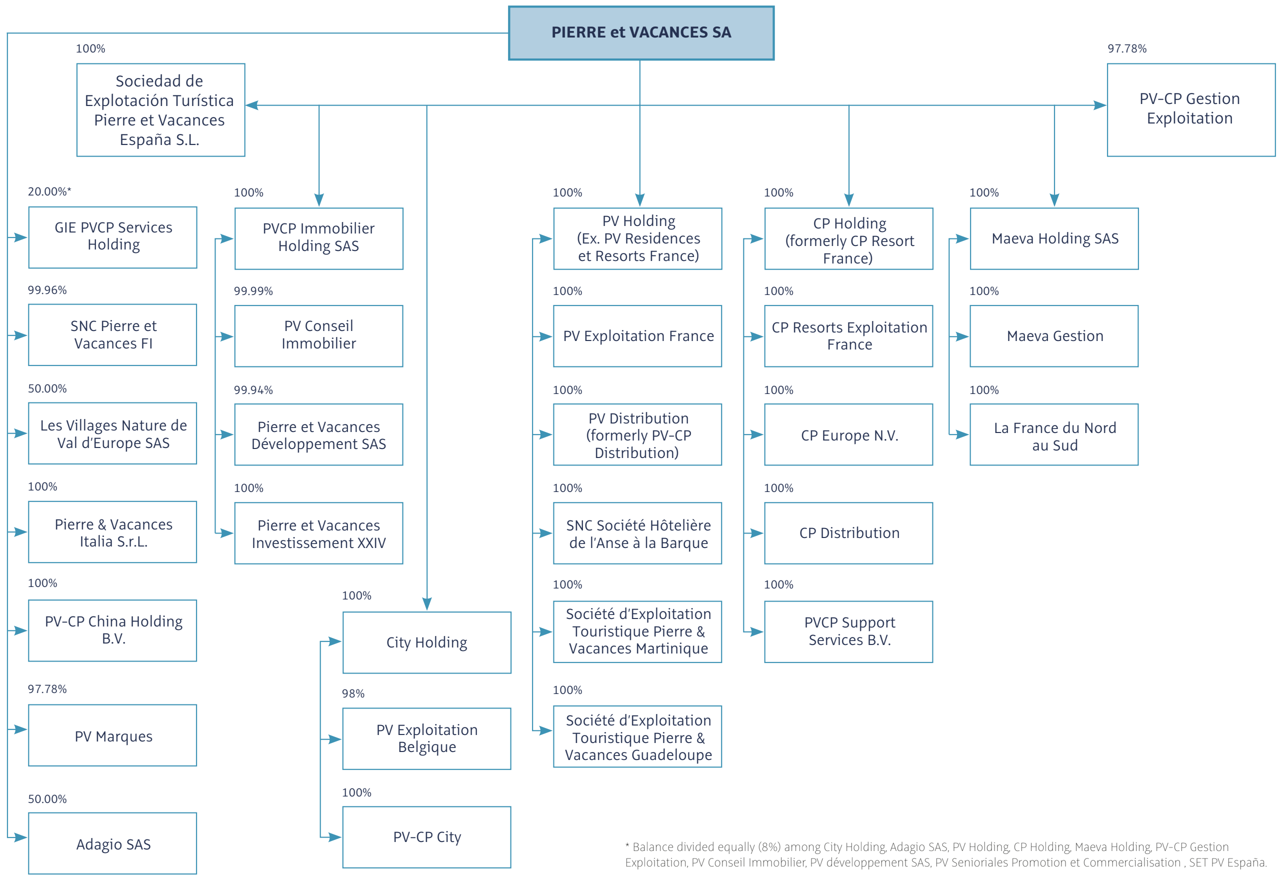
Meetings are convened by a notice published in a one of the newspapers authorised to publish legal notices in the administrative department in which the Company's registered office is located. Shareholders holding registered shares shall be convened by formal letter, which can be sent by registered post at the shareholders' request with the latter bearing the postage costs. If all the shares are held in registered form, the notices provided for in the previous paragraph may be replaced by a meeting notice sent by registered post to each shareholder, with the Company bearing the cost of postage.

1.2.2 Description of the S.I.T.I. group

On the date of filing of this Universal Registration Document, Société d'Investissement Touristique et Immobilier – S.I.T.I., the holding company of the Pierre & Vacances-Center Parcs Group, indirectly controlled by Gérard BRÉMOND through S.I.T.I. SC "R", held 49.36% of Pierre et Vacances SA. The Pierre & Vacances sub-group is the only asset of S.I.T.I. SA and is fully consolidated.

1.2.3 Legal form of Pierre et Vacances

Simplified legal organisational structure at 30 September 2021, post-legal restructuring implemented on 1 February 2021



* Balance divided equally (8%) among City Holding, Adagio SAS, PV Holding, CP Holding, Maeva Holding, PV-CP Gestion Exploitation, PV Conseil Immobilier, PV développement SAS, PV Senioriales Promotion et Commercialisation , SET PV España.

Pierre et Vacances SA, the Group holding company, listed on the Euronext Paris regulated market, holds equity interests in all the sub-holdings. It bears external fees and expenses relating to the Artois head office, in Paris 19, (notably rents) that it re-invoices to the various Group entities according to allocation keys via GIE PVCP Services Holding, notably depending on the m^2 occupied or any other relevant key. Pierre et Vacances SA is required to give sureties or guarantees to banks on behalf of its subsidiaries when setting up corporate financing or financial completion guarantees.

GIE PVCP Services Holding provides and invoices management, administration, accounting, financial, legal and IT services for the Group and handles the services shared by the Group's companies through service agreements.

Pierre & Vacances FI is the Group's central cash management company. It collects the surplus cash from the subsidiaries, redistributes it to those that need it and invests the balance.

PV Marques owns and manages the Pierre & Vacances, Maeva and Multivacances brands. As such, it re-invoices the operating entities for brand royalties.

The holding companies of the Pierre & Vacances, Center Parcs, Maeva and Adagio brands (PV Holding, CP Holding, Maeva Holding and City Holding) are responsible for the management and support teams of each business line.

PV Distribution and CP Distribution are dedicated to the development and marketing of residences, parks and villages. As such, they re-invoice marketing fees to the operating entities (e.g. PV Exploitation France and CP Resorts Exploitation France).

CP Resorts Exploitation France includes all the operating activities of the Domaines Center Parcs in Bois Francs, Hauts de Bruyères, Les Trois Forêts and Bois aux Daims, and which itself controls SNC Domaine du Lac d'Ailette, a subsidiary responsible for operating the Domaine du Lac d'Ailette tourism activities in France.

PV Exploitation France includes all the operating activities of the Pierre & Vacances villages and residences, with the exception of the two villages in the French West Indies.

PVCP City and PV Exploitation Belgique include the operating activities of the Adagio residences for which Pierre & Vacances is the lessee. The residences are managed under mandate by Adagio SAS.

Adagio SAS is a 50/50 joint venture with the ACCOR Group. It manages the operating activities of the Adagio brand in France and Europe (either directly through its own leases, or under a mandate/franchise).

Les Villages Nature de Val d'Europe SAS is a 50/50 joint venture with the Eurodisney SCA Group. This entity operates through one of its subsidiaries, Domaine de Villages Nature Paris.

CP Europe NV, a tourism holding company, wholly owns the Center Parcs Europe sub-group, which manages the Domaines Center Parcs in the Netherlands, Germany and Belgium. This company performs shared services for the Center Parcs Europe sub-group, which it re-invoices to its subsidiaries. It is also responsible for sales operations in the Netherlands.

Sociedad de Explotación Turística Pierre & Vacances España SL manages Pierre & Vacances tourism operations in Spain.

PV-CP Gestion Exploitation is the holding company for the business segment involved in portfolio management activities and relations with owners. It provides services on behalf of these companies through agreements.

PVCP Immobilier Holding SAS controls:

- Pierre & Vacances Investissement XXIV SAS, a holding company of Senioriales, which controls:
  - PV Senioriales Programmes Immobilier, which holds the construction-sale companies,
  - PV Senioriales Promotion et Commercialisation, which promotes, constructs and markets the Senioriales residences;
- Pierre & Vacances Conseil Immobilier (PVCI), which sells, to individual investors, new or renovated apartments and homes, developed and managed by the Group. It also responsible for reselling these apartments, on behalf of owners who wish to do so. PVCI bills the construction-sale companies for the marketing fees;
- Pierre & Vacances Développement SAS (PVD), which carries out land prospection and delegated project management. PVD invoices project management fees to the construction-sale companies.

1

1.3 Information about the share capital

1.3.1 Share capital

At 30 September 2021, the share capital stood at €98,934,630, split into 9,893,463 ordinary shares, in turn divided into 9,891,447 class B preference shares and 667 class C preference shares, each of which has a par value of €10 and is fully paid-up.

Ordinary shares are in nominee or bearer form at the shareholder's discretion. Preference shares must be registered in a purely nominee account the Company's books.

The Company keeps itself informed of the ownership of its shares under the conditions provided by law.

Ordinary shares are freely transferable, unless otherwise stipulated by law or regulations.

The transfer of the shares, whether free of charge or for a consideration and whatever their form, is done by transfer between accounts in accordance with the procedure laid down by law.

Double voting rights are attributed to ordinary shares held in nominee form for more than two years. At 30 September 2021, with double voting rights being granted on 4,976,670 shares and preference shares having no voting rights attached, the total number of voting rights stood a 14,772,345 for 9,893,463 ordinary shares.

1.3.2 Potential capital[1]

After taking into account the impact of the issue, on 30 November 2017, of new ORNANEs maturing on 1 April 2023, Pierre et Vacances's theoretical potential capital, if all the ORNANEs were converted into new shares, would be €115,417,240 corresponding to 11,541,724 shares:

9,893,463 existing shares at 28/02/2022

+1,648,261 ORNANEs (maturing on 01/04/2023)

= 11,541,724 potential shares at 28/02/2022

1.1.3 Changes in the share capital over the last five financial years

Date	Operation	Par value *(in €)*	Capital amount *(in €)*	Issue premium *(in €)*	Accumulated share capital *(in €)*	Number of shares accumulated
30/03/2016	Capital increase reserved for HNA Tourism Group	10	9,801,720	14,879,010.96	98,017,230	9,801,723
09/02/2018	Capital increase through issuing class A and B preference shares	10	28,420	/	98,045,650	9,804,565
18/04/2019	Capital increase through issuing class C preference shares	10	6,670	/	98,052,320	9,805,232
20/04/2020	Capital increase by conversion of preference shares	10	4,090	/	98,056,410	9,805,641
22/07/2020	Capital increase by conversion of preference shares	10	878,220	/	98,934,630	9,893,463

(1) See also the anticipated distribution of the Company's share capital and voting rights in the event of the definitive completion of the Backing Process announced by the Company on 10 March 2022.

1.4 Shareholders

1.4.1 Breakdown of share capital and voting rights at 30 September 2021

As at 30 September 2021*, the estimated shareholder structure of Pierre et Vacances is as follows:

	Number of shares	% of issued capital	Value of investments in associates and other long-term equity investments at 30/09/2021 *(in € thousands)*	Number of voting rights	% of voting rights
S.I.T.I.[1]	4,883,720	49,36	44,198	9,767,440	66,12
Board members	670	0,01	6	1,300	0,01
Treasury shares[2]	95,772	0,97	867	-	-
of which shares acquired as part of the buyback programme	*86,813*	-	*786*	-	-
of which shares acquired as part of the liquidity agreement	*8,959*	-	*81*	-	-
Public[3]	4,913,301	49,66	44,465	5,003,605	33,87
TOTAL	**9,893,463**	**100,00**	**89,536**	**14,772,345**	**100,00**

(1) S.I.T.I SA is directly owned by S.I.T.I SC "R" in the amount of 63.71%, the latter being held by Gérard Brémond in the amount of 40.18% of the share capital and 92.86% of the voting rights.
(2) Treasury shares for which the voting rights cannot be exercised.
(3) Including employees (2,016 Class B and C preference shares without voting rights, which will be converted into 2,016 ordinary shares after the AGM of 31 March 2022, and 49,938 ordinary shares, i.e. 0.53% of the share capital).
** See also the anticipated distribution of the Company's share capital and voting rights in the event of the definitive completion of the Backing Process announced by the Company on 10 March 2022 (the "Backing Process").*

The Company has taken a number of measures to prevent the control exerted by S.I.T.I. SA from being abusive (see the report on corporate governance and internal control procedures, which is included in the Annual Financial Report).

To the Company's knowledge, no other shareholder owns more than 5% of the share capital or voting rights (other than those listed above).

In accordance with Article L.223-13 of the French Commercial Code and given the disclosures and notifications received in accordance with Articles L.233-7 and L. 233-12 of said Code, it is stated that:

- S.I.T.I. SA directly holds more than a third of the share capital and more than half of the voting rights at General Meetings;
- S.I.T.I. SC "R" indirectly holds more than a third of the share capital and more than half of the voting rights at General Meetings.

1.4.2 Changes in share capital and voting rights

	Situation at 30 September 2019			Situation at 30 September 2020			Situation at 30 September 2021		
Shareholders	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights	Number of shares	% capital	% voting rights
S.I.T.I.	4,883,720	49.81	63.62	4,883,720	49,36	63.23	4,883,720	49,36	66,12
Board members	13,789	0.14	0.18	13,165	0.13	0.10	670	0,01	0,01
Treasury shares[1]	270,428	2.76	1.96	264,587	2.67	1.90	95,772	0,97	-
Public	4,637,295	47.29	34.24	4,731,991	47.83	34.77	4,913,301	49,66	33,87
of which employees	*89,770*	*0.91*	*1.26*	*55,763*	*0.56*	*0.77*	*51,954*[2]	*0.53*	*0.34*
TOTAL	**9,805,232**	**100**	**100**	**9,893,463**	**100**	**100**	**9,893,463**	**100**	**100**

(1) Treasury shares for which the voting rights cannot be exercised.
(2) Including 2,016 Class B and C preference shares without voting rights, which will be converted into 2,016 ordinary shares after the AGM of 31 March 2022.

Article 222–12 of the General Regulations of the AMF states that, to calculate shareholding thresholds, the total number of voting rights is determined on the basis of all of the shares to which voting rights are attached, including shares stripped of voting rights.

1.4.3 Group employee share ownership/company savings plan

The Group Share Ownership Plan, set up with the payment of the employees' profit-sharing entitlement for 1997/1998, received voluntary payments from employees and the Company's matching contributions to subscribe for Pierre et Vacances shares in connection with the initial public offering and capital increase of March 2002. It also receives voluntary payments from employees. Within this Group Share Ownership Plan, the mutual fund consisting exclusively of Pierre et Vacances shares represented 0.12% of the capital at 30 September 2021 (12,170 shares).

1.4.4 Employee profit-sharing

A special Group employee profit-sharing agreement, covering the majority-controlled French entities, distributes the Group's special profit-sharing reserve (equalling the total special profit-sharing reserves calculated in each company) between all Group employees having an employment contract for more than three months with a participating entity. For 2020/2021, the Group derogatory agreement triggered no profit-sharing. In contrast, an amount of €25,126 is to be paid to the profit-sharing fund on behalf of the legal shareholdings of certain companies.

Amounts due for Group profit-sharing in previous financial years:

For the 2019/2020 financial year	€35,800
For the 2018/2019 financial year	€101,413
For the 2017/2018 financial year	€61,557
For the 2016/2017 financial year	-

1.4.5 Notice of threshold crossing

No threshold crossing was declared during the 2020/2021 financial year.

1.4.6 Report on treasury shares

In respect of the treasury share buyback programme authorised by the General Meeting of 1 February 2021, 73,365 shares were acquired under the AMAFI liquidity contract at an average price of €11.01 between 15 March 2021 and 30 September 2021. Over the same period, 66,551 shares were sold at an average price of €10.91 under the AMAFI contract.

At 30 September 2021, the Company held 95,772 treasury shares, of which 8,959 shares were held under the liquidity agreement and 86,813 shares were held pursuant to the buyback programme.

1.4.7 AMF decision to dismiss a public buyout offer

As part of the implementation of a security trust for the shares of the French subsidiary Center Parcs Holding (pursuant to the terms of the financing signed on 10 May 2021 with certain of the Group's financial creditors), S.I.T.I. SA requested and obtained from the Autorité des Marchés Financiers, on 7 September 2021, a decision to dismiss a public buyout offer. This decision is available on the AMF's website.

1.4.8 Description of the programme submitted for approval to the Combined General Meeting of 31 March 2022

As the authorisation given by the General Meeting of 1 February 2021 is valid until 1 August 2022, it was necessary to issue a new authorisation which will bring to an end, for the unused fraction, the authorisation given by the Combined General Meeting of 1 February 2021 to the Company to perform transactions on its own shares.

The object of this authorisation will be to enable the Company to perform transactions on its own shares for the purposes of:

1) stimulating the market via a liquidity agreement in accordance with the AMAFI Code of Conduct;
2) allocating bonus shares and/or share purchase options to executive and non-executive corporate officers or employees, or selling shares to employees as part of a profit-sharing programme, employee shareholder plans or company savings plans;
3) using shares to exercise rights attached to marketable securities carrying the right to company shares by redemption, conversion, exchange, presentation of a warrant or any other way;
4) using shares as payment or exchange in the context of external growth operations, to minimise the acquisition cost or, more generally, to improve the conditions of a transaction;
5) cancelling shares, subject in this latter case, to a vote by the Extraordinary General Meeting of a specific resolution.

Pierre et Vacances will have the option to acquire 10% of its share capital, i.e. as of 31 December 2021, 989,346 shares with a par value of €10 each. In view of the 97,651 treasury shares already held at 31 December 2021, the maximum number of shares that can be acquired under this buyback programme is therefore 891,695, which corresponds to a theoretical maximum investment of €7,133,560 based on the maximum purchase price of €8 provided for in the resolution which will be put to the vote at the General Meeting of 31 March 2022 for approval.

The authorisation will be granted for a period of eighteen months from the Combined General Meeting of 31 March 2022, i.e. until 30 September 2023.

1.4.9 Policy of dividend payments over the last five financial years – time limit for dividend claims

Over the last five financial years, Pierre et Vacances SA has made no dividend payments.

The dividend policy is based on the Group's profit (loss) from ordinary activities, financial position and projected financial needs. Thus, no guarantee can be given as to the amount of dividend payments for a given financial year. Unclaimed dividends are forfeited to the French government five years after they become payable.

Given the Group's 2021 results, the non-payment of a dividend will be proposed to the General Meeting of 31 March 2022.

Financial instrument pledges granted involving Pierre et Vacances SA shares

Name of shareholder recorded on the purely nominee account	Beneficiary	Start date	Maturity date	Number of shares pledged
S.I.T.I. SA	BNP PARIBAS NEUFLIZE OBC	31/08/2018	30/03/2024	3,829,217 i.e. 38.70% of the issuer's share capital

1.5 Stock market indicators

Share

As at 30 September 2021, Pierre & Vacances shares have been listed on the Eurolist of Euronext Paris (Compartment C) and included in the CAC All-Tradable, CAC Mid & Small 190, CAC Travel & Leisure and CAC Small 90 indexes.

Share trading over the last 18 months

Period	Number of shares exchanged	Adjusted highs and lows	
		Highest	Lowest
September 2020	170,196	15.20	11.90
October 2020	404,143	12.5	9.22
November 2020	1,416,278	16.20	9.08
December 2020	503,919	15.60	12.95
January 2021	1,748,220	14.75	9.84
February 2021	1,026,608	12.85	10.45
March 2021	955,881	13.40	11.20
April 2021	493,235	12.60	11.40
May 2021	463,605	12.78	11.70
June 2021	531,342	12.50	10.52
July 2021	293,275	10.98	9.81
August 2021	295,448	10	8.80
September 2021	380,533	9.76	8.75
October 2021	245,646	10.18	8.90
November 2021	958,189	9.24	6.06
December 2021	648,804	7.14	5.74
January 2022	776,454	7.75	6.39
February 2022	282,472	7.07	5.40

(Source: Euronext).

Convertible bonds

In November 2017, the Company issued bonds redeemable in cash and new and/or existing shares (ORNANEs), maturing on 1 April 2023. These bonds were admitted for trading on Euronext Paris on 6 December 2017.

Share trading over the last 18 months

Period	Price	
	Highest	Lowest
September 2020	51.93	50.52
October 2020	50.79	49.39
November 2020	50.45	49.44
December 2020	50.85	50.26
January 2021	51.85	49,66
February 2021	51.98	30.02
March 2021	33.37	30.49
April 2021	32.50	30.38
May 2021	33.46	31.13
June 2021	33.52	31.21
July 2021	32.05	29.32
August 2021	31.56	29.24
September 2021	31.33	30.16
October 2021	30.69	30.21
November 2021	32.94	30.67
December 2021	31.52	30.07
January 2022	31.17	30.62
February 2022	31.79	27.08

(Source: Bloomberg, BGN).

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RISK MANAGEMENT 2

2.1 Internal control and risk management mechanisms

2.1.1 Objectives and approach

The purpose of internal control procedures is to identify, prevent and control the risks facing the Group. Like any control system, it cannot however provide certainty that the risks are totally eliminated.

The internal control procedures are mainly aimed at:

- supporting the Group in achieving its strategic and operational objectives;
- protecting the reliability, quality and availability of the financial information;
- protecting the Group's assets, human capital and brands;
- complying with the applicable laws and regulations.

2.1.2 Internal control procedures

Internal control is provided by the different governance bodies, at several levels:

Board of Directors

- as the **corporate body of the Group's parent company,** the Board takes decisions which go beyond the sole control of the Group's corporate officers (guarantees and pledges, allocation of share options, preparing the parent company financial statements and the half-yearly and full-year consolidated financial statements, etc.) and, pursuant to these decisions, confers upon them special and limited powers;
- as the **Group's supervisory body,** the Board is responsible for appointing and supervising the executive and non-executive corporate officers of the parent company and indirectly oversees the principal subsidiaries, which regularly report to it on the activities of the Tourism and Property development businesses in particular.

Executive Management Committees

The Group's major Managers are employees of S.I.T.I., the Pierre et Vacances SA holding, and are made available to the Group by S.I.T.I. as part of its management activities. As a result, they sit on the various decision-making bodies. The other members of the Management Committees are operational staff from the operational Business Lines, enabling shared decision-making. The rules of governance put in place ensure – amongst other things – that S.I.T.I. SA does not abuse its powers of control.

Cross-cutting services

Several of the Group's cross-departmental divisions have internal control responsibilities (Internal Audit, the Finance Department, as well as the Legal, Insurance and Risk Management Departments and the Human Resources Department).

These departments are responsible for:

- ensuring the correct application of the policies defined at the Group level and within the operational subsidiary and services departments;
- implementing shared actions on behalf of the subsidiaries and departments (e.g. risk hedging, contract preparation and approval, recording of accounting transactions, collective work agreement preparation, etc.);
- assisting operational employees, at their request.

Composition and roles of the Executive Management Committees

Group Executive Committee (COMEX)

- 9 members (Chief Executive Officer, Heads of the Business Lines, and Heads of support functions) at the date of filing of this Universal Registration Document, compared to 14 members at the end of 2020, some employees having left the Group since that date (including the Group Deputy Chief Executive Officer in December 2021).
- Bi-monthly meetings.
- The Group Executive Committee steers the implementation of strategic plans and discusses the major operational initiatives required to enhance the Group's growth and performance.

Real Estate Investment Committees

- This Committee meets once a month for each of the main Business Lines. Notably, it is responsible for real estate strategy, and launching and monitoring property development programmes (studies, marketing, construction starts, issues related to construction progress, sales formulae, potential disputes, etc.).

2.2 Risk factors

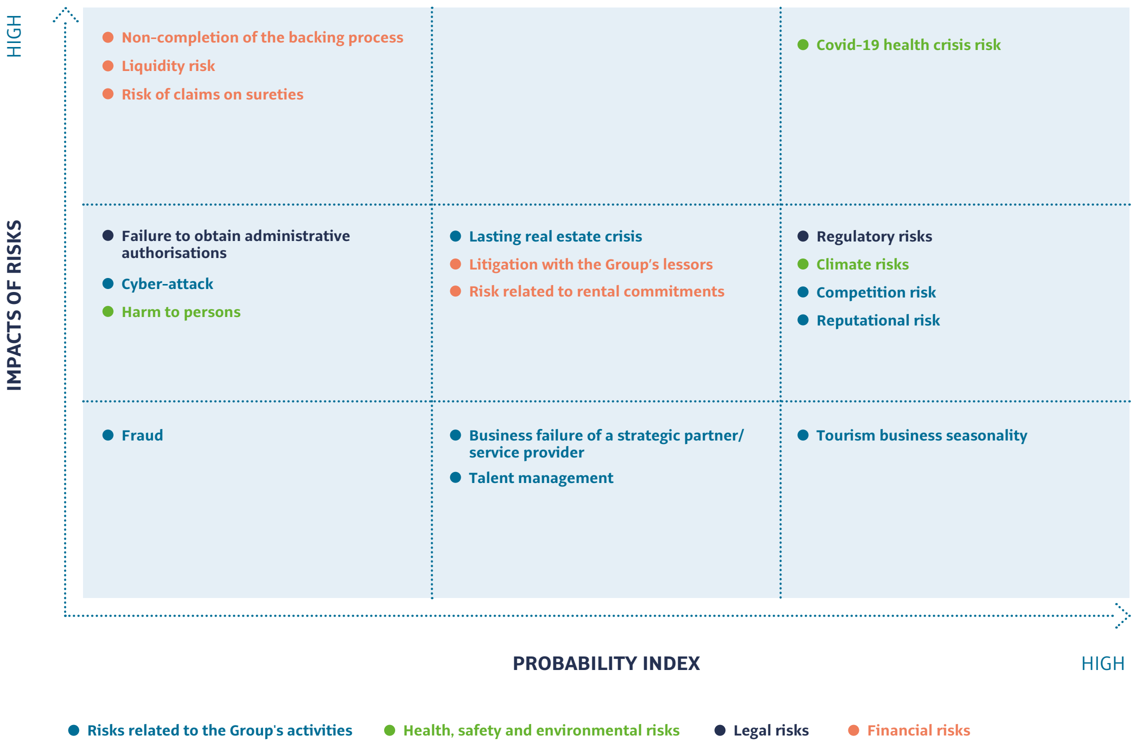
Mapping of risks specific to the Group

The Pierre & Vacances-Center Parcs Group has carried out a review of the risk factors that may have a significant negative impact on its activities, the profitability of these activities or its income. To date, the Group has not identified any significant risks other than those presented below and is currently carrying out a new risk mapping exercise, the work of which should be finalised during the first half of 2022.

The Group risk matrix, shown below, is a management tool for controlling risks. It lists risks by importance and probability of occurrence. Risk factors are presented in a limited number of categories depending on their type. In each category, the highest risk factors are presented first.

The categories chosen are the following:

- risks related to the Group's activities;
- health, safety and environmental risks;
- legal risks;
- financial risks.



2.2.1 Risks related to the Group's activities

2.2.1.1 Competition risk

Risk identification and description

The C2C platforms used to put private individuals in contact with each other, such as Airbnb and Abritel, have significantly expanded their lodging offering over the past years in major cities as well as at the seaside and in the mountains.

The significant growth in additional entry-level to luxury lodging, providing houses and flats combined with a services offering (recreation, concierge, etc.) may increase the competitive environment in which the Group operates.

Potential impact on the Group

The development of these platforms could impact the occupancy rate of the Group's tourist sites and/or create price tensions.

Risk management and mitigation

The Pierre & Vacances-Center Parcs Group derives more than 60% of its revenue from the internet, via its own platforms (pierreetvacances.com, centerparcs.fr, maeva.com, adagio-city.com website), and those of its trade partners (e.g. Booking.com, Vente privée, Voyage Privé, etc.). This notably provides a way to attract customers from regions where the Group's commercial presence is insufficient, to develop new emerging markets or to expand occupancy in the tourist sites operated by the Group at the beginning and end of seasons.

C2C platforms (Airbnb and Abritel) also contribute to developing the name recognition of holiday rentals, which can benefit the Group.

The development of measures aimed at supervising the rental of furnished tourist properties, such as those stemming from the ALUR and Digital Republic laws, also help reduce processing inequalities between the platforms and tourism professionals, especially in terms of regulatory factors and tax aspects.

Lastly, the Pierre & Vacances-Center Parcs Group has many strengths to differentiate itself from these players and to face the competition: the guarantee of a level of quality that only major brands can provide, flexibility in the length of stays offered, customisable packages and themes, varied price ranges (combining transport, services and activities) and a wide choice of destinations.

The Group has also invested significantly in recent years in overhauling its websites (new technologies, improving the customer experience on distribution channels, development of additional services sales) and rounding out its offer (in quantitative and qualitative terms) in order to consolidate its positioning and attract new clients.

2.2.1.2 Reputational risks

Risk identification and description

In the tourism business, but also in real estate marketing and the development of new projects, the materialisation of the risks described above may have significant consequences in terms of damage to the reputation of the Group's brands.

For the Group, these reputational consequences may be all the more significant when the materialisation of a risk relates to the safety of its customers and employees, to customer satisfaction regarding the quality of products and services, and to the Company's ethics and employment, societal and environmental responsibility.

Potential impact on the Group

- Impact on bookings related to the Group's reputation and image, notably on social networks.
- Effects on the loyalty of its owners and investors.
- Impact on the local acceptance of projects under development which could prevent the granting of building and operating permits.

Risk management and mitigation

The quality of relations with stakeholders (customers, owners, partners, local residents, suppliers, etc.) is a key element in managing these risks.

The measures implemented by the Group are described in chapter 4. They primarily cover:

- the analysis and management of customer satisfaction (tourism and lessor-owners) and the Group's reputation management policy for social networks;
- the implementation of a special organisation to deal with any situation likely to endanger its personnel, its customers, its interests and/or its reputation. This specific crisis management system consists of a dedicated, multi-disciplinary team headed by the Operational Risks Departments at each Business Lines;
- the policy of local consultation in the context of new developments and involvement in local economic and social life (tourism partnerships, local employment);
- the ethics compliance policy with, in particular, the implementation of a Code of Conduct (or Code of Ethics) and a warning system;
- the strengthening of service provider control measures (compliance with environmental regulations, human rights and labour rights) via the implementation of a vigilance plan.

2.2.1.3 Ongoing property crisis

Risk identification and description

The Group's Property development unit supports the development of its tourism offering. The Group's ability to grow and ensure the marketing of its property development offering can be impacted by:

- a lack of available properties (notably in France where the Group already has a significant presence);
- appeals relating to building permits by associations or local residents;
- a loss of interest on the part of investors due to an unfavourable economic, tax and interest rate environment.

Potential impact on the Group

- Property development could slow due to the lack of available real estate in the target locations.
- The profitability of the property development activities could be impacted by the temporary interruption of projects being appealed.
- Some projects could be postponed, due to appeals or property marketing difficulties (inventory risk), or abandoned.

During the 2019/2020 financial year, the Group decided to withdraw from the project to set up a Domaine Center Parcs in the commune of Roybon, in Isère.

As of the date of this document, the Local Urban Planning Plans relating to the development projects for a new Center Parcs in the Jura, in the commune of Poligny, and the extension of the Domaine Center Parcs in Bois Francs, are under appeal.

Risk management and mitigation

To reduce its sensitivity to the cyclical nature of the property market, the Group has put in place several measures based mainly on:

- the diversification of investors with the development of property project financing by institutional investors in addition to sales to private individuals;
- the diversification of investors in different regions (British, German, Dutch, etc.);
- the diversification of the Group's locations (Northern and Eastern Europe and China);
- pre-sales constraints implemented by the Group prior to starting work to ensure limited inventory time for property and finished products. The same thinking applies to sales of existing property renovated by the Group where the stock risk is mitigated by the effective use of the property, generating rental income even when there is no resale;
- a change in the business model, with the development of property disposal/renovation operations of existing Domaines Center Parcs.

2.2.1.4 Cyber-attacks

Risk identification and description

The Group has implemented an in-depth digital transformation over the past several years. It began with the online booking system for its various brands and is continuing, leading to greater exposure to the risk of cyber-attack and to risks resulting from the malfunction of IT systems, networks and telecommunications.

These systems condition the execution, processing, transmission and storage of the Group's operations and accounting and financial data.

They also handle communications with the Group's customers, suppliers and employees.

In addition, the new personal data protection regulations (GDPR) require quick adjustments to avoid any risk of non-compliance.

Potential impact on the Group

The potential impact resulting from a cyber-attack and its effects depend on the type of attack:

- loss and/or theft of personal and confidential data and the resulting chain reaction;
- the failure of the main operational systems;
- the inability to carry out daily transactions.

Confronted with the growing threat of cybercrime, the Group is dedicating significant amounts to the maintenance and protection of its information systems.

Any significant breakdown or interruption of the information system, or any loss of sensitive data, could have a negative impact on the Group's normal business activities, notably the Tourism business, and have financial, operational or reputational consequences.

Risk management and mitigation

A formalised critical incident handling process has been implemented by the Information Systems Department.

The Group has a Disaster Recovery Plan which is regularly tested so that applications identified as critical are able to restart within an acceptable time-frame, in case a major problem occurs affecting the systems.

2.2.1.5 Tourism business seasonality

Risk identification and description

The European tourism sector has a seasonal nature with considerable changes in business depending on the period (school holidays) and the destination (stronger mountain business in winter and seaside business in summer).

The Group's Tourism business is based around two seasons: a winter season (November to April) which accounts for about 40% of the Group's annual revenue and a summer season (May to October), with the main activity in the summer season (the 4th quarter of the financial year alone accounts for over 35% of annual revenue).

This seasonality results in a structural deficit for the first half of the financial year.

Potential impact on the Group

Fewer stay sales during the high and very high seasons could significantly impact the Group's results.

In addition, depending on the destinations, the Group could also encounter difficulties recruiting seasonal staff, which could impact the promise made to customers and the quality of services. This risk has increased due to the effects of the COVID-19 crisis and has highlighted the scarcity of certain profiles (notably in the catering and cleaning sectors).

Risk management and mitigation

The Group strives to decrease the seasonality of its business by:

- increasing foreign sales (partnerships with foreign tour operators, development of sales contracts for partner residences);
- boosting sales of stays outside of school holiday periods (selection of short stays for private individuals and professional seminars);
- increasing flexibility in terms of the length of stays and arrival and departure dates;
- using pricing which varies according to the different periods, with large differences between high and low seasons;
- targeted advertising campaigns.

The seasonal nature of the Group's Tourism business is also lessened thanks to the increased offering of city residences (Adagio & Adagio access) and the Domaines Center Parcs (all of which have roofed facilities), which are open all year round.

The Human Resources Department works in close cooperation with the Operations Department to improve the recruiting process for seasonal seaside and mountain staff.

2.2.1.6 Business failure of a strategic partner/service provider

Risk identification and description

The companies of the Pierre & Vacances-Center Parcs Group primarily interact with partners in the tourist distribution and e-commerce, bank financing and institutional investment and construction and public works sectors.

Potential impact on the Group

Non-compliance of a partner or co-contractor and, notably, of those who participate in a building project or a distribution contract could have a significant negative impact on the cost plans budgeted or on the expected revenue volumes.

Risk management and mitigation

The relationships agreed with the partner companies of the Group are selected according to the type and size of the contracts by the various operational departments of the Group in close cooperation with the Purchasing Department and the Legal Department.

The match between the type of commitments undertaken and the operational reliability and financial stability of the partner and their level of financial dependence are taken into account as part of the Group's responsible purchasing policy.

In addition, the companies of the Pierre & Vacances-Center Parcs Group strive to maintain commercial relationships with a range of partners in order to limit market concentration, as is notably the case for distribution, in addition to a dominant direct sales policy.

2.2.1.7 Talent management

Risk identification and description

The tourism sector has changed a great deal over the last few years, notably as a result of digitisation which has changed the way holidaymakers book, assess and recommend their holidays to their family and friends. In addition, their expectations in terms of lodging quality, cleanliness and service are increasing, which is why our teams and our organisation must evolve, improve and develop their business lines.

Potential impact on the Group

Given this context, if the Group were no longer able to attract and recruit new employees with the right skills, or if it were no longer able to hire and develop key staff, its reputation, business activities and results could be significantly impacted.

Risk management and mitigation

In order to manage these risks, the Group has implemented an HR policy intended to support the business throughout its transformation, changes and evolution. The policy is based on four pillars: appeal, recruitment, development and employee commitment.

The policy is based on a performance management process called the Talent Review, which is intended to identify, together with the managers, the key personnel in their teams, to prepare action plans to develop their skills, ensure their commitment or replace them.

With respect to appeal and recruitment, the Group has established a new employer brand platform, which emphasises the benefits for potential candidates of joining the Group in terms of career development and professional challenges.

With respect to development, the Group has decided on an ambitious training policy intended to develop the customer service skills of its employees and enable them to develop new skills (agility, innovation, digital) to better meet the changes taking place in the tourism sector.

In addition, the Group mitigates the risk of loss of skills, know-how or expertise, whether as a result of internal mobility or departure from the Group, by setting up a succession plan for each key person, after identifying said persons during the Talent Reviews. This succession plan may take the form of mentoring, training or a transfer to a potential successor.

Lastly, with respect to commitment, the Group has implemented a leadership training programme called BCORE, which enables managers to understand their new role as coaches and change agents. The Happy@Work programme is intended to assess and improve team commitment by working on their satisfaction and motivation at work.

2.2.1.8 Fraud

Risk identification and description

The Pierre & Vacances-Center Parcs Group is exposed to the risk of fraud due to the acceleration of its digitisation, its presence in several countries, and the rapid development of new forms of potential threats, including international hacker networks, viruses and others.

Potential impact on the Group

Any fraud or theft could result in a financial loss or the loss of confidential data.

Major fraud could harm the Group's reputation if it resulted in negative comments on social networks or in the media.

Risk management and mitigation

The Group has raised awareness among teams exposed to the risk of fraud, and regularly carries out control operations (internal audits, mystery site visits).

2.2.2 Health, safety and environmental risks

2.2.2.1 Risk related to the COVID-19 health crisis

Risk identification and description

The Pierre & Vacances-Center Parcs Group is confronted, like all other players in economic life, with the risk represented by the COVID-19 pandemic. In this context, the Group's priority is to protect the health of its customers and employees, while ensuring as far as possible the continuity of its operations (health measures at sites, roll-out of digital and organisational solutions, adaptation of processes, etc.).

Over the 2020/2021 financial year, the decisions of the public authorities either forced the Group to close its sites or made their operation impossible, notably during the periods from November 2020 to mid-December 2020, and January 2021 to June 2021. The restrictive measures imposed in the Netherlands and Belgium at the end of 2021 also impacted the Group's business over the 1st quarter of the 2021/2022 financial year.

Potential impact on the Group

The main impact of the health crisis lies in:

- the potential contamination of our guests at sites and of all our employees;
- the absence of revenue/excessive cash consumption related to the closure or partial operation of the tourist sites operated by the Group, and more generally in the general context of the health, economic and social crisis;
- difficulties in finding the appropriate resources during periods of business recovery.

Severely impacted by the effects of the health crisis, the Group recorded a current operating loss (according to operational reporting) of €-172 million for the 2019/2020 financial year (vs €+31 million in 2018/2019) and of €-237 million for the 2020/2021 financial year.

Risk management and mitigation

During the lockdown period, a crisis unit including the Management Committee of each Business Line and the Group's Management Board was held once a week to review developments in the situation (health and economic review) in each country where the Group is located, to assess the impact for the Group and its employees, and to plan the reopening of sites.

In order to overcome the lack of tourism revenues during periods when sites were closed or not in operation, exceptional measures to reduce costs and preserve cash flows were implemented: making personnel costs more flexible through the use of partial activity, adapting expenditure at sites, non-payment of rents on the basis of the principle of non-performance exception, etc. The Group also secured the financing necessary for its activity (State-Guaranteed Loan in June 2020, New Financing in June 2021, etc.) and successfully negotiated with its main partners as part of the reconciliation procedure initiated at the start of the 2021 financial year.

Moreover, on the health front, the Group implemented strict protocols, certified by specialised companies, at all sites (masks, protective equipment, shift working, adjusted opening times for our infrastructures, specific training for managers and teams on the ground). On the sales front, our reservation and cancellation terms currently offer maximum flexibility with very low or symbolic upfront-payments and reimbursements right up to within a few days of the holiday.

The Group is carefully analysing the potential consequences of the COVID-19 health crisis on its future activities. However, estimates made as of a given date may differ from actual amounts depending on an upsurge in crisis episodes, their scale and duration, and the measures taken by all countries to combat the pandemic.

The Group remains confident in the relevance of its business model and its offering, which are perfectly in line with new customer trends favouring local and sustainable tourism.

2.2.2.2 Climate risks (also refer to the Statement of Non-Financial Performance of this Universal Registration Document)

Risk identification and description

There are two types of risks related to climate change:

- physical risks/material damage directly caused by weather and climate phenomena (storms, floods, hail, etc.);
- transition risks resulting from the effects of the implementation of a low-carbon economic model (regulatory, tax, legal risks) or changes in demand from Tourism customers.

The property development and tourism sectors are known to be particularly exposed to climate change risks (see the 2018 Fédération Française de l'Assurance study). The Group's activities may thus be affected by changes in climate and weather conditions over the short, medium and long term.

During the 2019/2020 financial year, a study was carried out with a specialised firm to assess the potential impact of climate hazards (storms, increase in average temperatures, heat waves, droughts, heavy rainfall). This was the first step of the project launched on adaptation to climate change, with a view to establishing a more detailed analysis of the climate risks to which the Group is exposed: identifying risks with significant potential financial impacts (1 to 3 scale) across the Group's entire value chain, mapping their intensity by region, and estimating their timing (according to the IPCC's most extreme scenario), as well as establishing an action plan.

Potential impact on the Group

- Consequences for the conditions of stays, customer satisfaction and demand: summer comfort, snow conditions, presence of harmful species which could impact stay quality.
- Strengthening of environmental regulations and taxes: rules governing the energy performance of buildings, the carbon tax.
- Impact on the operating conditions and costs of the sites: increase in energy prices, rationing or increases in water prices in destinations experiencing water stress, higher insurance costs and management costs.
- Material consequences related to extreme events: damage to buildings (including during the construction phase) and related costs (construction delays, major renovation costs, etc.), potential long-term loss in the value of the properties managed by the Group.

Risk management and mitigation

The Group's contribution to global warming and climate risks are major material challenges addressed within the framework of the Group's CSR policy.

The measures taken to control and mitigate greenhouse gas emissions are as follows:

- management of energy and water consumption via a road map with calculated objectives;
- choices made in terms of construction (choice of wood as a building material, etc.) and commitment to eco-certify all our new property development projects in order to take into account their carbon footprint from design to construction;
- review of carbon assessment on Tourism and Property development activities, the first step towards defining a carbon neutrality trajectory;
- moreover, the Group's positioning in local tourism services is a major asset in terms of its carbon footprint.

The measures taken to control and mitigate climate risks are as follows:

- prioritising developments on already artificial land in order to limit the artificialisation of land;
- committing, as far as possible, to a site renaturation process;
- mapping of climate risks and assessment of the potentially-related financial impacts, established as part of the study carried out with a specialised firm (see above), constitute a first step in the definition of dedicated action plans (to be finalised over the 2021/2022 financial year);
- a wide variety of locations (sea, mountains, countryside) makes it possible to reduce the potential impacts of extreme weather events or natural disasters.

2.2.2.3 Risk of bodily harm

Risk identification and description

The Group hosts several million customers a year in its establishments where they enjoy recreational activities and food services as part of their stay. During these activities, customers and employees can be exposed to the risk of a domestic accident, an incident, infection, or poisoning.

Potential impact on the Group

The main effect will be suffered by the person in question and the Group can potentially be held liable in this respect. The Group's reputation and its image can also be negatively impacted by random incidents occurring within its establishments.

Risk management and mitigation

The Group must guarantee the safety of its customers and employees. For this purpose, the Group has implemented a prevention and safety policy based on several pillars:

- an upstream risk analysis intended to identify any potential dangers for customers and employees;
- a prevention policy as the driver for safety;
- awareness-raising among all departments and employees, through a shared "risk management" objective;
- systematic verification and measurement of the effectiveness of the prevention and safety policy so that it is understood and applied by all.

In addition, the Group has implemented a specific crisis management organisation to ensure the handling of any situation with the potential to endanger its employees, its customers, its interests and/or its reputation. This specific crisis management system consists of a dedicated, multi-disciplinary team headed by the Operational Risks Department.

2.2.3 Legal risks

2.2.3.1 Regulatory risks

Risk identification and description

The Group's business activities in France and in Europe are governed by legal and regulatory business and real estate law systems, including those covering consumer and renter protection, which can change from time to time. This is the case of the European Directive of 25 November 2015, the so-called "package travel and linked travel arrangements" directive, which came into effect on 1 July 2018.

In addition, the Group is also impacted by the recent regulatory systems on compliance which include laws on the duty of vigilance, the General Data Protection Regulation (GDPR) and the law on transparency, the prevention of corruption and the modernisation of the economy, known as the Sapin II law.

Lastly, most Group customer sales take place in France, the Netherlands, Germany, Belgium and Spain. The Group operates as a travel agent requiring, where applicable, accreditation and the provision of a financial guarantee or insurance.

Potential impact on the Group

Failure to comply with the regulations referred to above could result in sanctions for the Company or its employees, which could also damage the Group's brand image and reputation.

The inability to provide the financial guarantees or insurance referred to above, notably in an economic context where tourism operators may be severely affected, could result in a loss of accreditation.

The very limited number of market players able to issue such financial guarantees or insurance, as well as their recent level of massive withdrawal from this niche, may represent additional risk factors in terms of increased financial expenses.

Risk management and mitigation

In addition to its participation in professional bodies in the tourism and real estate sector, the Group, through its Legal Department, monitors changes in the legal framework of its commitments and obligations so as to adapt its practices and contractual tools to the new rules and standards in force.

With regard to the monitoring of guarantees and insurance, the Group has set up a monitoring process in order to identify, upstream, any difficulties in the supply of these services.

In addition, as part of its risk management policy, the Group has implemented an overall approach intended to strengthen measures to prevent corruption based on:

- the implementation of a Code of Conduct included in the Internal Regulations, with an inherent disciplinary sanctions policy;
- training for Company managers and the people who have the greatest exposure;
- the implementation of an internal warning system;
- the creation of a risk map specific to corruption risks;
- the establishment of a procedure to assess the situation of customers, leading suppliers and intermediaries;
- the setting up of an internal control and assessment system for the measures taken;
- the implementation of internal and external accounting controls.

Moreover, in view of the new regulatory requirements for the protection of personal data, the Group has implemented technical and organisational measures for all of the countries in which it operates. A Data Protection Officer (DPO) has been nominated and a steering committee set up to ensure the smooth roll out of the practices to be implemented to respect European regulations and maintain trusting relations with prospects, customers and all of the Group's staff.

2.2.3.2 Failure to obtain administrative authorisations

Risk identification and description

As part of the process of launching new property development and significant renovation programmes, a number of prior authorisations are requested from the administrative authorities by construction/marketing companies which are subject to preparation, investigation, delivery and third-party appeal deadlines.

Potential impact on the Group

Potential appeals of the administrative authorisations can significantly hamper the progress of the property development programmes and expose the Group to significant commitment costs.

Risk management and mitigation

The legal risk associated with failure to obtain local government authorisations for new programmes is limited to preliminary study costs, pre-selling expenses and internal fees, since the Pierre & Vacances-Center Parcs Group only purchases land if the local government authorisations have been obtained. For programmes undergoing renovation, the Pierre & Vacances-Center Parcs Group may have to acquire former operations already being operated, which generate an income to offset the cost of financing the purchase of the asset.

Nevertheless, the time scales for obtaining the authorisations purged of any third-party recourse can slow down development, and when the project is affected by a lasting dispute (such as the Roybon project), additional expenditure may make the cost of the property development programme significantly more expensive.

2.2.4 Financial risks

2.2.4.1 Risk of non-completion of the Backing Process

Risk identification and description

In the event of:

- non-approval of the resolutions necessary for the implementation of the various stages of the Backing Process by the General Meeting convened in 2022 for this purpose (it being specified that the resolutions relating to each of said stages will be interdependent);
- non-adoption of the Safeguard Plan;
- non-fulfilment of one of the conditions precedent provided for in the agreement signed on 10 March 2022 as part of the Backing Process;
- materialisation of a significant adverse event provided for in the said agreement;
- or, more generally, if the transactions planned as part of the Backing Process could not be implemented.

The Company believes that the Group would not have sufficient consolidated net working capital to meet its obligations for the next twelve months.

The conditions precedent provided for in the agreement signed on 10 March 2022 are as follows:

- obtaining the authorisations required under the applicable merger control regulations in Germany;
- approval of a conciliation protocol during the month of May 2022, subject, where applicable, exclusively to purely technical or documentary conditions precedent, and incorporating the terms of an agreement term sheet concluded on 9 March 2022 under the aegis of the ad hoc officers and the Interministerial Committee for Industrial Restructuring (CIRI) with regard to the Villages Nature project, and notably stipulating:

  a) equity financing, by 15 December 2022, from the investors of the current main institutional lessor of the facilities of the Villages Nature project, for an additional phase of site development involving 193 new cottages and an additional facility dedicated to the site (i.e. the construction of a "Rivière Sauvage" ("wild river")), with a view to starting operations in 2025, after acquiring the land concerned; this additional development tranche will be the object of an off-plan commercial lease to be concluded with the investors concerned, and will be divisible to allow the sale of the cottages,

  b) the adjustment of the terms of the main leases entered into with institutional lessors relating to the facilities and certain current accommodation units of the Villages Nature project (payment of rent advances on the date of completion by the Group against rent-free periods; extensions of the terms of leases; reduction in rents with claw-back clauses in the event of a project's return to profitability, converted, in certain cases only, into bond receivables, etc.), as well as the adjustment of the terms of existing guarantees granted by the Group,

  c) the acquisition by the Group of the remaining share capital (50%) currently held by the Group's partner in the Villages Nature Tourisme SAS joint venture and, where applicable, in certain joint entities historically dedicated to the promotion of the project, or holding some residual accommodation units, so that the Group becomes the sole partner of the operating entity and, more generally, gains exclusive control of the operation of the Villages Nature project from the completion of this acquisition. Concurrently with this acquisition, the aforementioned land required for the above-mentioned development tranche and the land for any possible future development tranche, currently held by an entity jointly owned by the Group and the partner, will also be transferred to an entity exclusively owned by the Group, and

  d) the reinforcement of the existing commercial and marketing partnership between the Group and this partner for the continued operation of the Villages Nature project, under the economic conditions agreed between the parties concerned.

The purpose of the transactions provided for in paragraphs (a) to (d) above, due to be completed by 15 December 2022 at the latest, is to restore the profitability of the Villages Nature project. Said transactions remain subject to a certain number of conditions precedent (notably an audit confirming the components of the equity financing project, which, however, may not call into question the terms of the binding term sheet signed on 9 March 2022) to be lifted by mid-May 2022 at the latest, as well as being subject to resolution conditions relating, essentially, to the failure of the Group's own Backing Process. It is further specified that the operations relating to the Villages Nature project provided for in paragraphs (a) to (d) above will all be completed on the same date.

- that the Company must obtain the agreement of certain of the Group's institutional lessors to make the necessary adjustments to their documentation, in the context of the completion of the Restructuring Transactions;
- agreement among the parties concerned on the terms of the final contractual documentation of the Restructuring Transactions, including the accelerated safeguard plan and the documentation on the refinancing of existing debt;

- the implementation of measures to set up the new governance structure;
- the absence of any opposition by the creditors to the Capital Reduction, or the lifting of such opposition by the Commercial Court (after agreement of the Investors in the event that guarantees should be granted by the Group in this respect);
- AMF validation, where necessary, of the aforementioned exemption from the obligation to file a public offer as a result of the Restructuring Transactions, purged of any appeal;
- AMF approval of the Company's prospectus, including notably the transaction notes relating to the various capital increases planned as part of the Restructuring Transactions;
- the submission by the independent expert of their report presenting an opinion on the fairness of the price proposed in the capital increases planned as part of the Restructuring Transactions;
- the adoption by the Restructuring Meeting (and by the Annual General Meeting as regards the Capital Reduction) of all the resolutions necessary for the implementation of the Restructuring Transactions and of the resolutions relating to the new governance of the Company, it being specified that the resolutions relating to the preference shares to be allocated free of charge to Mr Gérard Brémond will be submitted to a General Meeting called to meet within 20 days of the completion of the Restructuring Transactions; and
- the judgement of the Paris Commercial Court adopting the accelerated safeguard plan.

Potential impact on the Group

The occurrence of one or more of these risks could have a material adverse effect on the Company, its business, its financial position and its medium- and long-term outlook, while the Group could be subject to court-ordered restructuring proceedings and/or be dismantled as part of court-ordered liquidation proceedings. If such proceedings were implemented, the Company's shareholders could lose their entire investment in the Company.

Risk management and mitigation

The Group's teams have been fully mobilised to successfully complete the Backing Process. The Group's various stakeholders have been and will continue to be regularly informed of the progress of the negotiations and the terms of the various planned transactions by means of press releases. Moreover, in order to ensure that shareholders who are asked to vote on certain stages of the Backing Process are as fully informed as possible, the Company has appointed Finexi, represented by Mr Olivier Peronnet, as an independent expert. The independent expert will decide in its report on the fairness, for the Company's shareholders, of the Backing Process. This report will be appended to the prospectus relating to the reserved capital increases to be carried out as part of the Backing Process.

2.2.4.2 Liquidity risk

Risk identification and description

The COVID-19 pandemic and its restrictive measures have had a significant impact on the activities and cash flows of the Pierre & Vacances-Center Parcs Group during the last two financial years ended 30 September 2020 and 2021.

Over the course of 2020, the Group was significantly affected by the health crisis due to the closure of almost all of the sites operated between 17 March and June 2020 following the restriction measures imposed by the public authorities. In the first half of 2020/2021, the Group's position continued to deteriorate due to the closure of ski lifts, and the ban on access to sports, aquatic and indoor areas, including restaurants, which forced the Group to close the near entirety of its residences during this half-year.

Potential impact on the Group

In the absence of measures to preserve the cash position and obtain additional financing, the Group may no longer be able to meet its cash requirements over the next 12 months (see Section 2.2.4.1 "Non-completion of the Backing Process").

Risk management and mitigation

During the 2021 financial year, and in the absence of visibility, at that time, on the way out of the crisis, the Group entered into conciliation proceedings on 2 February 2021, for a period of 4 months initially and extended until 2 December 2021. In this context, a portion of the Group's liabilities was frozen as of 1 January 2021, including lessor debts, tax and social security liabilities, and trade payables.

The Group also obtained €300 million in New Financing from its financial creditors. This financing is mainly intended to meet the Group's short-term needs in relation to its activities and address its operational constraints pending completion of a transaction to reinforce the Group's equity.

As this New Financing was obtained, and equally in view of the Equity Reinforcement Transaction planned for the financial year ending 30 September 2022, the cash flow forecasts made in this context show that the Group is in a position to meet its cash requirements over the next 12 months.

In view of the business generated over the first quarter of the 2021/2022 financial year, the level of the tourism reservation portfolio to date, and the progress of the strategic plan, the Group anticipates a cash position of approximately €390 million at 30 September 2022, after completion of the transactions in relation to the backing and financial restructuring operations (similar cash position at 28 February 2022).

2.2.4.3 Risk of litigation with the Group's lessors

Description of the risk

For a period of 10 months corresponding to the restrictions due to COVID-19 (from mid-March to the end of May 2020, from November to mid-December 2020, and from January to June 2021), the Group suspended the payment of its rents to its lessors. These rent suspension periods can be grouped into two categories: on the one hand, the four-month period of administrative closure (mid-March to the end of May 2020, then November to mid-December 2020) and, on the other, the suspension of rents during the six-month period from January to June 2021.

In order to prevent any litigation, the Group proposed to the representatives of the individual lessors, for the entire period from March 2020 to June 2021, either (i) a rent-free period of 7.5 months granted by the signatory lessor (amendment A), or (ii) a five-month rent-free period granted by the signatory lessor (amendment B), waiving in return (1) the repayment of any compensation foreseen by the State, and (2) the remittance of holiday vouchers with a value of €2,700 incl. tax, as these commitments appeared in amendment A.

At the date of filing of this Universal Registration Document, the acceptance rate among individual lessors of the Group's different proposals was 81%.

The Group also negotiated agreements with almost all institutional lessors (rent-free periods and contractual rent deferrals).

Potential impact on the Group

All rents not paid to non-signatory individual lessors over the period of administrative closure (mid-March to the end of May and November to mid-December 2020) amounted to nearly €11 million.

The claims brought by owners against the Group for non-payment of rent amounted to €25 million and were issued by nearly 2,900 claimants. However, this amount includes claims made by lessors who signed the amendments proposed as part of the conciliation procedure.

Risk management and mitigation

The Group strives to reduce the risk by maximising the acceptance rate among individual lessors of its proposals.

For the periods of administrative closure, the Group considers that the lease liability is extinguished, basing its assessment on the legal basis of the exception of non-performance or on that of the provisions of Article 1722 of the French Civil Code.

The Group also endeavours to manage proceedings brought by non-signatory individual lessors by asserting various legal grounds or, as the case may be, by requesting grace periods.

2.2.4.4 Risk related to rent commitments

Risk identification and description

The Pierre & Vacances-Center Parcs Group strategy is not to commit its own equity to ownership of the premises of the holiday apartments and villages that it operates, so it sells these assets to individual or institutional investors. The sales are accompanied by lease-back agreements signed between the new owners and the Group tourism operating companies usually for between 9 and 15 years. At 30 September 2021, the amount of rents that remained to be paid by the Group over the residual term of the leases amounted to nearly €3,730 million (before discounting).

Revenues generated by tourism operations on leasehold apartments and houses were offset by the rental fees paid to owners which, along with employee expenses, constitute the main source of fixed expenses in relation to the tourism activity (rents paid to the Group's lessors during the 2020/2021 financial year represented an expense of €342 million).

Lease agreements for the land and premises of residences and villages concluded with individual or institutional investors are usually signed for between 9 and 15 years with the option, in certain cases, of renewal on expiry. These rents are subject to indexation clauses corresponding in France to the rent reference index and in Spain to the consumer price index applicable in the respective country.

The Group is thus exposed to changes in these indices as well as to the risk of non-renewal at the end of certain leases.

Potential impact on the Group

A significant difference between growth on the rental reference indices and growth in revenue generated by the tourism operations would have a substantially negative impact on the Group's financial results.

A significant non-renewal rate could lead to a significant decrease in the inventory operated at the same residence. This risk of non-renewal could be exacerbated in the difficult context of negotiations with lessors as part of the conciliation procedure initiated in FY 2021.

Risk management and mitigation

At 30 September 2021, less than 10% of the individual Pierre & Vacances leases are still indexed to the French construction costs index – ICC (the former reference index), and half of these have a maximum indexation of 2% to 3%. Further, for any new contract signed or any renewal of an expired lease, the indexation to the French rental reference index (IRL) is limited to an annual maximum of 2%. At the end of the leases, the Group may have to adjust the proposal put to the owner to ensure consistency between changes in tourism industry performance and changes in property market performance (change of the reference index from the ICC to the IRL, stability or reduction of rents in cash, introduction of variable rents, and in some special cases, operated under management agreements and potentially timely withdrawal from the operation).

The lease agreements for the land and premises of the Domaines Center Parcs are generally concluded for periods of between 11 and 15 years, with the option, in certain cases, of renewal. The rents are primarily comprised of a fixed element. They are subject to fixed or variable indexation in line with inflation or the rent reference index applicable in the country in which the assets are located.

Among individual lessors, the historical average renewal rate is around 80%. Losses of inventory at the end of the lease relate either to voluntary divestments of loss-making residences by the Group, or to a refusal by the owners of the contractual conditions of the new lease proposed by the Group (conditions that may be adjusted in relation to the previous lease to ensure consistency between changes in tourism performance and rents paid). Lastly, the Group can offer owners an alternative solution to a lease, in the form of a management mandate via its subsidiary maeva.com. This management under mandate activity is a growth and performance driver, allowing the Group to retain strategic inventories at quality sites which, however, have become insufficiently profitable.

With regard to institutional lessors (mainly covering the Center Parcs division), the Group maintains close bilateral relations and does not anticipate any particular risk in relation to the non-renewal of leases. Moreover, lease expiry dates are far in the future, with the exception of two parks for which discussions are underway to continue operations.

It should also be noted that the negotiations conducted with all of the Group's landlords as part of the conciliation procedure initiated during the 2020/2021 financial year resulted in a large number of landlords agreeing to the proposals put forward by the Group, demonstrating the confidence they have in the Group' ability to pursue long-term partnership relations.

2.2.4.5 Risk of claims on sureties

Risk identification and description

The new financing provided for as part of the Backing Process, for a maximum total amount of principal of €300 million (the "New Financing"), is guaranteed by:

- a sureties trust relating to the shares held by the Company in its subsidiary CP Holding (the "Trust"); and
- various first- and second-level sureties for:
  - the securities, brands and intragroup debts of certain subsidiaries and sub-subsidiaries of the Group's Center Parcs division, and notably pledges granted for CP Holding shares that were not transferred to the Trust, and
  - the securities of the sub-subsidiaries CP Europe NV, Center Parcs NL Holding BV, Center Parcs Germany Holding, Center Parcs Holding Belgique and other subsidiaries of CP Europe NV, as well as pledges for the "Center Parcs" brands (the "Pledges").

In the event of the definitive completion of the Backing Process, the Trust and the Pledges will be renewed in order to guarantee the new financing put in place.

Potential impact on the Group

CP Holding, whose securities fall under the Trust, holds all the companies in the Group's Center Parcs division, namely: all the securities of CP Europe NV, CP Distribution, PVCP Support Services and CP Resorts Exploitation France.

As a result of the Trust, CP Holding's shares are temporarily allocated to an independent portfolio, kept by the trustee.

In the event the Trust is terminated, the trustee will organise a competitive sale process for CP Holding's shares or, failing that, will allocate said shares to the Group's creditors, the beneficiaries of the Trust. In such a case, CP Holding's shares will not be reintegrated into the Company's portfolio and will be transferred directly to one or more third parties. Furthermore, in the event the Pledges are enforced, the securities, brands and intra-group debts referred to above will also be transferred to the Group's creditors, as the beneficiaries of these Pledges.

Risk management and mitigation

The establishment of the Trust was authorised by the Company's shareholders at the General Meeting of 1 July 2021, pursuant to AMF Recommendation 2015-05 on the disposal and acquisition of significant assets; and the shareholders' authorisation will be sought again at the General Meeting to be held in 2022 to approve the Backing Project, as the latter provides for the renewal of the Trust. Moreover, the establishment of the Trust and the Pledges was authorised by the Board of Directors at its meeting of 15 June 2021.

Equally, the Group's reference shareholder, Société d'Investissement Touristique et Immobilier – S.I.T.I., obtained from the AMF a decision to dismiss a public buyout offer as part of the establishment of the Trust (Decision 221C2347 of 9 September 2021).

The establishment of the Trust and the Pledges enabled the Company to obtain the financing necessary to continue its activity and to seek investors with a view to reinforcing its equity. In addition, the establishment of the Trust and Pledges had no impact on intra-group agreements with the Center Parcs division. Thus, the cash centralisation agreements, the scope of consolidation and the existing tax consolidation groups and agreements remained in place and continue to operate in accordance with previous practices at the Group.

Furthermore, the Trust agreement stipulates various mechanisms and protections intended to guarantee Company shareholders that (i) the Trust will only be enforced in the event of a limited number of trigger events, and (ii) in the event that the Trust would come to be enforced, the disposal of Trust assets would protect the interests of the shareholders. In particular, it is thus stipulated that:

- only a limited number of so-called "major" events of default, including, in certain cases, remediation mechanisms, are likely to lead to the enforcement of the Trust and the initiation of a disposal process or, where applicable, an allocation process; and
- an independent expert will intervene when the Company's equity is reinforced (i.e. when the Backing Process is definitively completed), as well as at the time of any disposals/allocations, in order to examine the financial conditions of these transactions and their impact on the position of the Company's shareholders.

2.3 Insurance and risk coverage

The insurance policy is monitored at a consolidated level, including for BNG, by the Risk Management team reporting to the Group's General Secretariat.

In a context of a sharply rising insurance market, the total budget allocated by the Group to its insurance coverage amounted to €5 million (excluding construction insurance and collective employee insurance) for the 2020/2021 financial year.

It remained virtually stable in terms of premium amounts and guarantee levels compared to the previous financial year.

Most of this budget is devoted to multi-risk insurance covering the operation of tourist sites in terms of damage and operating losses for all brands, as well as to liability insurance.

The Pierre & Vacances-Center Parcs Group is covered for property damage and business interruption with a contractual compensation limit of up to €250 million per claim.

This amount corresponds to the assessment of the Maximum Possible Damages of the sites concentrating the largest amounts of capital.

The level of cover set for business interruption and its compensation period correspond to the time required for the total reconstruction of a large site.

There are still a number of types of risk that may affect the Group's income which are not covered by the policies taken out, namely:

- uninsurable risks: the Group is obviously not insured against risks that are subject to common, regulatory or structural exclusions from any insurance contract, such as: risks not subject to contingencies, operating losses resulting from strikes, breach of the dykes in the Netherlands, pandemics, as well as the consequences of intentional faults or liability arising from failure to comply with contractual commitments, etc.;
- special risks which are not included under any specific cover, such as risks of operating losses as a result of economic or political instability.

Risks related to terrorism are covered for a significant portion of the Group's Tourism business through the GAREAT regulatory system (French national system for covering acts of terrorism) for sites located in France and through specific insurance coverage for sites outside France.

With regard to the coverage of property damage and business interruption risks, the La Baloise insurance company is the lead insurer for the main insurance policies taken out.

Royal Sun Alliance is the first-line insurer of the blanket cover programme for civil liability risks.

The Group does not have a "captive" insurance or reinsurance company.

2.4 Preparation of financial and accounting information

The organisation, financial service duties and reporting system presented below are those in force as at 30 September 2021.

They take into account the reorganisation of the Group, carried out as part of the Change Up plan (creation of a streamlined Holding Company and implementation of autonomous Business Lines, integrating their main support functions, including the Finance Departments).

2.4.1 Organisation and role of the Finance Departments

Deputy Executive Management (DGA) handles essential internal audit missions for the development of financial and accounting information. A body of procedures and practices has been defined to ensure that action is taken to control risks, which could have a material effect on the Group portfolio or adversely affect its ability to achieve its corporate objectives. The DGA is responsible for central and operational management functions within a framework of delegated responsibilities for each business.

2.4.1.1 Group Finance Department

This department has two divisions:

Corporate Finance Department

Cash/Financing Department

- Setting up the Group's financing.
- Plays an active role in securing finance from institutional partners, which invest in these assets operated by the Group.
- Manages the cash flow of the subsidiaries, centralised in a cash pool.
- Implementation of cash flow forecasts at Group level in connection with the monitoring of the Group's commitments in terms of Banking Documentation.
- Manages the distribution of business between banks, organises the Group's invitations to tender and ensures the consistency of information published in its scope of activity.

Tax Department

- Supervises and coordinates the Group's specific tax policies in each of the countries where it operates.
- Participates in tax structuring, with the support of tax advisers, in terms of development for both property development projects and tourism operations.
- Advice and assistance to the Operational Departments for all transactions involving tax law.
- Tax monitoring for changes in tax law and, in this context, supervision of the implementation of new regulations in Group entities (example: "BEPS" regulations).

Consolidation Department

- Preparation, analysis and reporting on the Group's consolidated financial statements, established using the IFRS in force:
  - before each consolidation phase, preparation and transmission by the Consolidation Department of precise instructions for the subsidiaries, including a detailed schedule;
  - preparation and analysis of the consolidated financial statements based on accounting and management information that is passed on to it for the entire scope of consolidation;
  - use of a unique software package tool deployed in the Group's subsidiaries. Maintenance of this tool and training for users is undertaken by the Consolidation Department with temporary assistance from external consultants if necessary.
- Standards monitoring and determination of the impact of the first application of new standards with the support of its advisers when required;
- Implementation of Group impairment tests.

Holdings Accounting Department

- Preparation of the financial statements, and coordination and control of accounting applications and procedures, in close collaboration with management control, internal audit and the Consolidation Department. Accounts are closed and reported on a monthly basis.
- Support for operational staff for the supply of financial information and participation in setting up IT tools.

Financial Control Department

- Management control of the Holding Company and the Individual Owners Department.
- Leads and measures the economic performance of the Group's business.
  - Centralisation of the Group's economic objectives for each brand, control and measurement of their achievement via reporting and a monthly business review process, and proposal of corrective actions.
  - Management of the budgeting process, business forecasts and medium-term operating results (business plans).

- Assistance to operational staff for all financial subjects (simulations, calculations, special shares, etc.).
- Active participation in the design and introduction of new financial reporting tools.

2.4.1.2 Investor Relations, Corporate Finance and Mergers/Acquisitions Department

- Management of all equity transactions with an impact on capital (capital increase, bond issues with an equity component, etc.).
- Management of merger/acquisition/disposal operations.
- Supervision of external financial communication to financial analysts, investors and shareholders.
- Control and approval of all financial information intended for the media, thereby ensuring the overall consistency of the financial information disseminated outside of the Company.

2.4.1.3 Group Internal Audit Department

This department is involved in recurring assignments (site audits), thematic assignments (head office or sites), or special assignments at the request of the Group's General Management. The tasks and themes dealt with may affect all of the Group's businesses and subsidiaries.

For Pierre & Vacances sites, the Operational Finance Department, Human Resources and Operational Control participate on a case-by-case basis with Group Internal Audit in site audits of a financial nature, but also in audits of a social and regulatory nature in relation to the operation of holiday residences.

These audits are mainly carried out on the operating sites (residences or villages from all the brands). The main aim of the on-site audit missions is to ensure that procedures are correctly applied, but also, working closely with the Human Resources Department, to ensure that social obligations and labour laws concerning advertising, keeping of registers, etc. are correctly applied.

The main areas of risk covered by the internal audit are:

- ensuring that revenue generated on-site is reported correctly and is optimised. It verifies that services provided have been invoiced correctly. Checks are also made on the correct application of pricing terms and justification of any discounts given. Finally, revenue deletions and reimbursements are traced and analysed;
- the security of property and financial assets. As such, the audit verifies in particular that proper security procedures are deployed on each site to protect cash receipts and deposits. Checks are also made on bank deposits to ensure their accuracy and consistency;
- collection and level of payments outstanding from customers. To ensure optimum recovery, many points are examined: drafting and strict enforcement of standardised contracts for the groups and seminars, reminders to debtors according to the deadlines given, collection of guarantee deposits, due recording of client addresses.

The choice of the sites audited is established by Group Internal Audit in view of the typology of the site (a village presents more risks than a small residence), specific requests from General Management, but also on a randomised basis. Center Parcs Villages are subject to a more intense programme due to their unit volume of activity: a complete audit is conducted every three years at most, followed by a second audit within six months and a "mystery visit" by Group Internal Audit or, if required, by a specialised company. The visits can be preventive in nature or be initiated by suspected fraud.

Group Internal Audit also carries out audits on specific subjects (application of ISO 14001 and 50001 environmental management standard, compliance with procedures, etc.).

At the end of each audit assignment, audit reports are drawn up and submitted to the audited sites, to the Operations Department, to Executive Management and to the external auditors for larger sites. An action plan is drawn up in collaboration with the managers of the sites audited and follow-up assessments of the implementation of recommendations are performed within a maximum of six months of the initial audit.

Theft and fraud prevention procedures have been put in place. These procedures include, for the Center Parcs villages, a matrix of tests to be carried out at control points.

2.4.1.4 Individual Owners Department

The Individual Owners Department acts as the liaison between the owners and all of the Group Operational Departments for all issues relating to leases and property management of the owners' portfolio.

It brings together all the teams and functions dedicated to management of relationships, contracts and properties with regard to owners and multiple owners.

This department works in three areas:

- owner relations (communication, management of stay fees, etc.);
- property management (management activity, asset administration and co-ownership syndicates);
- lease renewals.

2.4.1.5 Development Department

This department is responsible for:

- the search for development opportunities (notably via property asset acquisitions consisting of holiday residences or business goodwill);
- structuring finance (equity/debt – in partnership with the Cash/Financing Department) for projects (search for institutional investors – Center Parcs, Villages Nature® Paris, etc.);
- asset disposals.

2.4.2 Reporting system

The operations monitoring and control process is built upon a medium-term business plan, budget planning, re-forecasting and the reporting cycle for all of the Group's activities.

The five-year business plan setting out the Group's strategy is usually produced in July and updated during the year in order to adapt the strategy to each Business Line and ensure consistency between short and medium-term objectives. In each case, the plan is drawn up based on the Group's strategic choices and developments, taking into account property developments, changes in site inventory, recovery and renovation of assets, pricing trends and forecasts for occupancy rates. The first year of this business plan is used to define, at the end of July, a budgetary framework for the next financial year.

The budgetary process is organised and managed by the Group Finance Department and the Finance Departments of the Business Lines, with the support of the business lines and the operational departments It has three phases:

- the pre-budget makes it possible for the real estate segment to identify the programmes and corresponding margins and for the tourism segment to estimate the revenue by brand and by period in view of the development of the offering, the sales strategy and the operational expenses (advertising, personnel, rent, etc.) according to the assumptions of distribution policies, investment plans, salary policy, indices, etc.;
- the framework refines the pre-budget assumptions, in particular for all of the personnel structures and on the tourism businesses through operator validation of the sales targets, variable expenses, and additional revenue streams on each site;
- the budget, finalised in September, consolidates all the assumptions validated for each property development programme and for sites that are already operational. Presented to the Executive Committee and approved by the Board of Directors, it is prepared on a monthly basis to serve as a shared reference at the Group.

Regular re-forecasts for all businesses mean that the budget for the year can be revised in light of achievements to date and business trends over the coming months.

In addition to this regular monitoring, the Group Finance Department and the Finance Departments of the Business Lines provide regular and adapted reports which are analysed during the monthly operational Business Reviews.

- Tourism business:
  - the weekly monitoring of tourist reservations conducted by the Business Lines enables them to optimise commercial policy and yield management, as well as allowing operators to adapt the organisation at the operating sites according to the occupancy forecasts;
  - the monthly report on site results is compared with monthly budgets and the actual results recorded the previous year and given to the Business Line Managers and to the various operating managers in the regions concerned. These reports are also reviewed with the Business Lines. Marketing budgets and general expenses are also monitored on a monthly basis.

  The consolidation and synthesis of these items by the Group Finance Department enables Executive Management to oversee the achievement of targets or to initiate corrective measures.
- Real estate business:
  - budgets for property development programmes are reviewed regularly and systematically revised each quarter with the relevant property Programme Manager;
  - for the marketing of properties, the number of signed sales is reviewed twice a month and monthly reports are examined with General Management, notably marketing expenses (network and private advisers), marketing expenses and general overheads.

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CORPORATE GOVERNANCE 3

This chapter constitutes the Board of Directors' report on corporate governance foreseen by Article L.225-37 paragraph 6 of the French Commercial Code. This report was prepared by a working group notably including the secretariat of the Board of Directors, the Financial Communication Department and the Human Resources Department of the Company. It takes into account:

- the AFEP and MEDEF Code of Corporate Governance for listed companies, as last revised in January 2020 (the "AFEP-MEDEF Code") and its January 2020 Application Guide, available on the AFEP (www.afep.com) and MEDEF (www.medef.com) websites;
- AMF Recommendation 2012-02 on corporate governance and executive compensation at listed companies, which in turn refers to the AFEP-MEDEF Code, as last updated on 3 December 2019, and the recommendations resulting from the 2020 AMF report on corporate governance and executive compensation at listed companies published on 24 November 2020;
- the recommendations of the High Committee on Corporate Governance included in its activity report, published on 6 November 2020; and
- AMF Position-Recommendation 2021-02 – "Guide for preparing Universal Registration Documents" – of 8 January 2021.

It was then reviewed by the Remuneration and Appointments Committee before being approved by the Company's Board of Directors on 30 November 2021. The other information required pursuant to Articles L.225-37, L. 225-37-4, L. 22-10-10 and L. 22-10-11 of the French Commercial Code, namely the table of current delegations granted by the General Meeting of Shareholders with regard to capital increases, the terms and conditions of shareholder participation in General Meetings, information concerning the Company's share capital structure, and factors likely to have an impact during public tender periods, appears, respectively, in Sections 3.6, 3.9 and 3.7 of this document.

This report was approved by the Board of Directors on 30 November 2021. It will be presented to the shareholders at the next Annual General Meeting, on 31 March 2022.

3.1 Compliance with the corporate governance system

3.1.1 Reference code

As regards corporate governance, the Company refers to the recommendations of the AFEP-MEDEF Code and its Application Guide, available on the AFEP (www.afep.com) and MEDEF (www.medef) websites.

The Code's recommendations are part of the approach to corporate governance taken by the Pierre & Vacances-Center Parcs Group, it being specified that their application must be appropriate for the size and history of the Company.

In accordance with the "comply or explain" rule referred to in Article L.22-10-10 4° of the French Commercial Code and Article 27.1 of the AFEP-MEDEF Code, the Company believes that its practices are in line with the recommendations of the AFEP-MEDEF Code, apart from the following points:

Staggering of terms of office Article 14.2 of the Code: Terms of office are staggered so as to avoid block renewals and to encourage the smooth re-election of directors.	The interplay between various cooptations and appointments over recent years has prevented the organisation of a staggered renewal of terms of office, without this resulting in an identical end date for most current terms of office. However, following the appointment of two directors representing employees on 30 October and 9 November 2020, the staggering of terms of office has been improved at the Board of Directors.
Proportion of independent directors within the Audit Committee Article 16.1 of the Code: At least two thirds of the directors on the Audit Committee must be independent.	The Company considers that Annie Famose and Andries Arij Olijslager are persons external to the Group whose freedom of judgment is not called into question, even though they do not meet all the criteria for independence set forth in the AFEP-MEDEF Code. On 25 October 2021, the Board of Directors decided to appoint BM Conseil, represented by Bertrand Meheut, an independent director, as a new member of the Audit Committee in order to ensure that the composition of the Audit Committee complied with the provisions of Article L.823-19.

Shareholding requirements for executive corporate officers Article 23 of the Code: Executive corporate officers shall retain a minimum number of registered shares, to be set by the Board of Directors, until the end of their term of office. For as long as this share ownership target is not met, executive corporate officers shall make up the shortfall with a portion of the options or performance share allocations as determined by the Board.	Gérard Brémond owns 49.36% of issued capital via his asset holdings. In addition, Gérard Brémond does not receive any stock options or performance shares. In view of the restrictions in relation to blackout periods and backing transactions, in his capacity as a permanent insider, Franck Gervais was unable to purchase shares.
Management remuneration policy: information on "equity ratios" Article 26.2 of the Code: The section concerning the management remuneration policy provides information on ratios enabling the measure of the difference between the remuneration of executive corporate officers and that of the Company's employees. For companies that have no or few employees relative to the overall headcount in France, these take into account a more representative scope relative to payroll expenses or headcount in France of companies for which they have exclusive control.	Since the Company has no employees, the information set out in Articles 22-10-9 6° and L. 22-10-9 7° ("equity ratios") have no object and are not to be integrated into the information required in terms of the ex-post vote on the application of the remuneration policy during the past year. For this second year following the implementation of measures relative to equity ratios, the Company has chosen to extend their application to the Group's employees in France.

3

3.2 Composition of the administrative and management bodies

3.2.1 The Board of Directors

3.2.1.1 Powers of the Chairman of the Board of Directors

As Chairman of the Board of Directors, Gérard Brémond organises and oversees the work of the Board of Directors and reports to the General Meeting. He ensures that the Company's corporate decision-making bodies operate effectively and in particular that the directors are in a position to fulfil their duties.

3.2.1.2 Principles governing the composition of the Board of Directors

The composition and functioning of the Company's Board of Directors are determined by the legal and regulatory provisions in force, by the Company's articles of association, and by the Internal Regulations of the Board of Directors.

As at the date of publication of this document, the Company is overseen by a Board of Directors composed of thirteen members, including four independent directors. It also includes five women and two directors representing employees. The conditions for appointing directors and the duration of their terms of office are set out in the table below.

Type of directors	Method of appointment	Term of office	Number of directors	Reference text
Board members	General Meeting of Shareholders	3 years	111[1]	Article L.225-18 of the French Commercial Code
Directors representing employees	1 director appointed by the European Works Council, 1 director elected by employees	3 years	2	Article L.225-27-1 of the French Commercial Code

(1) *At its meeting of 6 January 2021, the Board of Directors (i) duly noted the resignation of Mr Yann Caillère as Chief Executive Officer and director and (ii) decided to appoint Mr Franck Gervais as the new Chief Executive Officer (non-director) from 7 January 2021. The Board was therefore composed of 14 directors (including directors representing employees) prior to his resignation.*

Diversity policy implemented at the Board

The Board of Directors ensures that it applies the principles of the AFEP-MEDEF Code concerning its composition and that of its committees. In particular, the Board pursues its objective of improving the diversity and complementarity of skills and experience and the diversity of profiles, while maintaining a balanced representation of women and men and a proportion of independent directors in the spirit of the recommendations of the AFEP-MEDEF Code in order to guarantee shareholders and the market that its missions are carried out with the necessary independence, objectivity and expertise.

At the time of writing this Universal Registration Document, there were five women on the Board of Directors, more than the 40% minimum required by the provisions of the French Commercial Code[1]. In addition, out of thirteen directors [1] four are considered independent.

The Board of Directors believes its composition to be balanced, as its members include:

- members of the founder's family;
- directors who are familiar with the Company and its operating environment;
- directors appointed more recently from different backgrounds;
- directors representing employees.

Independence of directors

As part of its approach of assessing the independence of its members and preventing the risk of conflicts of interest involving, on the one hand, the directors and, on the other, Management, the Company or the Group, the Board of Directors takes into account all the criteria of the AFEP-MEDEF Code, which are included in its Internal Regulations. Thus, a director who has no relationship of any kind whatsoever with the Company, the Group or its Management is deemed to be independent. In particular, this means a director who:

1. is not or has not been during the previous five years:
   - an employee or executive corporate officer of the Company,
   - an employee, executive corporate officer or director of a company consolidated by the Company;
2. is not an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee appointed as such or an executive corporate officer of the Company (currently or less than five years ago) holds a directorship;
3. is not, or is not directly or indirectly related to, a customer, supplier, investment banker, corporate banker or significant adviser of the Company or its Group, or for which the Company or its Group represents a significant share of business;
4. has no close family ties with a corporate officer of the Company;
5. has not been, over the past five years, a Statutory Auditor of the Company;
6. has not been a Company director for more than 12 years; or
7. is not, or does not represent, a significant Company shareholder holding more than 10% of the Company's share capital or voting rights.

The annual assessment of the independence of each of the members of the Board of Directors, pursuant to the AFEP-MEDEF Code and the Internal Regulations of the Board of Directors, took place at the meetings of the Remuneration and Appointments Committee and of the Board of Directors of 30 November 2021. During these meetings, the Remuneration and Appointments Committee and then the Board of Directors examined the business relations that may exist with the companies in which one or more of the directors are partners and, in this context, conducted materiality tests to verify whether or not they were of a significant nature.

Pursuant to its Internal Regulations and the recommendations of the AMF, it should be recalled that when conflicts of interest are identified, the director concerned does not take part in the vote or discussions on the matter in question.

In view of the above, and as summarised below, the Board of Directors thus validated the inclusion of the independence criteria proposed by the Remuneration, Appointments and Governance Committee, which makes it possible to classify the following directors as independent:

- BM Conseil, represented by Bertrand Meheut;
- Amélie Blanckaert;
- Jean-Pierre Raffarin;
- Marie-Christine Huau.

Pursuant to the AFEP-MEDEF Code, which stipulates that Emmanuel de Pinel de la Taule and Dominique Girard, directors representing employees, are not included in the calculation of the percentage of independent directors for the 2020/2021 financial year, the independence rate on the Board of Directors amounted to 33.33% (i.e. four out of twelve directors); said proportion is equivalent to the threshold of one-third which is recommended by the AFEP-MEDEF Code. The rate stood at 36.36% (i.e. four out of eleven directors) from 6 January 2021, date on which Yann Caillère resigned from his directorship.

(1) Excluding the two Board members representing employees.

Directors' position with regard to the independence criteria of the AFEP-MEDEF Code

		Company employee/ manager	Dual terms of office	Business relations	Family ties	Statutory Auditors	Period over 12 years	Significant share-holder	Inde-pendent
1	Gérard Brémond	X	X	X	V	X	V	V	NO
2	Yann Caillère(1)	V	X	V	X	X	X	X	NO
3	S.I.T.I., represented by Olivier Brémond	X	X	V	V	X	V	V(2)	NO
4	Delphine Brémond	X	X	X	V	X	X	X	NO
5	Léo Brémond	X	X	X	V	X	X	X	NO
6	Annie Famose	X	X	X	V	X	V	X	NO
7	BM Conseil, independent director, represented by Bertrand Meheut	X	X	X	X	X	X	X	YES
8	Andries Arij Olijslager	X	X	X	X	X	V	X	NO
9	Alma Brémond	X	X	X	V	X	X	X	NO
10	Amélie Blanckaert	X	X	X	X	X	X	X	YES
11	Jean-Pierre Raffarin	X	X	X	X	X	X	X	YES
12	Marie-Christine Huau	X	X	X	X	X	X	X	YES

X – the criterion is not applicable.
V – the criterion is applicable.
(1) At its meeting of 6 January 2021, the Board of Directors (i) duly noted the resignation of Yann Caillère as Chief Executive Officer and director and (ii) decided to appoint Franck Gervais as the new Chief Executive Officer (non-director) from 7 January 2021.
(2) Olivier Brémond is considered to be an indirect "significant shareholder", via S.I.T.I.

3.2.1.3 Composition of the Board of Directors

At 30 September 2021, the Board of Directors of Pierre et Vacances SA was composed of thirteen members, including four classified as independent directors according to the criteria set out in the AFEP-MEDEF Code and two directors representing employees.

Director	Nationality	Age	Gender	Term start date	Date of most recent renewal	End of term of office	Inde-pendent director[1]	Member of Board Committees	Number of Company shares held
Gérard Brémond, *Chairman of the Board of Directors*	French	84	M	03/10/1988	07/02/2019	GM approving the 2021 financial statements	-	-	10
S.I.T.I. SA Represented by Olivier Brémond	French	59	M	10/07/1995[3]	07/02/2019	GM approving the 2021 financial statements	-	-	4,883,720 10
Andries Arij Olijslager	Dutch	78	M	06/10/2008	07/02/2019	GM approving the 2021 financial statements	(4)	Audit Committee	500
Delphine Brémond	French	55	F	02/12/2008	07/02/2019	GM approving the 2021 financial statements	-	-	10
Annie Famose	French	77	F	04/02/2016	07/02/2019	GM approving the 2021 financial statements	-	Audit Committee	20
BM Conseil Represented by Bertrand Meheut[5]	French	70	M	12/04/2021	-	GM approving the 2021 financial statements	Yes	CRN[6]	40
Alma Brémond	French	25	F	21/02/2017	05/02/2020	GM approving the 2022 financial statements	-	-	10
Amélie Blanckaert	French	46	F	21/02/2017	05/02/2020	GM approving the 2022 financial statements	Yes	CRN[6]	25
Jean-Pierre Raffarin	French	73	M	09/02/2018	01/02/2021	GM approving the 2023 financial statements	Yes	-	10
Léo Brémond	French	22	M	31/12/2018	07/02/2019	GM approving the 2021 financial statements	-	-	10
Marie-Christine Huau	French	57	F	14/10/2019	-	GM approving the 2021 financial statements	Yes	-	20
Emmanuel de Pinel de la Taule, *director representing employees*[7]	French	49	M	30/10/2020	-	30/10/2023	-	-	5
Dominique Girard, *director representing employees*[7]	French	62	M	09/11/2020	-	09/11/2023	-	-	0

(1) The criteria set out in the AFEP-MEDEF Code are used to determine whether or not a director is independent. The position of each director with regard to the independence criteria has been examined by the Board of Directors during its self-assessment of the way in which it operates.
(2) Gérard Brémond holds 49.36% of the share capital via his asset holdings.
(3) This is the first date on which Olivier Brémond took office as a director.
(4) Andries Arij Olijslager lost his status as independent director in October 2020, due to the seniority of his term.
(5) The Board of Directors, at its meeting of 12 April 2021, co-opted BM Conseil, represented by Bertrand Meheut, to replace Bertrand Meheut for the remainder of Bertrand Meheut's term of office, i.e. until the end the General Meeting called to approve the financial statements for the financial year ended 30/09/2021. The General Meeting of 1 July 2021 ratified the appointment by co-option of BM Conseil, represented by Bertrand Meheut.
(6) Remuneration and Appointments Committee.
(7) Employees are represented on the Board of Directors by two directors who were appointed in accordance with the provisions of the articles of association: on 30 October 2020, Emmanuel de Pinel de la Taule was elected by the employees; on 9 November 2020, Dominique Girard was appointed by the European Works Council. It should be recalled that the term of office of the directors representing the employees is set at three years from the date of their election or appointment and is renewable.

Changes to the composition of the Board of Directors in 2020/2021

In 2020/2021, the composition of the Board of Directors changed as follows:

Departures	Yann Caillère resigned from his directorship on 6 January 2021.
Appointments	None
Co-opted	BM Conseil, represented by Bertrand Meheut (ratification by the General Meeting of 1 July 2021)
Reappointments	Jean-Pierre Raffarin (General Meeting of 1 February 2021)

Changes in the composition of the Board of Directors submitted to the General Meeting of 31 March 2022

Said changes are summarised below:

Departures	None
Appointments	None
Co-opted	None
Reappointments	◆ Gérard Brémond[(1)] ◆ S.I.T.I. SA, represented by Olivier Brémond ◆ Delphine Brémond ◆ Léo Brémond ◆ Annie Famose ◆ BM Conseil, independent director, represented by Bertrand Meheut ◆ Andries Arij Olijslager ◆ Marie-Christine Huau

(1) Gérard Brémond's term of office as Chairman of the Board of Directors ends at the same time as his term of office as director. The Board of Directors will appoint the Chairman of the Board at the end of the General Meeting called to approve the financial statements for the 2020/2021 financial year, which will be held on 31 March 2022.

3.2.1.4 Information on the members of the Board of Directors as at 30 September 2021

Gérard BRÉMOND, *Chairman of the Board of Directors*

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Gérard Brémond is the founder of the Pierre & Vacances-Center Parcs Group. He was also Chairman of the Association "Alliance 46.2" – Entreprendre en France pour le Tourisme – from February 2014 to beginning of February 2016, Foreign Trade Consultant for France and National Tourism Consultant. He was Chairman of Maison de la France from 1999 to 2005. Gérard Brémond is Chairman of Fondation Ensemble and the Pierre & Vacances-Center Parcs Group Foundation. He has a degree in Economic Sciences, and is a graduate of the Institut d'Administration des Entreprises (University Schools of Management).

Terms of office in other companies:

- Chief Executive Officer of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA
- Chairman of GB Développement SAS
- Chairman of S.I.T.I. Holding SAS
- Manager of S.I.T.I. R. SC

Director of Voyageurs du Monde (listed company)

Terms of office, which have expired over the last five financial years:

- Director of Lepeudry et Grimard, until 31 August 2018

Yann CAILLÈRE, Chief Executive Officer(1)

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Yann Caillère began his career at Pullman. From 1995 onwards, he held a series of positions in succession at Disneyland Resort Paris: CEO for luxury accommodation and conventions, Deputy Chairman of Hotel Management, Deputy CEO in charge of operations, then Deputy CEO. In 2004, he was appointed Chairman of the Louvre Hotels Group. In 2006, he joined the Accor Group as CEO for Europe, the Middle East and Africa Hotels and of Sofitel Monde. In August 2010, he was appointed Deputy CEO in charge of global operations and, in 2013, he was briefly CEO of the Accor Group. From 2014 to 2016, Yann Caillère was CEO of the Spanish group Parques Reunidos. In early 2016, he set up his hotel and leisure consultancy company. Yann Caillère is a graduate of the École Hôtelière in Thonon-les-Bains.

Positions held in other companies at 6 January 2021:

- Deputy Chief Executive Officer (non-director) of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA
- Chairman of Yann Caillère Consulting SAS
- Member of the Supervisory Board of Basilique Hospitality SAS
- Director of Trois G SAS

Terms of office, which have expired over the last five financial years:

- Director of Compagnie du Ponant, up to August 2018
- Director of Hôtels Kempinski, up to June 2018
- Chairman of Qbic Hotels
- Director of the Le Duff Group

S.I.T.I. SA

Registration: 325 952 182 RCS Paris

Terms of office in other companies:

None

Represented by:

Olivier BRÉMOND

Olivier BRÉMOND's business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Olivier Brémond was Chief Executive Officer of the Pierre & Vacances-Center Parcs Group from 3 September 2018 to 2 September 2019. For almost 30 years, Olivier Brémond has been a successful entrepreneur outside the Group. After taking over at Gamma TV in 1988, he set up Marathon Productions and Marathon International in 1990. He then brought in and implemented concept stores in Iceland and New York. Since 2 September 2019, Olivier Brémond has been Deputy CEO of S.I.T.I. responsible for strategy and investment at S.I.T.I. Group.

Terms of office in other companies:

- Deputy Chief Executive Officer (director) of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA
- Chairman of Mercer Productions

Terms of office, which have expired over the last five financial years:

- Director of Kisan Inc. (United States) until April 2019

BM CONSEIL

Registration: 817 488 513 RCS Paris

Current terms of office in other companies:

None

Represented by:

Bertrand MEHEUT

Bertrand MEHEUT's business address: 4 rue de Franqueville – 75116 Paris

Expertise: Bertrand Meheut has a background in civil engineering (mines), and was Chairman of the Canal+ Group Management Board from 2002 to 2016. He previously worked in industry. He spent most of his career at Rhône-Poulenc, then Aventis. He joined in 1984 as deputy to the CEO for Europe. He was responsible for the central functions of the "Agro" branch. He then became CEO of the German subsidiary, Deputy CEO of Rhône-Poulenc Agro, then Deputy Executive Chairman and CEO Europe. When Rhône-Poulenc and the German chemicals company Hoechst merged within Aventis at the end of 1999, Bertrand Meheut became Chief Executive Officer of Aventis CropScience.

Terms of office in other companies:

- Director of Aquarelle.com

Terms of office, which have expired over the last five financial years:

- Chairman of the PMU Board of Directors
- Director of Edenred (a listed company)
- Director of Ly&Lo
- Director of Accor (listed company)
- Director and Deputy Chairman of the Board of SFR Group (listed company)
- Chairman of the Management Board of the Canal+ Group and Canal+ France
- Member of the Vivendi Management Board
- Chairman of the Board of Directors of the Société d'Édition de Canal+
- Chairman of the Supervisory Board of StudioCanal
- Chairman of Canal+ Régie
- Permanent representative of the Canal+ Group on the Board of Directors of Sport+
- Permanent representative of the Canal+ Group, co-manager of Canal+ Éditions
- Representative of Canal+ France, active partner of Kiosque
- Member of the Management Committee of Canal+ Overseas
- Member of the Supervisory Board of TVN (Poland)

(1) The Board of Directors, at its meeting of 6 January 2021, duly noted the resignation of Yann Caillère from his offices as Chief Executive Officer and director.

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Andries Arij OLIJSLAGER

Expertise: Andries Arij Olijslager is Chairman of the Supervisory Board of Arriva Nederland NV. He also served as Chairman of the Supervisory Board of Detailresult Groep NV, Chairman of the Board of Directors of Royal Friesland Foods and Frieslands Dairy Foods Holding NV, Chief Executive Officer of MIP Equity Fund NV, and Chief Executive Officer and co-shareholder of Leopack. Andries Arij Olijslager is a graduate from the University of Nyenrode (Business University).

Terms of office in other companies:

- Chairman of the Supervisory Board of Arriva Nederland NV
- Member of the Supervisory Board of Renewi Holding NV

Terms of office, which have expired over the last five financial years:

- Until 15 April 2016, Chairman of the Supervisory Board of Heijmans NV
- Until 1 April 2017, Chairman of the Supervisory Board of Detailresult Groep NV
- Until 1 May 2017, director of Foundation Stichting Administratiekantoor Unilever
- Until 1 May 2017, Chairman of the Supervisory Board of OOK (Ondernemend Oranje Kapitaal), a listed company
- Until 31 December 2019, member of the Supervisory Board of Investment and Innovation fund Gelderland

Delphine BRÉMOND

Business address: 5, rue Saint-Germain – 94120 Fontenay-sous-Bois

Expertise: Delphine Brémond has a degree in animal behaviour and a passion for sustainable development. She began her career as a writer and director. She now supports families and young people.

Terms of office in other companies:

- Director of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA

Amélie BLANCKAERT

Business address: 5-7, rue d'Aumale – 75009 Paris

Expertise: After beginning her career at Trinity College (Cambridge), Amélie Blanckaert founded Coup de Plume SARL, a communications consultancy for directors. For 12 years, she has been a regular guest speaker at CAC40 companies and French grandes écoles. Amélie Blanckaert is a graduate of École Normale Supérieure, having specialised in Modern Letters. She is also a graduate of IHEDN.

Terms of office in other companies:

- Manager of Coup de Plume SARL – Commercial name: Bureau 121

Annie FAMOSE

Business address: Place centrale – 74110 Avoriaz

Expertise: Annie Famose is Chair of the Annie Famose Group (sportswear shops, restaurants, ski school in ski resorts). She also founded the Skiset network (the world's leading ski rental network). Annie Famose has a degree from ESSEC (DESS in General Management).

Terms of office in other companies:

- Chairwoman of Société des Commerces Touristiques SCT SAS
- Chairwoman of SA SPC
- Representative of SCT SAS, Chairwoman of SCT SAS Restaurant, of SCT Sport SAS, of SCT La Dunette SAS, of Arni SAS, of Bika SAS, of La Petite Plage SAS, of Le Jardin SAS, of Bidco 3 SAS, of Bidco 4 SAS, of SCT Hôtel SAS, of SCT La Ferme SAS, of La ferme SAS, of SCT Le Café SAS, of Mégève Invest 1 SAS, of Mégève 2 SAS, of SCT Management SAS, of La Ferme Saint Amour SAS
- Manager of Le Yak SARL and Le Village des Enfants SARL
- Manager of SCI LDV, Brémond Lafont-SDF, LR, Kiwi, David, ST Invest, Fina, Sarah, SCI Invest 2, SCCV la Cabane, Sci le Café
- Director of the Olympique Lyonnais Group

Terms of office, which have expired over the last five financial years:

- General Manager of SCT Web SARL
- General Manager of Skiset Finances-SKF SARL
- General Manager of Sport Boutique 2000 SARL
- General Manager of La Panèterie EURL
- Chairwoman of Skishop SAS
- Chairwoman of the Board of Directors of Skiset Group SA-Compagnie des Loueurs de Skis
- Representative of CLS SA, director of Compagnie Internationale des Loueurs de Ski, CILS
- Permanent representative of SCT SAS on the Board of Directors of Compagnie Française des Loueurs de Skis SA, and of Dunette Holding SAS and La Ferme SAS

Jean-Pierre RAFFARIN

Business address: 63, avenue de Suffren – 75007 Paris

Expertise: Jean-Pierre Raffarin was Prime Minister of France from May 2002 to May 2005. He was also President of the regional council of Poitou-Charentes, member of the European Parliament, Minister for SMEs, Commerce and Craft, Senator for the Vienne department, Vice-President of the Senate and Head of the Senate's Foreign Affairs, Defence and Armed Forces Committee. Jean-Pierre Raffarin is now special representative for China and Chairman of the Leaders Pour la Paix foundation. He is a graduate of the École Supérieure de Commerce business school in Paris.

Terms of office in other companies:

- Director of Plastic Omnium Holding (Shanghai)
- Member of the Supervisory Board of Idinvest Partners
- Member of the Advisory Board of Eurazeo.

Alma BRÉMOND

Expertise: Alma Brémond is a graduate of Barnard College, Columbia University, New York (BA Political Science, majoring in political science and minoring in economics), and of the HEC business school in Paris (Master in Entrepreneurship). Alma Brémond founded the company GoBox.

Terms of office in other companies:

Chair of GoBox SAS

Léo BRÉMOND

Expertise: After obtaining a degree in sports law management from New York University (NYU) in May 2021, Léo Brémond works in the world of digital sports.

Terms of office in other companies:

- None

Marie-Christine HUAU

Business address: 30, rue Madeleine Vionnet – 93300 Aubervilliers

Expertise: As well as working in France and internationally for large private groups and scientific organisations, which are leaders in their field, Marie-Christine Huau has worked for nearly 35 years for the environment, water management, sustainable development and the sea.

She began her career at the Australian Oceanographic Institute at the Great Barrier Reef. In 1988, she joined SAUR (Bouygues subsidiary), where she held consecutive roles in engineering, export chargée d'affaires and R&D management. Then, for four years, she became head of recovery and industrial partnerships at Ifremer. Since 2007, she has worked at Veolia, where she is currently director of Water & Climate Strategy for Veolia Water France.

Marie-Christine Huau graduated from the French national Institute of Agronomy Paris-Grignonin in agronomic engineering, and is also a graduate of the French Institute of Management. Elected Chairwoman of the AgroParisTech Alumni association in 2017, she has been Honorary Chairwoman of the association since the end of 2020 and Vice-Chairwoman of Paris Tech Alumni. An Officer of the Order of Merit, she participates in professional and non-professional conferences.

Terms of office in other companies:

- None

Dominique GIRARD

Business address: 11 rue de Cambrai, 75019 Paris

Expertise: Dominique Girard is Head of Design & Concept.

He joined the Group in 2008, as a buyer. From February 2010 to September 2015, he was Purchasing Manager, in charge of Furniture Purchasing. In October 2015, he took the position of Product Manager at P&V Development, in charge of decoration projects for renovations.

Terms of office in other companies:

- None

Terms of office, which have expired over the last five financial years:

- None

Emmanuel PINEL DE LA TAULE

Business address: Pierre & Vacances, 1113 route de la bardasse 83310 Grimaud

Expertise: With a technical education in real estate maintenance, Emmanuel Pinel de la Taule, who has been with the Pierre & Vacances-Center Parcs Group since 1996, has risen through the ranks to become manager of the FMS business segment in the Gulf of St-Tropez. He is also a qualified handball trainer.

Terms of office in other companies:

- None

Terms of office, which have expired over the last five financial years:

- None

3.2.2 Executive Management

3.2.2.1 Methods of exercising the General Management

On 3 September 2018, the roles of Chairman of the Board of Directors and Chief Executive Officer were separated.

Since this date, Gérard Brémond has been Chairman of the Board of Directors. The Annual General Meeting called to approve the 2020/2021 financial statements to be held on 31 March 2022 will vote on the renewal of the term of office of the Chairman of the Board of Directors.

Yann Caillère served as Chief Executive Officer from 2 September 2019 to 6 January 2021.

At its meeting of 6 January 2021, the Board of Directors (i) duly noted the resignation of Yann Caillère as Chief Executive Officer and director and (ii) decided to appoint Franck Gervais as the new Chief Executive Officer (non-director) from 7 January 2021.

3.2.2.2 Information on the Chief Executive Officer

Franck GERVAIS

Nationality: French

Date of birth: 17 December 1976

Term start date: 7 January 2021

Term end date: at the end of the General Meeting called to approve the financial statements for the financial year ended 30 September 2023

Business address: L'Artois – Espace Pont de Flandre – 11, rue de Cambrai – 75947 Paris Cedex 19

Expertise: Franck Gervais, a 45 year-old graduate of École des Ponts, successfully managed the transformation of the Accor Group's Europe sector for three years. Previously, at the SNCF Group, he held the position of Chief Executive Officer of Thalys, and then of Voyages-SNCF.com. This combination of operational-digital-marketing experience, strategic vision and recognised leadership will be fully applied in leading the Group into the future.

Terms of office in other companies:

- Deputy Chief Executive Officer (non-director) of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA
- Co-Manager-Partner – SCI de la Cascade
- Director – La Poste
- Chairman of the Board of Directors – Union des Marques
- permanent representative of Groupe Marc de Lacharrière, director of Groupe Lucien Barrière

Terms of office, which have expired over the last five financial years:

- None.

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3.2.3 Additional information concerning the members of the Board of Directors and Executive Management

3.2.3.1 Family ties

Family ties between the directors: Delphine Brémond and Olivier Brémond are the children of Gérard Brémond. Alma Brémond and Léo Brémond are the grandchildren of Gérard Brémond.

3.2.3.2 No conviction for fraud, or association with a bankruptcy or public incrimination and/or sanction

In addition, to the Company's knowledge, no executive or non-executive corporate officer has:

- been convicted of fraud during at least the last five years;
- been made bankrupt, or placed in compulsory administration or liquidation during at least the last five years;
- been charged with an offence and/or had an official public penalty pronounced against him or her by the statutory or regulatory authorities during at least the last five years.

Finally, to the Company's knowledge, no executive or non-executive corporate officer has been barred by a court from serving as a member of an administrative, management or supervisory body of an issuer or from being involved in the management or conduct of the affairs of an issuer during at least the last five years.

3.2.3.3 Absence of conflicts of interest

To the Company's knowledge, there is no potential conflict of interest between the Company's executives' and directors' duties and their private interests and/or duties.

The Board's Internal Regulations specify that directors must inform the Board of any conflict of interest or potential conflict, and must abstain from any Board meeting debates and vote in relation to any such conflict of interest situation.

3.2.3.4 Information on service contracts

To the best of the Company's knowledge, as of the date of this Universal Registration Document, no corporate officer is bound to the Company, or to any of its subsidiaries, by a service contract and providing for the grant of benefits under such contract.

3.3 Functioning of the administrative and management bodies

3.3.1 Management and limitation of the powers of the Chief Executive Officer

3.3.1.1 Powers of the Chief Executive Officer

As Chief Executive Officer, Franck Gervais is vested with full powers to act on behalf of the Company in all circumstances. He represents the Company in its relations with third parties. No limitation has been placed on the powers of the Chief Executive Officer. However, these powers are subject to the limits of the Company purpose and the powers explicitly allocated by the law to Shareholders' Meetings and the Board of Directors.

3.3.1.2 Sureties, endorsements and guarantees

Each year, the Board of Directors authorises the Chief Executive Officer, with the option of sub-delegation, for a period of one year, to issue sureties, endorsements and guarantees to third parties in the name of the Company.

Thus, at its meeting of 12 April 2021, the Board of Directors gave its authorisation for the Company to enter into new commitments, up to a limit of €200 million, and with no limit on the amount with respect to tax and customs authorities and with the ongoing validity of sureties, endorsements and guarantees previously issued.

3.3.2 Missions and functioning of the Board of Directors

3.3.2.1 Role of the Board of Directors

The Board of Directors determines the Company's key strategies and ensures their proper implementation and execution. Subject to the powers explicitly allocated to the Shareholders' Meetings and within the limits of the corporate purpose, it is responsible for all matters relating to the smooth running of the Company and settles such matters through its deliberations. Moreover, it carries out any checks it deems necessary. Furthermore, any significant operation outside the Company's stated strategy must be approved in advance by the Board of Directors.

The Board of Directors is notified of the Company's financial position, cash situation and commitments at Board meetings held twice a year.

The Board of Directors is briefed at least once a quarter on the activities of the Group's Tourism and Property development businesses, and examines the strategic aims of each business. It is regularly informed of the Group's revenue, the progress of significant operations and trends in the Group's markets. The Board of Directors approves significant changes to the Group's legal structure and major external and internal growth operations (acquisitions, launch of major property development programmes, property deliveries, etc.). Prior approval is required for transactions involving external financing, except in the case of normal property financing transactions that are not backed by guarantees issued by the parent company.

In addition to the review of the annual and half-yearly financial statements and the regular review of the business and results of the tourism and real estate divisions, the main topics addressed by the Board of Directors were the Reinvention strategic plan, the management of the crisis stemming from the COVID-19 crisis, its financing and the reinforcement of its equity, its relations with its individual and institutional lessors, real estate operations, property development, and corporate governance (Board self-assessment, resignation and co-option of directors, distribution of attendance fees).

3.3.2.2 Functioning of the Board of Directors

The functioning of the Board is determined by the Company's articles of association, the Board's Internal Regulations and Articles L.225-17 et seq. of the French Commercial Code. The term of office of directors is three years. The Company's articles of association stipulate that a person aged over 75 May not be appointed as a director if their appointment would result in over a third of the Board members being over this age.

The Company's articles of association also provide for the possibility of holding Board meetings via video-conferencing or other means of telecommunication.

Internal regulations

The Board of Directors has adopted a directors' charter and Internal Regulations governing how it functions and a Code of Conduct for directors with regard to their office. These rules incorporate a number of legal requirements along with provisions designed to reinforce directors' independence of action and judgement in relation to the Company and to enhance control of the Company.

The Board of Directors amended its Internal Regulations on (i) 6 March 2012 to define "blackout periods" for transactions by directors on Company securities, in accordance with AMF recommendations aimed at preventing insider misconduct and (ii) 10 October 2018 to set out a procedure for managing conflicts of interest in line with AMF corporate governance recommendations. An insider trading clause was incorporated taking into account European regulation No. 596/2014 on market abuse.

The Board's Internal Regulations specify that the Board should carry out an annual appraisal of its operations.

In accordance with the AFEP-MEDEF Code, the Board's Internal Regulations are available on the Company's website.

The Internal Regulations state that each director must hold at least ten shares in the Company.

3.3.2.3 Activities of the Board of Directors

The functioning of the Board of Directors is determined by legal and regulatory provisions, by the articles of association and by its Internal Regulations.

The meetings of the Board of Directors are scheduled on an annual basis. This schedule is adjusted and supplemented, if applicable, by additional meetings as and when the directors need to be consulted.

In the past financial year, the Board of Directors met thirteen times. The individual attendance rate among directors at Board and Committee meetings in 2020/2021 is presented in the table below:

Director	Board of Directors	Audit Committee	Remuneration and Appointments Committee	CSR Committee
Gérard Brémond, *Chairman of the Board of Directors*	100%	-	-	-
Yann Caillère, *Chief Executive Officer*[1]	100%	-	-	-
Olivier Brémond *S.I.T.I. Representative*	92%	-	-	-
Andries Arij Olijslager	100%	100%	-	-
Delphine Brémond	100%		-	-
Annie Famose	100%	100%	-	-
Bertrand Meheut	100%	-	100%	100%
Bertrand Meheut, *BM Conseil representative*	100%	-	-	100%
Alma Brémond	100%	-	-	-
Amélie Blanckaert	100%	-	100%	100%
Jean-Pierre Raffarin	92%	-	-	-
Léo Brémond	92%	-	-	-
Marie-Christine Huau	92%	-	-	100%
Emmanuel de Pinel de la Taule[3]	100%	-	-	-
Dominique Girard[3]	100%	-	-	-
TOTAL	**97.7%**	**100%**	**100%**	**100%**

(1) At its meeting of 6 January 2021, the Board of Directors (i) duly noted the resignation of Yann Caillère as Chief Executive Officer and director and (ii) decided to appoint Franck Gervais as the new Chief Executive Officer (non-director) from 7 January 2021.

(2) Replacement of Bertrand Meheut by BM Conseil, represented by Bertrand Meheut (Board of Directors' meeting of 12 April 2021) for the remainder of Bertrand Meheut's term of office, i.e. until the end of the General Meeting called to approve the financial statements for the year ended 30 September 2021.

(3) Employees are represented on the Board of Directors by two directors who were appointed in accordance with the provisions of the articles of association: on 30 October 2020, Emmanuel de Pinel de la Taule was elected by the employees; on 9 November 2020, Dominique Girard was appointed by the European Works Council. It should be recalled that the term of office of the directors representing the employees is set at three years from the date of their election or appointment and is renewable.

The average duration of each meeting was two hours and allowed examination and detailed discussion of the items on the agenda. Meetings of the Board of Directors are called by the Chairman. Documentation relating to agenda items is sent to each member of the Board of Directors in advance of Board meetings to allow them to prepare for discussions. The Chairman ensures that the directors receive all the information they require to perform their duties, in particular by the attendance of operational managers to present their activities and main results during meetings of the Board of Directors. Minutes of meetings of the Board of Directors are drawn up after each meeting and approved at the next meeting.

In accordance with Article L.823-17 of the French Commercial Code, the Statutory Auditors were invited and attended Board meetings held to examine and close the annual and half-yearly financial statements.

Meetings of the Board of Directors are usually held at the registered office or at any other venue as permitted by the articles of association. According to the provisions of Article L.225-37, paragraph 3 of the French Commercial Code, directors also have the option to take part in the deliberations of the Board via videoconference or other methods of telecommunication.

In view of the health situation stemming from COVID-19, the exceptional and temporary rules for convening, informing and deliberating at General Meetings and other collegiate bodies of private law groupings covered by Order No. 2020-321 of 25 March 2020, as amended, and Decree No. 2020-418 of 10 April 2020, as amended, such as and notably the extension and facilitation of the use of telephone or audiovisual conferences (Article 5 of the Order) and written consultation (Article 6 of the Order), were extended until 30 September 2021.

The Board of Directors therefore met remotely six times (five times by videoconference and once by teleconference during the 2020/2021 financial year); the directors also used written consultation for three Board of Directors meetings.

In general, after the Board has reviewed and approved the minutes of the previous meeting's deliberations and decisions, the members discuss the items on the agenda. The discussions are organised and directed by the Chairman. He ensures that the Board examines all items on the agenda.

The Chairman organises and directs the debates. He makes sure that all of the points on the agenda are examined by the Board.

3.3.2.4 Assessment of the functioning of the Board of Directors

In accordance with its Internal Regulations, the Board of Directors' agenda includes, once a year, an agenda item on its assessment and the assessment of its committees. Note that in view of the Company's size, the Board of Directors has not retained the AFEP-MEDEF measures concerning the assessment mechanism by an external consultant.

In 2021, the annual assessment, which was carried out using a questionnaire, was discussed at the Board of Directors meeting of 30 November 2021.

During this meeting, the directors confirmed they were happy with the operation of the Board and its committees. In particular, the directors consider that the number of directors and the composition of the Board in terms of independence, gender, diversity and experience are very satisfactory.

The directors answered a questionnaire comprising the following five topics: (i) meetings of the Board of Directors, (ii) information for the Board of Directors, (iii) the missions of the Board of Directors, (iv) the Board Committees, (v) the composition of the Board of Directors.

The members of the Board of Directors expressed a very favourable opinion on the composition of the Board and its committees as well as on its functioning more generally, noting significant progress compared to the previous year. The main areas for improvement identified relate to information for directors between Board meetings and to the organisation of its meetings. The majority of the difficulties expressed by the directors stem from the current context of the Group's restructuring as well as to the COVID-19 crisis.

3.3.3 The committees of the Board of Directors

The Board of Directors has three permanent specialist committees to help it prepare its decisions effectively: the Audit Committee, the Remuneration and Appointments Committee and the CSR Committee.

The specialist committees are composed of members of the Board of Directors. The Board appoints the members and the Chairman of each of the committees.

3.3.3.1 The Audit Committee

Composition and working methods

The Audit Committee is composed of three members (Board members without operational functions). These members have the required skills in accounting, finance, internal control and risk management.

The Committee assists the Board in examining and approving the annual and half-yearly financial statements and, occasionally, with all operations or events that could have a significant impact on the situation of the Group, or its subsidiaries, in terms of commitments and/or risk.

In accordance with Article L.823-19 of the French Commercial Code, and without prejudice to the powers of the Board of Directors (which are not replaced), the Audit Committee is responsible for:

- monitoring the process used to prepare the financial information, and making recommendations (if needed) to ensure the integrity of this information;
- monitoring the effectiveness of internal control, risk management and (if necessary) internal audit systems, by examining the procedures used to prepare and process the accounting and financial information, without its independence being compromised;
- making a recommendation to the Board of Directors on the Statutory Auditors whose appointment or renewal will be put to the General Meeting;
- ensuring that the Statutory Auditors fulfil their mission and taking account of the observations and conclusions of the Haut Conseil du Commissariat aux Comptes following its statutory inspection;
- ensuring that the Statutory Auditors meet the independence conditions and taking any necessary measures;

- approving the provision of services other than the certification of the financial statements and, more generally, any role or right enshrined by the applicable legislation;
- reporting back regularly to the Board of Directors on the completion of its work, the results of the work to certify the financial statements, the way this work has contributed to the integrity of the financial information and the role it has played in this process. It must report any difficulties it encounters without delay;
- and, more generally, performing any work and/or asserting any right provided for by the applicable legislation.

In order to carry out its duties, the Audit Committee has access to all accounting and financial documents. It interviews those in charge of preparing the financial statements and the Statutory Auditors in order to obtain assurance that the latter have had access to all the information required to perform due diligence.

During the 2020/2021 financial year, the Audit Committee met twice (in November 2020 and May 2021), to examine the annual parent company financial statements for the year ended 30 September 2020 and the half-yearly financial statements for the period ended 31 March 2021.

3.3.3.2 The Remuneration and Appointments Committee

Composition and working methods

The Remuneration and Appointments Committee has two members (Board members without operational functions).

The Remuneration and Appointments Committee is responsible for presenting proposals or recommendations to the Board of Directors relating in particular to:

- the overall remuneration policy of the Company's executive corporate officers;
- the type and method of calculating the remunerations of these executives after comparison with the practices observed in other companies;
- share options or bonus share grants;
- the appointment of directors and the appropriateness of renewing terms of office;
- and, generally, any matter submitted to it by the Chairman or the Board of Directors regarding the remuneration of corporate officers and the composition of the Board of Directors.

The Remuneration and Appointments Committee met three in the 2020/2021 financial year. During these meetings, the Committee mainly worked on the remuneration policy for the Chairman and the Chief Executive Officer, and on the co-option of BM Conseil, represented by Bertrand Meheut, to replace Bertrand Meheut on the Board of Directors.

3.3.3.3 The CSR Committee

Composition and working methods

The CSR Committee has three members (Board members without operational functions): Marie-Christine Huau (Chairwoman of the Committee), Amélie Blanckaert and BM Conseil represented by Bertrand Meheut.

The mission of the CSR Committee is to contribute and ensure execution of the Group's CSR Plan, primarily:

- to ensure that CSR is positioned at the heart of the Group's vision, strategy and governance;
- to issue recommendations on the developments of the Group's CSR commitments;
- to ensure the Group's CSR management, risk management, respect of human rights and ethical measures.

The CSR Committee met twice during the financial year. Notably, it gave its critical feedback on the CSR approach, the monitoring indicators to be used, and the need for communication with different stakeholders. It also shared criteria to be worked on when developing new projects, in order to guarantee a link with the regions and the local socio-economic ecosystem.

3.4 Remuneration of corporate officers

This section includes the information required pursuant to Articles L.22-10-8 and L. 22-10-9 of the French Commercial Code, the recommendations of the AFEP-MEDEF Code, as well as the guide for preparing Universal Registration Documents of the Autorité des Marchés Financiers (AMF) of 8 January 8021 and the reports on corporate governance and the remuneration of executives of listed companies of the AMF and the Haut Comité de Gouvernement d'Entreprise (HCGE). The remuneration policy for all corporate officers is an integral part of the corporate governance report. It will be made public, along with the results of the vote of the General Meeting of 31 March 2022, on the Company's website: http://www.groupepvcp.com/fr/90/finance/publications.

It should be recalled that the Combined General Meeting of the Company's shareholders held on 1 February 2021 approved the remuneration policy applicable, for the 2020/2021 financial year, to the Chairman of the Board of Directors, by 99.99%, the remuneration policy applicable to the Chief Executive Officer, by 92.23%, and the remuneration policy applicable to the directors, by 99.99%.

A separate policy is established for non-executive corporate officers and executive corporate officers, each of these policies including common principles.

The remuneration policy for the Company's corporate officers and its implementation in the 2020/2021 financial year is described in this section and summarised in the following summary table:

	Description of the remuneration policy for the 2021/2022 financial year to be submitted for approval by the GM (ex-ante vote)	**GM resolution**	**Approval of the remuneration policy implemented in 2020/2021 (ex-post vote)**	**GM resolution**
3.4.1 – Principles common to all corporate officers	Paragraph A		Paragraph B global ex-post vote	**5th resolution**
3.4.2 – Policy specific to non-executive corporate officers	Paragraph A		Paragraph B	
3.4.2.1 – Policy specific to directors of the Board	Paragraph A	**9th resolution**	N/A	N/A
3.4.2.2 – Policy specific to the Chairman of the Board	Paragraph A		Paragraph B so-called individual ex-post vote	**6th resolution**
3.4.3 Remuneration policy for the Chief Executive Officer	Paragraph A		Paragraph B so-called individual ex-post vote (i) Yann Caillère, Chief Executive Officer until 6 January 2021 (ii) Franck Gervais, Chief Executive Officer from 7 January 2021	**7th resolution** **8th resolution**

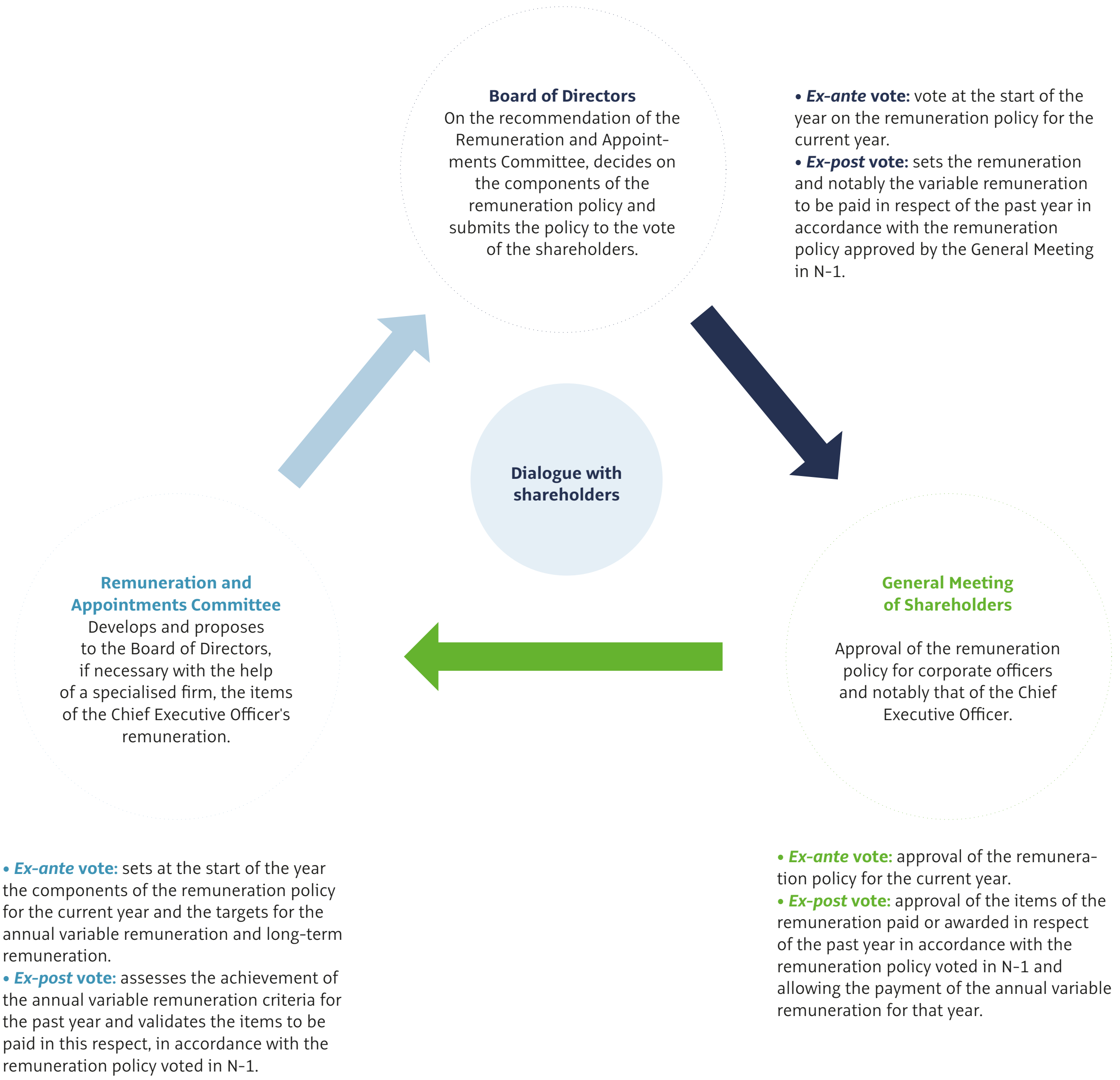
The principles and rules to determine the remuneration and benefits granted to the Company's corporate officers and executives, whether or not they are corporate officers, are established by the Company's Board of Directors, on the recommendation of the Appointments, Remuneration and Governance Committee.

The remuneration policy thus established takes into account the corporate interest of the Company and its subsidiaries, the expectations of the shareholders, as well as the remuneration and employment conditions of the employees of the Company and its subsidiaries, and contributes to the business strategy and the sustainability of the Company and the Group.

Order No. 2019-1234 of 27 November 2019, issued pursuant to the Pacte Act, extended the so-called ex-post vote of the General Meeting to include:

- a "global" ex-post vote on the information provided for in Article L.225-37-3 I of the French Commercial Code, reflecting the implementation of the remuneration policy for each of the corporate officers (directors and executive corporate officers) for the past financial year;
- an "individual" ex-post vote on the fixed, variable and exceptional items making up the total remuneration and benefits of all kinds of the Chairman of the Board and the Chief Executive Officer in respect of their office; as such, shareholder approval relates (i) to items and benefits granted in respect of the past financial year, as before the entry into force of the Order and (ii) also, now, to items and benefits paid during the past financial year, regardless of the financial year to which they relate.

The discussion and decision-making process to determine and approve the remuneration policy for corporate officers, and its implementation, are set out below:



3.4.1 General principles underpinning the remuneration policy for corporate officers

Determination process – conflict of interest management

The elements of remuneration of the Company's corporate officers and the remuneration policy within which they are remunerated are determined by the Board of Directors, on the recommendation of the Remuneration and Appointments Committee.

In addition to the specific features of the Group, its strategy and continuity, the Board and the Committee are committed to taking into account the expectations of shareholders, as expressed where appropriate, particularly at Shareholders' Meetings.

In order to eliminate any conflict of interest in determining the remuneration policy, the Board deliberates and decides without the presence of the executive corporate officers for decisions concerning them. If they are directors, they do not take part in the debate and vote on these decisions.

In addition, when setting the remuneration of corporate officers, the Board seeks to limit the creation of specific conflicts of interest. The simplicity of the remuneration structure for corporate officers, including executive corporate officers, as well as the search for alignment of interests between all stakeholders tends to limit the emergence of conflicts of interest related to the remuneration policy.

Objectives of the remuneration policy

The remuneration policy for the corporate officers of Pierre et Vacances SA is designed to provide long-term support for the Group's strategy, reflect the characteristics of its governance and shareholding structure, adapt to the situation of the Company and the Group and thus best serve the interests of the Company. It also strives to be consistent with the remuneration principles governing the management bodies, in particular the Group Executive Committee.

The remuneration structure emphasises simplicity, clarity and prudence. The Committee and the Board shall also ensure the comprehensiveness and transparency of its description.

The Committee and the Board also ensure, on an annual basis, that the remuneration policy for corporate officers contributes to the alignment of interests between officers, shareholders and employees. In particular, the structure of the remuneration and its evolution must not be inconsistent with the Group's performance and its development, nor with the development of the remuneration of the Group's employees, in particular its key managers. In this sense, the remuneration policy must also contribute to retaining talent within the Group, to enable the achievement of the strategic plan over its entire duration and to boost the Group's long-term development.

Reference to the AFEP-MEDEF Code

The process for determining the remuneration policy for the corporate officers of Pierre et Vacances SA also considers the recommendations of the AFEP-MEDEF Code, to which the Company refers, whenever they are compatible with the specific features of the Group and its strategy.

As such, the remuneration policy for the corporate officers of Pierre et Vacances SA, notably its executives, incorporates the following principles:

- comprehensiveness and transparency: for each of the corporate officers, all the remuneration elements due in respect of their office are published and precisely described, accompanied by information on any other remuneration element, where applicable, due to the corporate officer in another capacity (employment contract or other mandate within the Group in particular);
- comparability and consistency: remuneration is established and assessed according to several elements (sector context, level of responsibility, etc.) that contribute to its consistency, both intrinsic and in relation to the remuneration of the Group's executives. In particular, the remuneration policy aims to ensure an effective correlation between remuneration levels, Group performance and the motivation of executives, especially executive managers. The remuneration structure is also designed to apply over time (consistency in structure and amounts), subject to cyclical elements that may require a temporary adaptation of the components and/or amounts. In any event, it is reviewed annually by the Remuneration and Appointments Committee and by the Board of Directors in order to ensure that it remains consistent and relevant with regard to the objectives of the remuneration policy and changes in the context, the sector and the Group (below);
- transparency: the principles and structure of the remuneration of corporate officers are based on simplicity, stability and transparency, making it easier for all stakeholders, particularly shareholders, to understand them;
- prudence: the determination of the remuneration structure and its components is designed to reflect and reconcile the corporate interest of the Company and the Group, the development plan and the interests of all stakeholders.

Leading role in *Société d'Investissement Touristique et Immobilier* (S.I.T.I.)

Société d'Investissement Touristique et Immobilier (a company controlled by Gérard Brémond, founder, majority shareholder and Chairman of the Board of Directors of Pierre et Vacances SA) is the Group's holding company.

In the interests of efficiency, the management agreement between S.I.T.I. and the Company provides for the provision by S.I.T.I. of various services, including remunerated chairmanship and general management. Thus, the Chairman of the Board and the Chief Executive Officer, both of whom hold a position within S.I.T.I., each receive their full remuneration from S.I.T.I., which invoices the Company in the form of fees for the portion of this remuneration corresponding to the performance of the duties of Chairman and Chief Executive Officer of the Company (increased by the related employer's contributions, other direct costs – travel expenses, premises costs, secretarial expenses – and with the application of a margin of 5%).

This management agreement will be terminated concurrently with the definitive completion of the Backing Process.

Equally, certain Group management functions (Deputy Chief Executive Officer, Chief Financial Officer, Director of Communication and General Secretary) were historically performed by S.I.T.I. employees seconded to the Group pursuant to the management agreement, and the entirety of the corresponding remuneration was re-invoiced to the Company applying the same 5% margin. With a view to clarifying the Group's functional organisation chart, the four employees concerned were transferred to GIE PVCP Services Holding as of the 2021/2022 financial year, allowing the Company to save the aforementioned 5% margin.

3.4.2 Remuneration policy for non-executive corporate officers

3.4.2.1 Director remuneration

A) Principles of remuneration

The remuneration policy for the directors of Pierre et Vacances SA consists of (i) the general principles set out in paragraph 3.4.1 above, common to all corporate officers of Pierre et Vacances SA (executive and non-executive corporate officers) and (ii) specific principles, information and items as set out in this paragraph (3.4.2).

The remuneration policy for non-executive corporate officers is systematically reviewed by the Remuneration and Appointments Committee each time such a review is required and, notably, in order to take into account changes in the composition of the Board or specific circumstances liable to influence the financial health of the Company. Thus, it was last approved by the General Meeting of 1 February 2021 (10th resolution: Approval of the remuneration policy for directors for the 2020/2021 financial year; setting of the maximum amount of annual remuneration provided for in Article L.225-45 of the French Commercial Code).

In accordance with the policy submitted to it, the General Meeting of 1 February 2021 set the maximum annual amount of remuneration that the Board of Directors may distribute among its members and those of the specialised committees at €300,000.

In accordance with the recommendations of the AFEP-MEDEF Code, the rules for allocating among directors the total annual remuneration decided by the Shareholders' Meeting (formerly attendance fees) largely take into account their effective participation in meetings of the Board and, where applicable, of the Board's Committees.

The amount and the terms of payment of this remuneration, in the context of the COVID-19 health crisis, comply with the policy approved by the General Meeting of 1 February 2021, and are as follows:

- directors meeting the following criteria do not receive any remuneration for their directorship: (i) directors with an employment contract for an indefinite period of time with Pierre et Vacances SA or with one of the companies controlled by Pierre et Vacances SA within the meaning of Article L.233-16 of the French Commercial Code or with S.I.T.I., including directors representing employees, and (ii) directors whose remuneration paid by S.I.T.I. in respect of a directorship is invoiced by S.I.T.I. to companies in the Pierre & Vacances-Center Parcs Group under the management agreement between them (see above);
- each of the directors other than those meeting the above non-eligibility criteria is entitled to receive a total sum of €27,000 (before taxes and withholdings at source in accordance with applicable legislation) as remuneration for his or her term of office as a director for the 2020/2021 financial year (subject to attendance at 100% of the Board meetings);
- this total amount, €27,000, will be reduced in proportion to the number of meetings of the Board of Directors in which the director did not participate, in relation to the total number of meetings held during the financial year; thus, as from the second meeting the director did not attend, a €5,000 reduction shall be applied per missed meeting;
- equally, the following will be allocated:
  - to directors who are members of the Audit Committee (other than those meeting the above-mentioned non-eligibility criteria) an additional remuneration of €1,000 for each meeting of the Audit Committee in which they effectively participate, the Chairman of the Audit Committee also receiving a fixed fee of €1,000 per financial year,
  - to directors who are members of the Remuneration and Appointments Committee (other than those meeting the above-mentioned non-eligibility criteria) an additional remuneration of €1,000 for each meeting of the Remuneration and Appointments Committee in which they effectively participate, the Chairman of the Remuneration and Appointments Committee also receiving a fixed fee of €1,000 per financial year,
  - to directors who are members of the CSR Committee (other than those meeting the above-mentioned non-eligibility criteria) an additional remuneration of €1,000 for each meeting of the CSR Committee in which they effectively participate, the Chairman of the CSR Committee also receiving a fixed fee of €1,000 per financial year.

Remuneration policy for 2021/2022

This policy was adopted by the Board of Directors at its meeting of 30 November 2021, based on the recommendations of the Remuneration and Appointments Committee. The Board has concluded that the rules for allocating directors' remuneration applied until now are appropriate, notably for the 2020/2021 financial year, and are therefore essentially renewed for the 2021/2022 financial year; these rules make it possible to significantly take into account the directors' attendance record.

The General Meeting of 31 March 2022 is invited to vote on this policy and to this end to approve the following resolution (9th resolution – ex-ante vote):

"(Approval of the remuneration policy for the Company's corporate officers)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report on the Company's corporate governance referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to the provisions of Article L.22-10-8 of the French Commercial Code, the remuneration policy applicable to all of the Company's corporate officers, as presented in this report."

Finally, it should be recalled that, in accordance with the provisions of Article L.22-10-34 I of the French Commercial Code, the payment of the remuneration to be paid to the directors in consideration of the exercise of their mandate in respect of the 2021/2022 financial year will require the approval of the General Meeting called to approve the accounts for the financial year ended 30 September 2021 under the so-called global ex-post vote (approval of the remuneration policy implemented in 2020/2021).

B) Implementation of the remuneration policy for 2020/2021

Pursuant to the decision of the Board of Directors of 24 November 2020, the terms of distribution of the directors' remuneration remained identical to those applicable in 2019/2020.

At its meeting of 30 November 2021, the Board of Directors, on the recommendation of the Remuneration and Appointments Committee, allocated among its members the remuneration package (formerly attendance fees) decided for the 2020/2021 financial year by the General Meeting of 1 February 2021.

For the 2020/2021 financial year, this global amount totalled €300,000.

The total amount of remuneration awarded to non-executive corporate officers in respect of the 2020/2021 financial year pursuant to the remuneration policy set out in paragraph A of this section thus amounted to €289,000 (compared to €280,000 for the 2019/2020 financial year) broken down as indicated in the table below according to the attendance rates for each of them and indicated in paragraph 3.3.2.3 of this document.

Remuneration received by non-executive corporate officers (Table 3 of the AMF nomenclature)

	FY 2020/2021		FY 2019/2020	
(in €)	Remuneration granted for the financial year(1)	Remuneration paid during the financial year(1)	Remuneration granted for the financial year(1)	Remuneration paid during the financial year(1)
S.I.T.I., represented by Olivier Brémond	27,000	27,000	27,000	NA
Delphine Brémond, *director*	27,000	27,000	27,000	25,000
Andries Arij Olijslager, *director*	30,000	30,000	30,000	33,000
Annie Famose, director	29,000	29,000	29,000	33,000
Bertrand Meheut, *director*(2)	13,718	30,000	30,000	30,000
BM Conseil, represented by B. Meheut, *director*(2)	19,282	NA	NA	NA
Alma Brémond, *director*	27,000	27,000	27,000	30,000
Amélie Blanckaert, *director*	32,000	29,000	29,000	30,000
Jean-Pierre Raffarin, *director*	27,000	27,000	27,000	30,000
Léo Brémond, *director*	27,000	27,000	27,000	22,500
Marie-Christine Huau, *director*	30,000	27,000	27,000	NA
Emmanuel de Pinel de la Taule, *director representing employees*	None(3)	NA	NA	NA
Dominique Girard, *director representing employees*	None(3)	NA	NA	NA

(1) Amounts are before tax and withholdings at source in accordance with applicable legislation.
(2) Replacement of Bertrand Meheut by BM Conseil, represented by Bertrand Meheut (Board of Directors' meeting of 12 April 2021) for the remainder of Bertrand Meheut's term of office, i.e. until the end of the General Meeting called to approve the financial statements for the year ended 30 September 2021.
(3) Emmanuel de Pinel de la Taule and Dominique Girard, directors representing employees, receive remuneration in their capacity as employees of Pierre et Vacances and do not receive remuneration in their capacity as directors representing employees.

With the exception of Emmanuel de Pinel de la Taule and Dominique Girard, directors representing employees, the members of the Board of Directors (non-executive corporate officers) did not receive any other remuneration or benefits from the Company during the 2020/2021 financial year. Moreover, no remuneration other than that mentioned above and paid by the Company was paid to non-executive corporate officers of the Company by other Group companies during this financial year.

3.4.2.2 Remuneration policy for the Chairman of the Board of Directors

This section describes the remuneration policy for Gérard Brémond as Chairman of the Company's Board of Directors (part A) and its implementation for the 2020/2021 financial year (part B). This section also describes Gérard Brémond's proposed remuneration as a Group employee in the event of the definitive completion of the Backing Process (part C).

A) Principles of remuneration

The remuneration policy for the Chairman of the Board of Directors of Pierre et Vacances SA consists of (i) the general principles set out in paragraph 3.4.1 above, common to all corporate officers of Pierre et Vacances SA (non-executive corporate officers) and (ii) specific principles, information and items as set out in this paragraph 3.4.2.2.

In accordance with the provisions of Article L.225-10-8 II of the French Commercial Code, this policy will be submitted to the shareholders for approval at the General Meeting of 31 March 2022 (9th resolution – ex-ante vote).

In accordance with the general principles on which the remuneration policy for corporate officers is based, simplicity and prudence governed the choice of the remuneration structure for the Chairman of the Board of Directors, which is limited to a fixed annual salary and health and welfare benefits available for all the Group's managers and employees, to the exclusion of any other element. Following the separation of the functions of Chairman and Chief Executive Officer decided on 9 February 2018 with effect from 3 September 2018, the Board considered that such a structure was the most appropriate to support the development strategy of Pierre et Vacances SA.

The Chairman of the Board receives his full remuneration from Société d'Investissement Touristique et Immobilier – S.I.T.I., which is re-invoiced by S.I.T.I. to the Company, in accordance with the management agreement between the Company and S.I.T.I. (above).

It should also be noted that the term of office of Gérard Brémond as Chairman of the Board is equal to his term of office as a director, i.e. a three-year term ending at the close of the General Meeting called to approve the financial statements for the year ended 30 September 2021, scheduled on 31 March 2022.

Remuneration policy for the 2021/2022 financial year

At its meeting of 30 November 2021, the Board reviewed the relevance of the aforementioned policy and, on the recommendation of the Remuneration and Appointments Committee, decided, for the 2021/2022 financial year, to renew the policy and the fixed remuneration and benefits in kind awarded to Gérard Brémond in respect of his term of office as Chairman of the Board of Directors of Pierre et Vacances SA notably in view of:

- the approval by the General Meeting of 1 February 2021 of the remuneration items determined for the 2020/2021 financial year;
- the Company's and the Group's position and the strategy for the 2021/2022 financial year.

Chairman's remuneration items for the 2021/2022 financial year

Fixed remuneration	€500,000 (gross)
Variable remuneration	n/a
Special remuneration	n/a
Stock options, performance shares or other long-term benefits	n/a No long-term benefits, of any kind, will be available to the Chairman in respect of the 2021/2022 financial year due to his office.
Remuneration for directorship	n/a For the 2021/2022 financial year, the Chairman will not receive any remuneration for serving as a director of the Company.
Benefits in kind	As a benefit in kind, the Chairman is entitled to (i) the use of a company car and (ii) eligibility for health and welfare benefits available to all Group managers and employees.
Severance pay or pay for taking office	n/a There are no commitments relating to the start or termination of the duties of Chairman.
Additional retirement benefits	n/a There is no commitment on additional retirement benefits for the Chairman of the Company by virtue of his office.
Non-competition remuneration	n/a The termination of the duties of the Chairman shall not entitle him to any non-competition indemnity in respect of his office.

The General Meeting of 31 March 2022 is invited to vote on this policy and to this end to approve the following resolution (9th resolution – ex-ante vote):

(Approval of the remuneration policy for the Company's corporate officers)

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report on the Company's corporate governance referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to the provisions of Article L.22-10-8 of the French Commercial Code, the remuneration policy applicable to all of the Company's corporate officers, as presented in this report.

B) Implementation of the remuneration policy for the 2020/2021 financial year

Remuneration policy for the Chairman of the Board of Directors, Gérard Brémond, applied for the 2020/2021 financial year (ex-post vote on remuneration)

The remuneration package for the Chairman of the Board of Directors, Gérard Brémond, for the 2020/2021 financial year was approved at the General Meeting of 1 February 2021 (details presented on page 54 of the 2019/2020 Universal Registration Document).

In line with the objectives set and taking into account the support of the shareholders, it was decided to grant the Chairman of the Board, for the 2020/2021 financial year, the same remuneration as that granted to him for the 2019/2020 financial year.

Thus, in accordance with the summary table below, the remuneration of Gérard Brémond for his office as Chairman of the Board of Directors of Pierre et Vacances SA is limited to:

(i) fixed remuneration of a total (gross) amount of €500,000, it being specified that, in the context of the COVID-19 crisis, Gérard Brémond waived a portion of this amount (30% reduction as of 1 February 2020 and for three months), so that the amount actually paid to him in respect of his fixed annual remuneration for 2020/2021 amounted to €462,168; and

(ii) the following benefits in kind: eligibility for the health and welfare benefits available to all Group managers and employees;

to the exclusion of any other element of remuneration or benefit.

This remuneration was paid to him by the Société d'Investissement Touristique et Immobilière (S.I.T.I.) and was then re-invoiced to Pierre et Vacances SA in accordance with the provisions of the current management agreement between them.

Remuneration and benefits of any kind granted to Gérard Brémond in respect of the 2020/2021 financial year or paid to Gérard Brémond in respect of the 2020/2021 financial year, in respect of his mandate as Chairman of the Board of Directors

	FY 2020/2021		FY 2019/2020	
(in €)	Amounts allocated(1)	Amounts paid(2)	Amounts allocated(1)	Amounts paid(2)
Fixed remuneration	462,168	462,168(4)	475,000	475,000(3)
Variable remuneration	-	-	-	-
Special remuneration	-	-	-	-
Director's remuneration	-	-	-	-
Benefits in kind	-	-	1,386	1,386
Options granted during the year	-	-	-	-
Performance shares granted during the year	-	-	-	-
Other long-term remuneration plans	-	-	-	-
Non-competition remuneration	-	-	-	-
Severance pay or pay for taking office	-	-	-	-
Supplementary retirement plan	-	-	-	-
Other remuneration(5)	-	-	-	-

(1) Remuneration granted in respect of the financial year in question shall include any element of remuneration and any benefit actually granted in consideration of the duties performed during that financial year, whether paid or received during that financial year or during a subsequent financial year.

(2) Remuneration paid during the financial year in question includes all remuneration and benefits actually paid or received during that financial year, regardless of the financial year to which they relate.

(3) In view of the 30% reduction in the fixed annual remuneration awarded to Gérard Brémond in respect of the 2019/2020 financial year in the context of the COVID-19 health crisis, with effect from 1 April 2020 for a period of two months, period during which the partial activity arrangements were significantly in force within the Group in France.

(4) In view of the 30% reduction in the fixed annual remuneration awarded to Gérard Brémond in respect of the 2020/2021 financial year in the context of the COVID-19 health crisis, with effect from 1 February 2021 for a period of three months, period during which the partial activity arrangements were significantly in force within the Group in France.

(5) Gérard Brémond does not receive any other remuneration from Pierre et Vacances SA or from any company included in the scope of consolidation of Pierre et Vacances SA in any capacity whatsoever.

The remuneration awarded to Gérard Brémond for the 2020/2021 financial year is therefore fully in line with the remuneration policy approved by the General Meeting of 1 February 2021. It contributes, through its simplicity, prudence and stability, to the Company's development strategy.

Ex-post vote on the elements of remuneration allocated or paid to the Chairman of the Board in respect of or during the 2020/2021 financial year

In accordance with the provisions of Article L.22-10-34 II of the French Commercial Code, the General Meeting of 31 March 2022 will be asked to approve the items (fixed, variable and exceptional items) making up the total remuneration and benefits of any kind paid during the 2020/2021 financial year or allocated in respect of the same 2020/2021 financial year to Gérard Brémond by virtue of his term of office as Chairman of the Board of Directors.

The General Meeting of 31 March 2022 is therefore invited to vote on the following resolution: (6th resolution – ex post vote):

(Approval of the fixed, variable and exceptional items of the total remuneration and benefits of any kind paid during the 2020/2021 financial year or allocated in respect of the 2020/2021 financial year to Gérard Brémond in his capacity as Chairman of the Board of Directors)

"The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report on the Company's corporate governance referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to the provisions of Article L.22-10-34 of the French Commercial Code, the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid in, or granted in respect of, the 2020/2021 financial year to Gérard Brémond by virtue of his office as Chairman of the Board of Directors, as presented in this report."

C) Proposed remuneration for Gérard Brémond in the event of the definitive completion of the Backing Process

As part of the Backing Process, Gérard Brémond is expected to resign from all his offices at the Group. He would then become an employee of the Company or one of its subsidiaries. The remuneration conditions attached to his future employment contract are described below. This proposed remuneration is not subject to the approval of the General Meeting of 31 March 2022 and will not be submitted to the General Meeting called in 2022 to approve the Backing Project, insofar as it does not fall within the scope of Article L.22-10-8 of the French Commercial Code, as Gérard Brémond will no longer hold a corporate office at the Group in the event of the definitive completion of the Backing Process. Therefore, the details thereof are presented in this Universal Registration Document for information purposes only.

Annual remuneration

Under his employment contract, Gérard Brémond would receive gross annual remuneration of €333,333.

Long-term annual remuneration

As long-term annual remuneration, 20,500,000 preference shares would be allocated free of charge to Gérard Brémond. These preferred shares may be converted, subject to the achievement of performance criteria, into an equal number of ordinary shares as of the expiry of their lock-in period.

Preference share vesting period:

One year.

Preference share lock-in period:

One year from the end of the vesting period (without prejudice to the contractual obligation of non-transferability of preference shares).

Attendance condition:

In the event that Gérard Brémond's employment contract is terminated prior to the end of the lock-in period due to (i) his resignation (for a reason other than disability or long-term illness) or (ii) dismissal for gross misconduct, and except in the event that a public offering would have triggered the convertibility of all or a portion of the preference shares, all preference shares would automatically be converted into a single ordinary share.

Features of the preference shares:

Subject to certain exceptions, the preference shares would be inalienable and would confer no voting or financial rights. The preference shares may be converted into ordinary shares at the request of the beneficiary if the performance criteria described below are met (i) within a period of five years following the grant date of the preference shares (the "Initial End Date") or, (ii) in the absence of a public offering on the Company's shares no later than the Initial End Date, on the earlier of the following two dates (the "Final End Date"): the settlement-delivery date of a public offering or the seventh anniversary of the grant date. Preference shares not yet converted by the cut-off date would automatically be converted into a single ordinary share.

Performance criteria for the conversion of preference shares:

The number of preference shares that could be converted would depend on the achievement, by the Initial End Date (or, in the absence of settlement-delivery of a public offering by said date, the Final End Date), of average share prices weighted by target volumes calculated over a rolling 60-day period or, in the event of settlement-delivery of public offering, before the Initial End Date or, where applicable, the Final End Date, based on the price of the public offering.

3.4.3 Remuneration policy for the Chief Executive Officer

Summary table of the process for validating the remuneration policy for Yann Caillère, Chief Executive Officer until 6 January 2021, and for Franck Gervais, Chief Executive Officer as of 7 January 2021:

Chief Executive Officer	Start of term of office	Resignation	Policy applicable to remuneration for the 2020/2021 financial year	Policy applicable to remuneration for the 2021/2022 financial year
Yann Caillère	02/09/2019	06/01/2021		N/A
Franck Gervais	07/01/2021	N/A	Approved by the General Meeting of 1 February 2021	Subject to approval by the General Meeting of 31 March 2022

The remuneration policy in force during Yann Caillère's term of office was published in the Company's Universal Registration Document for the 2019/2020 financial year (section C, page 54). It was approved at the General Meeting of 1 February 2021.

This section presents the remuneration policy as adjusted when Franck Gervais was appointed as Chief Executive Officer of the Company (part A) and its implementation for the 2020/2021 financial year (part B). This section also presents the draft remuneration policy for Franck Gervais as Chief Executive Officer of the Company in the event of the definitive completion of the Backing Process (part C). This draft remuneration policy is not subject to approval by the General Meeting of 31 March 2022; it will be the subject of a dedicated resolution at a subsequent General Meeting to be held in 2022 to approve the Backing Process.

A) Principles of remuneration

The remuneration policy for the Chief Executive Officer of Pierre et Vacances SA for the 2020/2021 financial year consists of (i) the general principles set out in paragraph 3.4.1 above, which are common to all the corporate officers of Pierre et Vacances SA (directors and executives) and (ii) the specific principles, information and items detailed in this paragraph.

The remuneration policy for the Chief Executive Officer is reviewed each year by the Board of Directors on the recommendation of the Remuneration and Appointments Committee. In accordance with the guiding principles governing the remuneration policy for corporate officers, the Board ensures that the components of the remuneration of the Chief Executive Officer, as an executive officer, are closely aligned with strategy, promote the Group's development and reward the Group's performance and growth. In order to make the remuneration policy for the Chief Executive Officer easier to read and understand, the Board also strives to comply with the objectives of simplicity and prudence.

It should be recalled that the Chief Executive Officer receives his full remuneration from the Société d'Investissement Touristique et Immobilier – S.I.T.I., which is re-invoiced by S.I.T.I. to the Company, in accordance with the management agreement between the Company and S.I.T.I.

It should also be recalled that the term of office of Franck Gervais as Chief Executive Officer will expire at the end of the General Meeting called to approve the financial statements for the financial year ending 30 September 2023. It will be renewed, at the end of 2023, for a new term of three years, by the Board of Directors, on the recommendation of the Remuneration and Appointments Committee, if applicable.

At its meeting of 30 November 2021, the Board reviewed the relevance of the policy defined for the 2020/2021 financial year and, on the recommendation of the Remuneration and Appointments Committee, decided, for the 2021/2022 financial year, to renew the structure of the Chief Executive Officer's remuneration, notably in view of:

- the approval by the General Meeting of 1 February 2021 of the remuneration items determined for the 2020/2021 financial year;
- the Company's and the Group's position and the strategy for the 2021/2022 financial year;
- the specificities of the tourism sector, which has been particularly affected by the health crisis, and the priority missions of the Chief Executive Officer in this context, i.e. the preservation of the Group's sustainability and performance in compliance with the fundamentals of its CSR policy.

Given the uncertainties affecting the duration and, correlatively, the extent and impact of the COVID-19 health crisis, the Board, in agreement with the Remuneration and Appointments Committee, wished (i) to integrate the health crisis, the management of which is essential for the pursuit of the Group's activities and strategy and (ii) to reserve the right to adjust, if necessary, some of the objectives underlying the granting of all or part of the variable remuneration of the Chief Executive Officer. Any adjustment that the Board may exceptionally decide to make will be made public as soon as the Board has made its decision.

The adjustments made to the Chief Executive Officer's remuneration policy for the 2020/2021 financial year when Franck Gervais was appointed, and the inclusion of said adjustments in the Chief Executive Officer's remuneration policy for the 2021/2022 financial year, were approved, on the recommendation of the Remuneration and Appointments Committee of 1 June 2021, by the Board of Directors of 1 June 2021.

Annual fixed remuneration

Annual fixed remuneration is reviewed, in accordance with the AFEP-MEDEF Code, once a year. It is determined taking into account the scope of the Chief Executive Officer's responsibilities and the evolution of the Group's size and profile. It is also compared with the remuneration paid to executives of comparable companies in the tourism sector.

At its meeting of 1 June 2021, and on the recommendation of the Remuneration and Appointments Committee of 1 June 2021, the Board approved a 10% increase in the Chief Executive Officer's annual fixed remuneration (from €500,000 (gross) for the 2020/2021 financial year to €550,000 (gross) for the 2021/2022 financial year).

Variable remuneration

Annual variable remuneration is determined based on the achievement of precise and demanding quantitative and qualitative targets, aligned with the Group's strategy and priorities. These targets are set annually by the Board of Directors, on the proposal of the Remuneration and Appointments Committee. The amount of variable remuneration is determined by the Board of Directors, on the recommendation of the Remuneration and Appointments Committee, at the end of the reporting period in respect of which it applies. This assessment is carried out, for the quantitative targets, on the basis of financial indicators and other figures defined at 30 September, and, for the qualitative targets, also previously defined, on the basis of concrete achievements by the Chief Executive Officer.

As regards annual variable remuneration, the Board of Directors of 1 June 2021 agreed to increase its maximum amount (gross) from €400,000 to €450,000 as of the 2021/2022 financial year, i.e. an increase of 12.5%.

The objectives governing the achievement of all or part of the variable remuneration are based on four main objectives identified as priorities for the preservation of the Group's interests.

The criteria used are:

The following two quantitative criteria (representing 60% of the criteria used to determine variable remuneration):

- operating profit (loss) from ordinary activities: 40%;
- cash: 20%.

The following two qualitative criteria (representing 40% of the criteria used to determine variable remuneration):

- CSR criteria: 20%;
- individual assessment: 20%.

The weighting of these criteria was modified compared to the policy approved by the General Meeting of 1 February 2021 by the Board of Directors at its meeting of 1 June 2021, on the recommendation of the Remuneration and Appointments Committee of 1 June 2021, and went from 70% to 60% for quantitative criteria and from 30% to 40% for qualitative criteria.

The Chief Executive Officer's theoretical annual variable remuneration represents up to 82% of the Chief Executive Officer's fixed annual remuneration.

With regard to the variability of the amount, as from the minimum threshold (i.e. 80%), 50% of the amount allocated to the target in question is due, this percentage being increased linearly to 150% if the maximum performance threshold is reached (120% of the target).

In the event of the termination of the Chief Executive Officer's duties at the Company, the annual variable remuneration will be paid, after approval by the General Meeting, according to the achievement of the targets set for the financial year in question, on a prorata temporis basis taking into account how long the Chief Executive Officer was on duty during the financial year in question.

Long-term annual remuneration

As regards long-term annual remuneration: the Board, at its meeting of 1 June 2021, reiterated the Chief Executive Officer's eligibility for a free allocation of performance shares (it being specified that, in view of the health crisis, no allocation was made to the Chief Executive Officer during the 2020/2021 financial year).

Attendance conditions:

In the event of termination of his term of office as Chief Executive Officer by the end of the financial year ended 30 September 2023, the Chief Executive Officer would lose the performance shares granted, except in the event of death or disability.

However, in the event of dismissal or non-renewal without just cause, including in the event of non-renewal of the term of office following the termination of the Chief Executive Officer's duties, he shall retain, on a prorata temporis basis, his rights to acquire performance shares at the end of the fixed vesting period and under the conditions set by the plan's regulations, notably as regards the achievement of the performance criteria.

Performance criteria:

Allocation of bonus shares according to the threshold reached in relation to the Group's annual budgets as determined by decision of the Board.

Annual allocation of free performance shares:

The 28th resolution of the General Meeting of 5 February 2020 provides for the allocation of a maximum of 5% of the share capital, i.e. a maximum of 24,734 shares.

It provided for the allocation of 30,000 shares based on a price of €15 for the 2020/2021 financial year, of 36,000 shares based on a price of €25 for the 2021/2022 financial year, and of 32,000 shares based on a price of €30 for the 2022/2023 financial year. No free performance shares were allocated to the Chief Executive Officer over the past financial year.

Mission, travel, accommodation and entertainment expenses

Reimbursement, with supporting documentation, of expenses incurred in the performance of his duties as Chief Executive Officer.

Other benefits

- A company car.
- Payment of fees for external legal advice, within a limit of 20 hours.
- The Chief Executive Officer is also eligible for pension plans in the same way as other Group executives and employees.

Job loss insurance

Franck Gervais will benefit from job loss insurance provided through a Corporate Guarantee for Company directors (French "Garantie Sociale des Chefs d'Entreprise"). The term of the guarantee will cover a period of 18 months following the end of the employment contract and will correspond to 70% of the gross fixed salary.

Civil liability insurance policy

Civil liability insurance policy for executive corporate officers taken out and in force at the Group, covering the financial consequences of its civil liability towards third parties.

Severance pay in the event of termination of the Chief Executive Officer's duties at the Company's initiative

In the event of early termination of Franck Gervais's duties at the Company (other than at the initiative of the Chief Executive Officer), the Chief Executive Officer will receive severance pay in respect of the termination by agreement, or of non-renewal, of all his corporate offices corresponding to the total remuneration received by the Chief Executive Officer over the previous 12 months (fixed and variable), excluding in the event of termination for just cause.

The Board of Directors, at its meeting of 1 June 2021, on the recommendation of the Remuneration and Appointments Committee of 1 June 2021, approved the amendment of the remuneration policy and the integration of the severance pay thereto.

The items of the Chief Executive Officer's total remuneration and benefits of any kind for the 2021/2022 financial year, decided by the Board of Directors, are summarised in the table below.

Items of the Chief Executive Officer's remuneration for the 2021/2022 financial year	
Fixed remuneration	€550,000 (gross)
Variable remuneration	€450,000 (gross) if targets are fully met (i) as from the minimum threshold (i.e. 80%), 50% of the amount allocated to the target in question is due; (ii) this percentage being increased linearly to 150% if the maximum performance threshold is reached (120% of the target). In accordance with the provisions of Article L.22-10-34 II, paragraph 2, of the French Commercial Code, the payment of the variable remuneration to be granted to Franck Gervais in respect of the 2021/2022 financial year for his position as Chief Executive Officer is subject to the approval by the Ordinary General Meeting to be held in 2023 of the elements of his remuneration paid during the 2021/2022 financial year or granted in respect of the 2021/2022 financial year for his position as Chief Executive Officer.
Special remuneration	n/a
Stock options, performance shares or other long-term benefits	Eligibility for the free allocation of performance shares (for the characteristics of such an allocation, see above.
Remuneration for directorship	n/a Franck Gervais is a non-director Chief Executive Officer; however, he may be appointed as a director and combine these duties with those of Chief Executive Officer.
Benefits in kind	As a benefit in kind, the Chief Executive Officer benefits from (i) access to a company car, (ii) eligibility for the health and personal protection plans benefiting all Group executives and employees, (iii) job loss insurance (French GSC) for a period of 18 months following the end of his employment contract and corresponding to 70% of his gross fixed salary, and (iv) payment of fees for external legal advice, within a limit of 20 hours.
Severance pay or pay for taking office	Total remuneration received over the last 12 months (fixed and variable), excluding termination for just cause.
Additional retirement benefits	n/a There is no commitment on additional retirement benefits for the Chief Executive Officer of the Company by virtue of his office.
Non-competition remuneration	n/a The termination of the duties of the Chief Executive Officer does not entail any form of CEO compensation by virtue of the office.

Pursuant to the provisions of Article L.22-10-8 of the French Commercial Code, the payment of variable remuneration is subject to shareholder approval, at the Company's General Meeting, of the items of the Chairman and Chief Executive Officer's remuneration pursuant to the conditions stipulated by Article L.22-10-34 of the said Code.

The General Meeting of 31 March 2022 is invited to vote on this policy and to this end to approve the following resolution (9th resolution – ex-ante vote):

(Approval of the remuneration policy for the Company's corporate officers).

The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report on the Company's corporate governance referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to the provisions of Article L.22-10-8 of the French Commercial Code, the remuneration policy applicable to all of the Company's corporate officers, as presented in this report.

B) Implementation of the remuneration policy for the 2020/2021 financial year

Pursuant to the provisions of Article L.22-10-34 II of the French Commercial Code, the General Meeting of 31 March 2021 will be called upon to approve the items (fixed, variable and exceptional) making up the total remuneration and benefits of any kind paid during the 2020/2021 financial year or allocated in respect of the same 2020/2021 financial year to:

(i) Yann Caillère, in respect of his office as Chief Executive Officer until 6 January 2021; and

(ii) Franck Gervais, in respect of his office as Chief Executive Officer as of 7 January 2021.

The remuneration policy applied to the 2020/2021 financial year is the one approved by the General Meeting of 1 February 2021. A detailed description of this policy was published in the Universal Registration Document for the 2019/2020 financial year.

The remuneration of the Chief Executive Officer includes the following items:

- gross fixed remuneration of €500,000;
- variable remuneration of a target amount of €400,000;
- an exceptional bonus for specific targets set by common agreement with the Company's Board of Directors.

(i) Approval of Yann Caillère's remuneration for his office as Chief Executive Officer until 6 January 2021

The Board of Directors, at its meeting of 6 January 2021, duly noted the resignation of Yann Caillère from his offices as Chief Executive Officer and director. His remuneration was calculated on a prorata temporis basis and amounted to €145,161.

It should be recalled that the remuneration and benefits due to Yann Caillère, Chief Executive Officer until 6 January 2021, are paid to him by Société d'Investissement Touristique et Immobilière (S.I.T.I.), which re-invoices them to Pierre et Vacances SA in accordance with the stipulations of the management agreement in force between them.

The items of the total remuneration and benefits of any kind paid to Yann Caillère in respect of the 2020/2021 financial year in his capacity as Chief Executive Officer, as well as those paid to him in this capacity during this financial year (regardless of the financial year to which they are attached), are summarised in the table below:

Remuneration and benefits of any kind granted to Yann Caillère in respect of the 2020/2021 financial year or paid to Yann Caillère in the 2020/2021 financial year, by virtue of his mandate as Chief Executive Officer (Table 2 of the AMF nomenclature)

	FY 2020/2021		FY 2019/2020	
(in €)	Amounts allocated(1)	Amounts paid(2)	Amounts allocated(1)	Amounts paid(2)
Fixed remuneration	145,161(3)	145,161(3)	475,000	475,000(4)
Variable remuneration	-	240,000(5)	240,000(5)	-
Special remuneration	-	-	-	-
Director's remuneration	-	-	-	-
Benefits in kind	6,693	6,693	22,950	22,950
Options granted during the year	-	-	-	-
Performance shares granted during the year(1)	-	-	-	-
Other long-term remuneration plans	-	-	-	-
Non-competition remuneration	-	-	-	-
Severance pay or pay for taking office	-	-	-	-
Supplementary retirement plan	-	-	-	-
Other remuneration	-	-	-	-

(1) Remuneration granted in respect of the financial year in question shall include any element of remuneration and benefits actually granted in consideration of duties performed during that financial year, whether paid or received during that financial year or in a subsequent financial year.

(2) Remuneration paid during the financial year in question includes all remuneration and benefits actually paid or received during that financial year, regardless of the financial year to which they relate.

(3) Yann Caillère resigned from his directorship on 6 January 2021. In accordance with the remuneration policy of the Chief Executive Officer in force at the time, he received, for the period from 1 October 2021 to 6 January 2021, fixed remuneration of €145,161 (calculated pro rata temporis on the basis of a fixed annual remuneration of €500,000), to the exclusion of any other item of remuneration or benefit.

(4) In view of the 30% reduction in the fixed annual remuneration awarded to Yann Caillère in respect of the 2019/2020 financial year in the context of the COVID-19 health crisis, with effect from 1 April 2020 for a period of two months, period during which the partial activity arrangements were significantly in force within the Group in France.

(5) Taking into account the weighting of 60% of the variable remuneration granted by Yann Caillère in accordance with the policy of allocating variable remuneration shares paid to the Group's executive employees.

(6) The remuneration policy for the Chief Executive Officer for the 2020/2021 financial year includes the principle of a free allocation of performance shares to the Chief Executive Officer. As indicated, in the exceptional context linked to the COVID-19 health crisis, the Board, in agreement with the Chief Executive Officer, did not consider it appropriate to make such an allocation during the 2019/2020 financial year or the 2020/2021 financial year.

The General Meeting of 31 March 2022 is invited to decide on this policy and to this end to approve the following resolution (7th resolution – ex ante vote):

(Approval of the fixed, variable and exceptional items of the total remuneration and benefits of any kind paid during the 2020/2021 financial year or allocated in respect of the 2020/2021 financial year to Yann Caillère in his capacity as the former Chief Executive Officer).

"The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report on the Company's corporate governance referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to the provisions of Article L.22-10-34 of the French Commercial Code, the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid in, or granted in respect of, the 2020/2021 financial year to Yann Caillère by virtue of his former office as Chief Executive Officer, as presented in this report."

(ii) Approval of Franck Gervais's remuneration for his office as Chief Executive Officer as of 7 January 2021

On 30 November 2021, the Board of Directors approved, on the recommendation of the Remuneration and Appointments Committee, the remuneration to be awarded to Franck Gervais in respect of his office as Chief Executive Officer from 7 January 2021 to 30 September 2021:

Target variable remuneration amounts to a maximum of €400,000 gross if the targets are fully met (performance criteria set on 6 January 2021 and based on the Group's operating profit (loss) from ordinay activities, the reinforcement of the Company's equity, the finalisation of the Change Up plan, and the achievement of targets relating to the pursuit and update of the Group's CSR policy).

At the Board of Directors meeting of 1 June 2021, it was noted that the targets were no longer pertinent due to the effects of the health crisis; the Remuneration and Appointments Committee recommended that they be amended and aligned with the new criteria and objectives set for all Group employees, i.e. a maximum annual variable remuneration of €120,000, corresponding to 30% of total theoretical variable remuneration, prorated from 7 January, subject to the achievement of a consolidated revenue (excluding Adagio) for the fourth quarter of 2020/2021 greater than or equal to €350.8 million, i.e. 95% of the revised target for this period. Furthermore, if the achievement rate were between 95% and 100%, the 10% portion based on the Group target would be between 50% and 100%, determined every ten years and calculated on a linear basis.

In addition, in view of the Chief Executive Officer's involvement in the ongoing discussions between the Group and its partners, and notably (i) the negotiations on new agreements with institutional backers, (ii) the negotiations with individual lessors and the development of a new amendment proposal and, lastly, (iii) the receipt of offers and their negotiation with potential new investors as part of the Backing Process, the Board of Directors of 30 November 2021, assessing that the performance criteria were met and on the recommendation of the Remuneration and Appointments Committee, decided to pay the Chief Executive Officer's variable remuneration for the 2020/2021 financial year as provided for in the terms of his mandate letter and in the remuneration policy for the 2020/2021 financial year, representing a total gross amount of €400,000, including the €120,000 gross mentioned above, prorated as of 7 January 2021, i.e. a total amount of €293,548.

Lastly, an exceptional bonus of €100,000 was provided for, linked to the management of the health crisis, and also prorated to the tune of €73,387.

Total variable remuneration thus amounted to €366,935.

Remuneration and benefits of any kind granted to Franck Gervais in respect of the 2020/2021 financial year or paid to Franck Gervais in the 2020/2021 financial year, by virtue of his mandate as Chief Executive Officer (Table 2 of the AMF nomenclature)

	FY 2020/2021	
(in €)	Amounts allocated[(1)]	Amounts paid[(2)]
Fixed remuneration	329,437[(3)]	329,437
Variable remuneration	293,548[(4)]	-
Special remuneration	73,387[(4)]	-
Director's remuneration	-	-
Benefits in kind	4,509	4,509
Options granted during the year	-	-
Performance shares granted during the year[(5)]	-	-
Other long-term remuneration plans	-	-
Non-competition remuneration	-	-
Severance pay or pay for taking office	-	-
Supplementary retirement plan	-	-
Other remuneration	-	-

(1) Remuneration granted in respect of the financial year in question shall include any element of remuneration and benefits actually granted in consideration of duties performed during that financial year, whether paid or received during that financial year or in a subsequent financial year.
(2) Remuneration paid during the financial year in question includes all remuneration and benefits actually paid or received during that financial year, regardless of the financial year to which they relate.
(3) Franck Gervais's term of office took effect on 7 January 2021. Pursuant to the Chief Executive Officer's remuneration policy in force at the time, he received, for the period from 7 January to 30 September 2021, a fixed remuneration of €329,437 (calculated pro rata temporis on the basis of a fixed annual remuneration of €500,000 and of a reduction of fixed annual remuneration in the context of the COVID-19 health crisis, and this with effect from 1 February 2021 for a period of three months), to the exclusion of any other item of remuneration or benefit.
(4) The variable and exceptional portion of Franck Gervais's remuneration is paid prorata temporis over the entire financial year.
(5) The remuneration policy for the Chief Executive Officer for the 2020/2021 financial year includes the principle of a free allocation of performance shares to the Chief Executive Officer. As indicated, in the exceptional context linked to the COVID-19 health crisis, the Board did not consider it appropriate to make such an allocation during the 2020/2021 financial year.

C) Principles of remuneration in the event of definitive completion of the Backing Process

The remuneration principles applicable to the Chief Executive Officer (described in part A) would remain applicable in the event of the definitive completion of the Backing Process, subject to the matters described below.

Variable remuneration

The annual variable remuneration of a maximum gross amount of €450,000 would be maintained but the performance criteria would be revised according to targets which are yet to be defined.

Long-term annual remuneration

As long-term annual remuneration, preference shares would be allocated free of charge to the Company's management, including the Chief Executive Officer. These preference shares could be converted, subject to the fulfilment of performance criteria, into a number of ordinary shares representing up to 3.94% of the current share capital, of which 1/3 for the Chief Executive Officer, as from the fourth anniversary of their grant date.

Preference share vesting period:

One year, subject to the beneficiary's presence.

Preference share lock-in period:

Three years from the end of the vesting period (without prejudice to the contractual obligation of non-transferability of preference shares).

Attendance condition:

In the event the beneficiary leaves before the end of the lock-in period, all or part of his preference shares would be converted into a single ordinary share depending on the cause of departure (the number of vested shares being calculated by linear interpolation according to the time spent at the Group between the grant date and the 4th anniversary thereof (using a scale of 0 to 100% or of 0 to 75% depending on the cause of departure), except in the case of voluntary departure, termination/dismissal or non-renewal for misconduct, where no shares would vest).

Features of the preference shares:

The preference shares would be inalienable, and would confer no voting or financial rights. Preference shares could be converted into ordinary shares under the conditions set out below.

Performance criteria for the conversion of preference shares:

The number of preference shares that could be converted would depend on the achievement of performance thresholds linked to four criteria (available cash flows – understood as Tourism EBITDA less capital expenditure and taxes – for 37.5%; net Tourism revenue for 18.75%; Tourism EBITDA for 18.75%; and achievement of average share prices weighted by target volumes calculated over 60 rolling days during the vesting period for 25%) assessed over three consecutive one-year periods in the case of the first three criteria (FY 2022/2023, FY 2023/2024 and FY 2024/2025, with the possibility of catching up in the event of over-performance of a criterion during a financial year compared to the performance of the same criterion during the previous financial year), and over a period of three years for the last criterion.

Job loss insurance

Franck Gervais would benefit from job loss insurance provided through a Corporate Guarantee for Company directors (up to a maximum gross cost to the Company of €50,000 per year). The term of the guarantee would cover a period of 24 months following the end of the employment contract and would correspond to 70% of the gross fixed salary.

If the Chief Executive Officer's term of office were terminated during the insurance waiting period, a specific indemnity would be paid to him so that he would receive a gross amount equal to that which he would have received under the insurance contract.

Severance pay in the event of termination of the Chief Executive Officer's duties at the Company's initiative

Except in the event of the Chief Executive Officer's departure from the Group resulting from (i) a voluntary resignation, (ii) gross negligence, (iii) wilful misconduct or (iv) a significant criminal conviction, the CEO would receive, by way of contractual severance or non-renewal pay, a sum corresponding to his average gross monthly remuneration (fixed and variable) calculated over the previous 12 months, annualised, provided that the gross variable remuneration received over the financial year(s) preceding his departure is greater than 35% of his gross fixed remuneration.

Non-compete and non-solicitation commitment

A non-compete and non-solicitation commitment of 24 months from the termination of any position at the Group would be imposed on the Chief Executive Officer. In return for this commitment, the Company would undertake to pay the Chief Executive Officer 50% of his average gross monthly remuneration (calculated on the basis of his gross fixed and variable remuneration) received during the twelve months preceding the date of termination of his duties.

The non-compete commitment could be lifted or limited (in terms of length, activities and/or geographical scope) in whole or in part by the Company's Board of Directors during the three months following the Chief Executive Officer's departure, and the non-compete indemnity would only be due for the period during which the non-compete commitment would apply. The non-compete indemnity would be paid on a monthly basis, pursuant the rules of the AFEP-MEDEF Code.

It should be noted that if the sum of the non-compete indemnity and the severance pay exceeded the sum of the gross fixed remuneration and the gross variable remuneration received by the Chief Executive Officer during the 24 months preceding the date of his departure (the "Remuneration Cap"), the amount of the non-compete indemnity would be reduced accordingly (and the duration of the non-compete commitment would be reduced proportionally) so that the aforementioned sum would be equal to Remuneration Cap.

3.4 Summary of the remuneration of executive corporate officers

Summary of remuneration and options and shares granted to each executive corporate officer – Table 1 of the AMF AFEP-MEDEF nomenclature

(in €)	FY 2020/2021	FY 2019/2020
Gérard Brémond, Chairman of the Board of Directors		
Remuneration granted for the financial year	462,168	476,386
Value of multi-year variable remuneration granted during the financial year		
Value of options granted during the financial year	-	-
Value of free shares granted during the financial year	-	-
Value of other long-term remuneration plans		
TOTAL	**462,168**	**476,386**
Yann Caillère, Chief Executive Officer(2)		
Remuneration granted for the financial year	151,854	737,950
Value of multi-year variable remuneration granted during the financial year		
Value of options granted during the financial year	-	-
Value of free shares granted during the financial year		-
Value of other long-term remuneration plans		
TOTAL	**151,854**	**737,950**
Franck Gervais, Chief Executive Officer(3)		
Remuneration granted for the financial year	700,881	NA
Value of multi-year variable remuneration granted during the financial year		
Value of options granted during the financial year	-	NA
Value of free shares granted during the financial year		NA
Value of other long-term remuneration plans		
TOTAL	**700,881**	**0**

(1) At its meeting of 6 January 2021, the Board of Directors (i) duly noted the resignation of Yann Caillère as Chief Executive Officer and director and (ii) decided to appoint Franck Gervais as the new Chief Executive Officer (non-director) from 7 January 2021.
(2) Remuneration calculated on a prorata termporis basis.
(3) Remuneration calculated on a prorata temporis basis and taking into account a reduction in the fixed annual remuneration in the context of the COVID-19 health crisis, from 1 February 2021 for a period of three months.

Summary of commitments made to executive corporate officers (Table 11 of the AMF AFEP-MEDEF nomenclature)

Executive corporate officer	Employment contract	Supplementary retirement plan	Compensation benefits due or liable to be due if positions are discontinued or changed	Compensation relating to a non-compete clause
Gérard Brémond, Chairman of the Board of Directors Start of term of office: 03/10/1988 Term end date: at the end of the General Meeting called to approve the financial statements for the financial year ended 30 September 2021	No	No	No	No
Yann Caillère, Chief Executive Officer Start of term of office: 02/09/2019 Term end date: 06/01/2021	No	No	No	No
Franck Gervais, Chief Executive Officer Start of term of office: 07/01/2021 Term end date: at the end of the General Meeting called to approve the financial statements for the financial year ended 30 September 2023	No	No	Yes	No

The General Meeting of 31 March 2022 is invited to vote on the following resolution: (5th resolution – ex post vote):

(Approval of the information referred to section I of Article L.22-10-9 of the French Commercial Code regarding FY 2020/2021 remuneration for all corporate officers).

"The General Meeting, voting under the quorum and majority conditions required for Ordinary General Meetings, having reviewed the report on the Company's corporate governance referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to the provisions of Article L.22-10-34 of the French Commercial Code, the information referred to in Article L.22-10-9 I of the French Commercial Code, as presented in this report."

3.5 Capital remuneration items

3.5.1 Stock options and bonus shares

3.5.1 Stock options and bonus shares

Allocation policy

The grant policy followed hitherto by the Group identifies:

- occasional grants to a large number of Group managers;
- more regular grants, in principle on an annual basis, to key Group employees;
- special grants to Group employees (managers and non-managers).

This policy is likely to change during future financial years due to the legislative and regulatory changes in the accounting treatment for share options.

The Company states that, having signed up to the AFEP-MEDEF Corporate Governance Code:

- all bonus share plans are generally subject to performance-related conditions (with the exception of two plans, see table on pages 88 and 89);
- bonus shares are only granted to corporate officers if all performance-related conditions have been met;
- the Company has set up a system for linking employees' performance to that of the Company (introduction of a special profit-sharing agreement);
- share options are granted over the same calendar periods;
- the share subscription and purchase plans are subject to conditions of presence and/or performance, it being specified, however, that these conditions may, if necessary, be subject to limitations or derogations depending on specific and justified circumstances;
- the corporate officers have undertaken not to use a hedging mechanism until the expiry of their term of office;
- in accordance with the Internal Regulations, corporate officers are required to comply with the negative window periods covering (i) the 30 calendar days preceding the date of publication of the half-year and annual consolidated financial statements, as well as the day of such publications, and (ii) the 15 calendar days preceding the date of publication of the quarterly revenue figures, as well as the day of such publication. The timetable for such closed periods is prepared on an annual basis. Since early 2018, the obligation to abide by blackout periods has been extended to all beneficiaries of bonus shares.

Stock option plans

History of share subscription option plans at 30 September 2021 (Table 8 of the AMF nomenclature)

At the end of the past reporting period, there were no share subscription options outstanding, it being specified that no options were granted after this closing date.

	2003 option plan	2004 option plan	2005 option plan
Date of Shareholders' Ordinary Meeting	10/03/2003	11/03/2004	11/03/2004
Date of Board of Directors' Meeting	03/11/2003	07/09/2004	26/09/2005
Total number of shares that may be subscribed for at grant date	7,150	162,300	1,000
Number of shares that may be subscribed for by the ten Company employees granted the largest number of share options	7,150	51,000	1,000
Number of shares that may be subscribed for by members of the Board of Directors (who are still members at 30/09/2020)	-	-	-
Vesting date	04/11/2007	08/09/2008	27/09/2009
Subscription price[(1)]	€63.83	€66.09	€59.89
Expiry date	04/11/2013	08/09/2014	27/09/2015
Number of shares subscribed for	-	-	-
Total number of share options lapsed or forfeited	7,150	162,300	1,000
Total number of options outstanding at the end of the financial year	-	-	-

(1) The subscription price is the average share price quoted during the 20 trading sessions preceding the grant decision, less a 5% discount.

History of share purchase option plans at 30 September 2021 (Table 8 of the AMF nomenclature)

	2005 share purchase option plan	2006 share purchase option plan	2007 share purchase option plan	2008 share purchase option plan	2009 share purchase option plan	2011 share purchase option plan
Date of Shareholders' Ordinary Meeting	11/03/2004 and 10/03/2005	02/03/2006	02/03/2006	02/03/2006	14/02/2008	03/03/2011
Date of Board of Directors' Meeting	26/09/2005	21/07/2006	09/01/2007	07/01/2008	12/01/2009	03/03/2011
Total number of shares that may be subscribed for at grant date	28,000	16,500	46,875	38,375	5,000	222,500
Number of shares that may be subscribed for by the ten Company employees granted the largest number of share options	28,000	16,500	45,375	38,375	5,000	80,000
Number of shares that may be subscribed for by members of the Board of Directors (who are still members at 30/09/2020)	-	-	-	-	-	-
Vesting date	27/09/2009	22/07/2010	10/01/2011	08/01/2012	01/13/2013	04/03/2015
Subscription price	€59.89(1)	€80.12(1)	€87.40(1)	€86.10(1)	€39.35(2)	€63.93(2)
Expiry date	27/09/2015	22/07/2016	10/01/2017	08/01/2018	13/01/2019	04/03/2021
Number of shares purchased	-	-	-	-	-	-
Total number of share purchase options lapsed or forfeited	28,000	16,500	46,875	38,375	5,000	222,500
Total number of options outstanding at the end of the financial year	-	-	-	-	-	-

(1) The purchase price corresponds to the average share price quoted during the 20 trading sessions preceding the grant decision, less a 5% discount.
(2) The purchase price corresponds to the average share price quoted during the 20 trading sessions preceding the grant decision without a discount.

Share subscription or purchase options granted during the financial year to each corporate officer by the Company and by any Group company (Table 4 of the AMF nomenclature)

None.

Share subscription or purchase options exercised during the financial year by each corporate officer (Table 5 of the AMF nomenclature)

None.

Share options granted to the top ten employee beneficiaries who are not corporate officers, and options exercised by the latter

None.

3.5.2 Bonus shares

History of bonus share plans at 30 September 2021 (Table 9 of the AMF nomenclature)

	2007 plan	2007 plan	2008 plan	2009 plan
Kind of shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares
Date of Shareholders' Ordinary Meeting	10/03/2005	10/03/2005	10/03/2005	14/02/2008
Date of Board of Directors' Meeting	09/01/2007	09/01/2007	07/01/2008	12/01/2009
Total number of beneficiaries	2,207	9	8	57
Total number of shares granted initially	11,035	16,010	13,010	84,135
Total number of shares granted to current members of the Board of Directors (who are still members at 30/09/2021)	-	-	-	-
Starting date of the vesting period	09/01/2007	09/01/2007	07/01/2008	12/01/2009
Starting date of the lock-in period	10/01/2009	10/01/2009	08/01/2010	13/01/2011
Duration of the lock-in period	2 years	2 years	2 years	2 years
Grant conditions and criteria	Attendance conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions(3)
Number of shares to be granted	Shares to be issued	Treasury shares	Treasury shares	Treasury shares
Number of shares cancelled	2,370	-	-	40,727(4)
Number of shares vested	8,665	16,010	13,010	43,408

(1) The number of shares to be vested under this plan is subject to a performance-related condition based on share price performance. The performance-related requirement at maturity will be calculated on the volume-weighted average Pierre & Vacances share price for all trading days in October, November and December 2015. The volumes appearing in this table are the maximum for 100% achievement of the performance-related condition.

(2) The number of shares to be vested under this plan is subject to a performance-related condition based on share price performance. The performance-related requirement at maturity will be calculated on the volume-weighted average Pierre & Vacances share price for all trading days in October, November and December 2016. The volumes appearing in this table are the maximum for 100% achievement of the performance-related condition.

(3) Performance conditions applicable to the first half of the allocated shares: the indicators are EBIT, cash flows from operations (excluding acquisitions), as well as external indexes (SBF 250, property values and tourism values).

Performance conditions applicable to the second half of the allocated shares: the indicators are profit (loss) Group share, operating cash flow generated (excluding acquisitions) and the external indexes referred to above.

2009 plan	2009 plan	2013 plan	2013 plan	2013 plan	2014 plan	2014 plan	2016 plan[9]	2016 plan[9]	2017 plan[9]	2019 plan
Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Ordinary shares	Preference shares	Preference shares	Preference shares	Ordinary shares
12/02/2009	12/02/2009	06/03/2012	06/03/2012	06/03/2012	13/03/2014	13/03/2014	04/02/2016	04/02/2016	04/02/2016	07/02/2019
12/02/2009	12/02/2009	28/05/2013	03/09/2013	02/12/2013	26/05/2014	02/12/2014	04/02/2016	04/02/2016	18/04/2017	13/12/2019
2	1	50	2	4	3	1	3	63	42	72
3,325	6,575	229,768[1]	13,333[1]	15,555[1]	20,889[2]	2,222[2]	1,476	1,544	797	260,000
/	/	/	/	/	/	/	/	/	/	/
12/02/2009	12/02/2009	28/05/2013	03/09/2013	02/12/2013	26/05/2014	02/12/2014	04/02/2016	04/02/2016	18/04/2017	13/12/2019
13/02/2011	13/02/2011	01/01/2016	01/01/2016	01/01/2016	01/01/2017	01/01/2017	09/02/2018	09/02/2018	18/04/2019	14/12/2020
2 years	2 years	2 years	2 years	2 years	2 years	2 years	2 years	2 years	2 years	1 year
Attendance and performance related conditions[3]	Attendance conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions	Attendance and performance related conditions[10]
Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares	Treasury shares	Preference shares to be issued Ordinary shares to be issued from the conversion of preference shares	Preference shares to be issued Ordinary shares to be issued from the conversion of preference shares	Preference shares to be issued Ordinary shares to be issued from the conversion of preference shares	Treasury shares
2,685[5]	/	145,184	7,172	8,366	15,215	322	/	178	130	84,371
640	6,575	84,584[5]	6,162[5]	7,189[5]	5,674[6]	1,900[6]	1,476[7]	1,366[7]	667[8]	175,629[11]

(4) At its meeting of 1 December 2009, the Board of Directors found that only some of the performance-related conditions had been met for the first half of the shares granted on 12 January 2009 and 12 February 2009.

At its meeting of 18 January 2011, the Board of Directors found that the performance-related conditions had not been met for the second half of the shares granted on 12 January 2009.

At its meeting of 14 February 2011, the Board of Directors found that none of the performance-related conditions had been met for the second half of the shares granted on 12 February 2009.

(5) At its meeting of 5 January 2016, the Board of Directors noted the number of shares vested as a result of the performance conditions stated in[2] being attained.

(6) At its meeting of 5 January 2017, the Board of Directors noted the number of shares vested as a result of the performance conditions stated in[3] being attained.

(7) At its meeting of 9 February 2018, the Board of Directors carried out the final allocation of the preference shares in view of the attendance conditions. The 1,476 category A preference shares were converted into 89,298 common shares during the 2019/2020 financial year. Of the 1,366 category B preference shares, 17 were converted into 426 common shares during the 2019/2020 financial year. The 1,349 existing category B preference shares will be automatically converted into 1,349 ordinary shares after the General Meeting of 31 March 2022.

(8) At its meeting of 18 April 2019, the Board of Directors carried out the final allocation of the preference shares in view of the attendance conditions. The 667 existing category C preference shares will be automatically converted into 667 ordinary shares after the General Meeting of 31 March 2022.

(9) The characteristics of the preference shares granted under the 2016 and 2017 plans were modified by the General Meeting of 5 February 2020.

(10) Presence and performance conditions have been restricted to beneficiaries who do not have at least 15 years' seniority within the Group.

(11) In view of the performance conditions applying to this plan, the Board of Directors, which met on 14 December 2020, noted that the final allocation concerns 175,629 shares for the benefit of 26 beneficiaries.

Bonus shares granted during the 2020/2021 financial year to each corporate officer

None.

Bonus shares that became available during the 2020/2021 financial year for each corporate officer

None.

Bonus shares granted in the 2020/2021 financial year to the top ten employee beneficiaries who are not corporate officers (general information)

None.

3.5.3 Other items and commitments

3.5.3.1 Loans and guarantees granted by Pierre et Vacances SA

No loan or guarantee has been granted by Pierre et Vacances SA to the members of the Group Executive Management Committee or the Board of Directors.

3.5.3.2 Director investment in the capital of Pierre et Vacances SA

As at 30 September 2021, there is no convention, agreement or partnership concluded between the Company and an executive corporate officer or a member the Board of Directors concerning a restriction on the sale of their investments within a period of time.

3.5.3.3 Privileged information – share transactions

Because of the particular knowledge they have of the Company, its plans and its results, the directors are required to exercise strict vigilance in their transactions involving the Company's shares.

The directors undertake to keep, in registered form, throughout their term of office, the shares they acquired when they took up office; they also undertake to register in their name all shares subsequently acquired.

The directors more generally undertake to strictly observe the recommendations of the AMF (French Market Authority) concerning executive and non-executive corporate officers declaring transactions involving shares in their Company.

In order that Pierre et Vacances SA can itself abide by these AMF recommendations, directors must declare to the AMF and Pierre et Vacances SA any transactions concerning their shares within three days of the transaction. This obligation does not apply when the total value of transactions performed over the calendar year is less than €20,000.

Further, the Internal Regulations of the Board of Directors stipulate that, in addition to the period preceding the publication of privileged information to which they are privy, directors must also refrain from any share transactions during the 30 days prior to the publication of the annual and half-yearly results and during the 15 days prior to the publication of the quarterly revenue. They must also abstain from such transactions on the day on which this information is published.

3.5.3.4 Other securities convertible to equity

None.

Summary of transactions on the Company's securities

Summary of transactions on the Company's securities referred to in Article L.621-18-2 of the French Monetary and Financial Code[(1)] over the course of the last financial year:

None.

(1) Transactions on the Company's shares performed by the executives, related persons and their close relatives.

3.6 Summary of valid powers granted to the Board of Directors regarding capital increases

The Extraordinary General Meetings of 5 February 2020 and 1 February 2021 conferred certain powers upon the Board of Directors, authorising it to increase the share capital, with the option to sub-delegate said powers under the conditions provided for by law.

A summary table of the delegations and authorisations, currently in force, which were granted by the General Meeting of Shareholders to the Board of Directors, notably with regard to capital increases, as well as the uses that were made of them, is shown below.

The Company will renew all financial authorisations after the General Meeting to be held on 31 March 2022 but prior to the expiry of the resolutions as the majority of authorisations expire in April 2022.

Type of authorisation	Reso-lution	Summary purpose	Date of the General Meeting	Term of the authori-sation	Nominal amount or amount expressed as a maximum% of the authorisation	Uses at 30/09/2021 *(unless otherwise stated)*
Allocation of share subscription options	21	Authorisation to issue Company shares with cancellation of preferential subscription rights in order to grant share subscription options to the corporate officers and/or some salaried members of staff of the Company or of related companies or groupings.	7 February 2019	38 months	5% of the share capital on the date of allocation by the Board of Directors	None
Capital increase	16	Authorisation to issue shares and/or securities convertible to equity either immediately or in future and/or securities giving right to the allotment of debt securities with maintenance of the preferential subscription rights.	5 February 2020	26 months	Nominal value of €50,000,000	None
Capital increase	17	Authorisation to issue shares and/or securities giving immediate or future access to the Company's share capital and/or securities conferring entitlement to the allocation of debt securities, with waiver of preferential subscription rights and by means of a public offering other than those referred to in Article L.411-2 of the French Monetary and Financial Code.	5 February 2020	26 months	A nominal value of €50,000,000, this amount being deducted from the overall ceiling set by the 16th resolution	None
Capital increase	18	Authorisation to issue shares and/or securities giving immediate or future access to the Company's share capital and/or securities entitling their holders to the allocation of debt securities, with cancellation of preferential subscription rights, and by means of a public offering referred to in Article L.411-2 1° of the French Monetary and Financial Code.	5 February 2020	26 months	A nominal value of €50,000,000, this amount being deducted from the overall ceiling set by the 16th and 17th resolutions	None
Overall ceiling of authorisations for immediate and/or future capital increases	19	Authorisation to increase the amount of issues made with or without cancellation of preferential subscription rights, up to 15% of the initial issue, subject to the ceilings set out in the 16th, 17th and 18th resolutions.	5 February 2020	26 months	15% of the amount of the initial issue	None

Type of authorisation	Reso-lution	Summary purpose	Date of the General Meeting	Term of the authori-sation	Nominal amount or amount expressed as a maximum% of the authorisation	Uses at 30/09/2021 *(unless otherwise stated)*
Capital increase	20	Authorisation to set the issue price of shares to be issued within the framework of the 17th and 18th resolutions, with cancellation of preferential subscription rights.	5 February 2020	26 months	10% of the Company's share capital as at 5 February 2020	None
Capital increase	21	Authorisation to increase the share capital by incorporation of reserves, profits, premiums or other amounts that may be capitalised.	5 February 2020	26 months	A nominal value of €50,000,000, this amount being deducted from the overall ceiling set by the 16th resolution	None
Capital increase	22	Authorisation to increase the share capital up to the limit of 10% of issued capital to cover contributions in kind to the Company outside a public exchange offer.	5 February 2020	26 months	10% of the share capital	None
Capital increase	23	Authorisation to carry out capital increases reserved for members of the Group's company savings plan.	5 February 2020	26 months	Nominal value of €850,000	None
Capital increase	28	Authorisation to issue ordinary Company shares to be allocated free to the corporate officers and/or some salaried members of staff of the Company or of related companies or groupings.	5 February 2020	38 months	5% of the share capital	None
Share buybacks[1]	12	Trading in the Company's shares.	1 February 2021	18 months	€50 per share; 10% of the total number of shares comprising the Company's share capital	Use at 30/09/2021: see paragraph 1.4.6 of chapter 1

3.7 Information likely to have an impact in the event of a public offering (Article L.22-10-11 of the French Commercial Code)

Structure of the Company's share capital

Information about the structure of the Pierre et Vacances share capital is presented on page 29 of the Universal Registration Document.

Statutory restrictions on the use of voting rights and share transfers

The Company's articles of association include a reporting obligation applicable to any person holding a percentage of the share capital or voting rights, of 5% or more, or a multiple of this percentage. If this reporting obligation is not adhered to and on the request of one or more shareholders holding at least 5% of the share capital, the shares in excess of the fraction which should have been declared shall be deprived of voting rights under the conditions provided for by law. This mechanism is outlined on page 26 of the Universal Registration Document.

Direct or indirect investments in the Company's share capital of which it is aware

The Pierre et Vacances shareholder base is outlined on page 30 of the Universal Registration Document.

Securities with special controlling rights and description of said securities

In accordance with the "Double voting rights" paragraph of Article 16 of the articles of association, an additional voting right to the one conferred to other ordinary shares in respect of the portion of the share capital they represent is allocated to all ordinary fully paid-up shares when they are proven to have been held in nominee form for at least two years in the same shareholder's name.

Control mechanisms in the event of an employee shareholding system, when controlling rights are not exercised by the employees

None.

Agreements between shareholders of which the Company is aware and which could entail restrictions on the transfer of shares and the exercise of voting rights

None.

Rules on the appointment and replacement of members of the Board of Directors and on amendments to the Company's articles of association

The Company's articles of association in these areas do not deviate from the usual customs regarding French Public Limited Companies (Sociétés Anonymes).

Powers of the Board of Directors, particularly as regards the issue or purchase of shares

A summary of the powers in force granted by the General Meetings of Shareholders of 7 February 2019, 5 February 2020 and 1 February 2021 regarding capital increases is presented in point 3.6 above. The Company's current authorisation to buy back its treasury shares prohibits any buybacks during a public offering on the Company's securities.

Agreements entered into by the Company which are amended or come to an end in the event of a change in the Company's control, unless such disclosure, excluding cases where there is a legal obligation for disclosure, would severely harm its interests

Financing contracts in which Pierre et Vacances is the borrower generally contain change of control clauses enabling lenders to demand repayment of all debt in the event of a change in control.

Moreover, the agreement signed on 10 March 2022 by the Company, AFA, the main bank creditors, and Euro PP and Ornane holders, provides for a mandatory early repayment of the Group's debt in the event of a takeover by a third party (a "Change of Control"). For the purposes of this agreement, a Change of Control means the direct or indirect takeover of the Company by a third party acting alone or in concert (with Alcentra, Fidera or Atream, where applicable) within the meaning of Article L.233-3 of the French Commercial Code.

Lastly, no commercial contracts which, if terminated, would have a major impact on the Group's business, contain a change in control clause.

Agreements providing for compensation for members of the Board of Directors or employees, if they resign or are unfairly dismissed, or if they are made redundant as a result of a public offering

None.

3.8 Agreements entered into between an executive officer or significant shareholder and subsidiaries of the Company

No agreement had been made, either directly or via an intermediary, between, on the one hand, a Company corporate officer or a shareholder owning a fraction of the voting rights in excess of 10% and, on the other, another company controlled by the Company within the meaning of Article L.233-3 of the French Commercial Code, with the exception of agreements relating to ongoing transactions completed under normal conditions.

3.9 Special procedures for shareholder participation in General Meetings

Detailed information on special procedures for shareholder participation in General Meetings can be found in the Company's articles of association (Title V – General Meetings), available on the Company's website; a summary of these procedures is also provided on page 26 of this Universal Registration Document.

Pursuant to Article 16 of the articles of association, any shareholder, irrespective of the number of shares they hold, is entitled, on proving their identity and shareholder status, to participate in General Meetings subject to their shares being account registered at midnight (Paris time) at least two working days before the General Meeting. The recording or entry in the books of bearer shares held by an authorised intermediary is proven by a certificate of participation issued by the latter in accordance with legal and regulatory provisions.

3.10 Regulated agreements

3.10.1 Regulated agreements submitted for approval by the General Meeting of 31 March 2021

None.

3.10.2 Regulated agreements already approved by the General Meeting remaining in force during the 2020/2021 financial year

None.

3.10.3 Procedure to assess current agreements

In accordance with Article L.22-10-12 of the French Commercial Code, at its meeting of 25 November 2019, the Board of Directors implemented an internal procedure for the regular assessment by the Audit Committee, in the presence of the Statutory Auditors, of the terms and conditions for the conclusion of current agreements.

The terms and conditions of agreements qualified as current and concluded under normal conditions are assessed each year by the Audit Committee, and then by the Board of Directors at the meeting called to approve the financial statements for the past financial year.

This procedure also provides for the abstention of any interested person, directly or indirectly, when the Audit Committee or the Board votes on this procedure or its application.

3.11 Statutory Auditors' special report on regulated agreements

This is a free translation into English of the Statutory Auditor's special report on regulated agreements issued in French. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ending 30 September 2021

To the shareholders of Pierre et Vacances,

In our capacity as your Company's Statutory Auditors, we hereby present our report on regulated agreements.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions as well as the reasons justifying the interest for the Company of those agreements indicated to us, or that we may have identified in the performance of our engagement. We are not required to comment as to whether they are beneficial or appropriate or to ascertain the existence of any such agreements. It is your responsibility, in accordance with Article R.225-31 of the French Commercial Code (Code de commerce), to evaluate the benefits resulting from these agreements prior to their approval.

In addition, it is our responsibility, where applicable, to report to you on the information required by Article R.225-31 of the French Commercial Code relating to the execution, during the financial year under review, of agreements previously approved by the General Meeting.

We performed the procedures we deemed necessary pursuant to the professional guidelines of the French Institute of Statutory Auditors (Compagnie nationale des commissaires aux comptes) regarding this type of assignment.

Agreements submitted for approval to the General Meeting

We hereby inform you that we have not been advised of any agreement authorised during the past financial year to be submitted to the Shareholders' Ordinary Meeting for approval in accordance with Article L.225-38 of the French Commercial Code.

Agreements already approved by the General Meeting

We hereby inform you that we have not been advised of any agreement already approved by the Shareholders' Ordinary Meeting remaining in effect during the financial year.

Neuilly-sur-Seine and Paris-La Défense, 10 March 2022

The Statutory Auditors

Grant Thornton,
French member of Grant Thornton International

Laurent Bouby,
Partner

ERNST & YOUNG et Autres

Anne Herbein,
Partner

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STATEMENT OF NON-FINANCIAL PERFORMANCE

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The table below shows the Group's non-financial risks and the key performance indicators monitored as part of the implementation of the CSR strategy.

AXIS	Risks / Opportunities	Chapter	Objectives	Scope	2019-2020 results	2020-2021 results	Changes in performance
LOCAL IMPACT	Failure to participate in local economic life Changes in customer expectations	4.2.3	25% of purchases made locally in the construction phase by 2025 at Center Parcs Europe. *Monitored in France in 2020-2021.*	CP FR	76%	71%	↘
			25% of purchases made locally in the operating phase by 2025 at Center Parcs Europe. *Monitored in France in 2020-2021.*	CP FR	39%	35%	↘
	Failure of relations with local stakeholders	4.2.4.2	Conduct consultation for 100% of projects in the development phase led by the Group	PVCP	86%	100%	↗
ENVIRONMENTAL PROTECTION	Lack of adaptation of the Group's activities to climate change Poor management of water pollution- Market opportunity	4.4.2.1 4.4.1	100% of sites have the Green Key label (or equivalent label) by 2025	CP	77%	100%	↗
				PV FR	38%	38%	→
				PV ESP	0	3%	↗
				Maeva campsites	n.c	30%	New
			100% of sites ISO 14001 or ISO 50001 certified	CP	81%	100%	↗
			100% of new projects have construction certification attesting to the environmental performance of the building	PVCP	0%	0%	↗
	Failure of waste management	4.4.4.5	70% of waste sorted in the operational phase by 2025	CP	50.5%	56.7%	↗
			80% of waste sorted during renovation or construction	CP	n.c	73.5%	New
	Poor management of greenhouse gas emissions (carbon footprint)	4.4.4.2	Scope 1 & 2 emissions (tCO_2e) - *Reduction target currently being defined*	PVCP	138 632	95 492	↗
			Scope 3 emissions (tCO_2e) - *Reduction target currently being defined*	PVCP	806 257	533 001	↗
			Reduction of Greenhouse Gas emissions (Scopes 1 & 2) compared to 2018-2019 - *Target being defined*	PVCP	-27.1%	-49.8%	↗
	'Poor management of energy consumption, rates and renewable energy needs	4.4.4.3	Reduce total energy consumption by 8% in 2025 compared to 2018-2019 - data expressed in intensity (kWh/overnight stay) *Base 2019 = 44 kWh/overnight stay*	PV FR and ESP	+9.1% *(48 kWh/ overnight stay)*	+22.7% *(54 kWh/ overnight stay)*	↘
			Reduce total energy consumption by 12% in 2025 compared to 2018-2019 - data expressed in intensity (kWh/overnight stay) *Base 2019 = 171 kWh/overnight stay*	CP	+17.5% *(201 kWh/ overnight stay)*	+28.1% *(219 kWh/ overnight stay)*	↘
			Share of green energy (based on gross consumption)	CP	23.9%	23.5%	↘
			100% green electricity by 2025 (on total electricity consumption)	CP	90.2%	92.4%	↗

* *As part of the "Company Committed to Nature" approach, the concept of an ecological management plan was redefined.*

AXIS	Risks / Opportunities	Chapter	Objectives	Scope	2019-2020 results	2020-2021 results	Changes in performance
ENVIRONMENTAL PROTECTION	Scarcity of primary resources	4.4.4.4	Reduce water consumption by 16% in 2025 compared to 2018-2019 - data expressed in intensity (m^3/overnight stay) *Base 2019 = 0.92 m^3/overnight stay*	CP	+12% *(1.03 m^3/ overnight stay)*	+10.9% *(1.02 m^3/ overnight stay)*	↗
			Reduce water consumption by 8% in 2025 compared to 2018-2019 - data expressed in intensity (m^3/overnight stay) *Base 2019 = 0.582 m^3/overnight stay*	PV FR and ESP	+0.34% *(0.584 m^3/ overnight stay)*	+3.78% *(0.604 m^3/ overnight stay)*	↘
	Failure of management of space consumption	4.4.1	Prioritise the development of projects on sites that are already artificial - Percentage of sites delivered during the year	PVD	n.c	100%	New
	Degradation of local biodiversity	4.4.5.1	100% of CP sites have an ecological management plan* from 2025	CP	58%	42%	↘
	Failure of relations with tourism customers	4.4.5.2	100% of sites have a nature activity by 2025	CP	100%	100%	→
			100% of children's clubs provide a nature activity	PV FR	58%	44%	↘
	Poor relations with individual and institutional owners	4.4.3	Lease renewal rate	PVCP	67%	57%	↘
			Rate of acceptance of the Group's proposal in the context of the reconciliation process (at 30/09/2021)	PVCP	n.c	59.8%	New
LIVING TOGETHER	Lack of diversity and equity in teams	4.3.2.2	Share of Executive Committees/ Management Committees composed of at least 30% women	PVCP	n.c	42% 3 CODIR/7	New
	Difficulty in recruiting and retaining employees Attracting potential talent for committed companies	4.3.2.1	Monitoring of employee commitment via the calculation of the e-NPS (Employee Net Promoter Score) *Monitoring of the Center Parcs Europe and Maeva business lines for 2020 2021.*	CP	n.c	-3	New
				Maeva	n.c	24	New
			Employee turnover rate	PVCP	18.1%	17.8%	↗
			Rate of retention of seasonal workers	PV FR	53.4%	53.7%	↗
	Inability to ensure the health and safety of tourism customers and employees Psychosocial risks Failure to take into account the arduous nature of jobs in the tourism sector	4.3.2.1	Accident frequency rate	PVCP	29.3	17.5	↗
			Accident severity rate	PVCP	1.7	1.3	↗
	Failure of protection of personal data	4.3.1	GDPR policy put in place	PVCP	Yes	Yes	→

* *As part of the "Company Committed to Nature" approach, the concept of an ecological management plan was redefined.*

4.1 A committed, value-creating Group

4.1.1 A renewed goal for responsible tourism

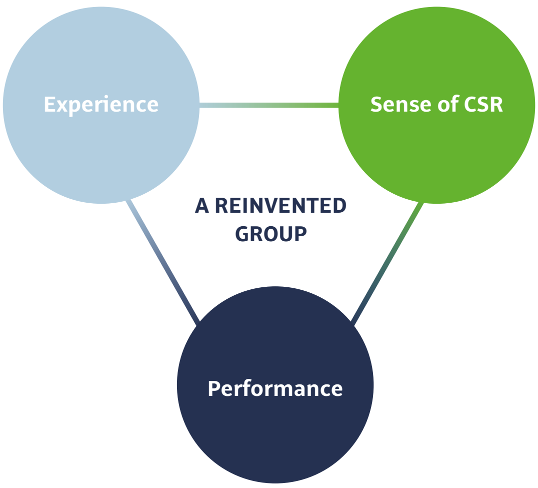
4.1.1.1 A CSR approach integrated into the new strategic plan

The financial year was marked by the launch of the new Reinvention 2025 strategy initiated by the Group's new Executive Management and based on the Group's Purpose. In addition, the organisational roll-out of the *Change Up* plan was pursued.

With the launch of the Group's new strategic plan, Reinvention 2025, the Pierre & Vacances-Center Parcs Group's goal is to become the leader in reinvented local tourism. Through this strategy, the Group not only aims to promote tourism that is geographically close to its customers, but also and above all to be a player in tourism that creates value for the regions in which it operates, for their inhabitants, and respects its environment.

This new strategy is based on three key words:

- remain an **efficient** Group, notably over this period when the tourism sector has been severely weakened;
- provide a **memorable experience** to our customers, by continuously adapting to their new expectations to increase our desirability;
- generate **meaning** for our customers, our employees and all our stakeholders, and prepare for the challenges of tomorrow through the CSR strategy at the heart of the Reinvention 2025 plan.



The Group's Purpose is at the heart of this new strategy:

"As a European leader in local tourism, we are committed to helping people get back to basics in a preserved environment."

Initiated in February 2020, the Purpose was developed on the basis of collaborative work with the Group's stakeholders and employees.

In the autumn of 2020, a second so-called "ownership" phase was launched with the organisation of four workshops, with the aim of establishing the existing evidence and forward-looking actions for the implementation and incarnation of the Purpose at brand level. Thus, three "brand" workshops (Pierre & Vacances, Center Parcs Europe, Maeva) and one Group workshop were organised, each composed of a dozen ambassadors, representing the tourism and real estate segments. This project was finalised in May 2021 with the official announcement of our Purpose as part of the "Reinvention 2025" strategic plan. An internal and external communication plan was rolled out, notably including a short video presenting the Group's Purpose: This is our Purpose.

The PVCP Group's Purpose is based on the following three pillars:

1) promote **local tourism** through our local anchoring by playing a significant role in the development of the regions in which we are present, through the attractiveness of tourism, the creation of jobs that cannot be relocated and the economic activity generated. We also provide solutions for holidaymakers concerned about their impact on the environment and on communities faced with the problem of over-tourism;
2) enable our customers to **rediscover what is essential** by enjoying their loved ones and creating memories through authentic and local experiences in a spirit of sharing;
3) **preserve the environment** by making our ecological transition to meet the planet's environmental challenges.

4.1.1.2 Governance and organisation adapted to a more operational CSR approach

The finalisation of the *Change Up* plan resulted in the creation of a holding company focused on governance functions. The latter, of which the CSR Department is a part, brings together strategic cross-functional teams to strengthen synergies at the Group. Pursuant to the *Change Up* transformation plan, seven Business Lines, including the support functions (Human Resources, Legal Department, etc.), were created: Center Parcs, Pierre & Vacances France, Pierre & Vacances Spain, maeva.com, Adagio, Pierre & Vacances Développement, and the Individual Owners Department. Senioriales is an autonomous entity with an Executive Committee; the holding company does not provide any support to it.

The CSR Department reports to Executive Management on the Group-wide CSR strategy, as well as on specific topics, such as carbon and diversity.

In January 2021, a Holding Company Secretary General was appointed. As such, he represents the holding company at the Executive Management and oversees the Group's cross-functional support teams (Purchasing, CSR, Risk Management, HR Holding, Compliance). At the quarterly Executive Committee meetings, he ensures that CSR is duly implemented by each of the Business Lines and that they meet their CSR commitments.

The roll-out of the Reinvention 2025 Strategic Plan led to the revision of the CSR strategy. The CSR Department thus supported the Business Lines in the definition and roll-out of their roadmap. These roadmaps were developed to meet the CSR goals stated as part of Reinvention 2025. In view of the autonomous governance of the Senioriales entity, it did not draft a CSR roadmap as part of Reinvention 2025.

Strategic governance

Furthermore, CSR governance has been extended to the Board of Directors with the creation, on 14 December 2020, of a CSR Committee consisting of three members of the Board. In addition, two employees were elected employee representatives to the Board of Directors in November 2020.

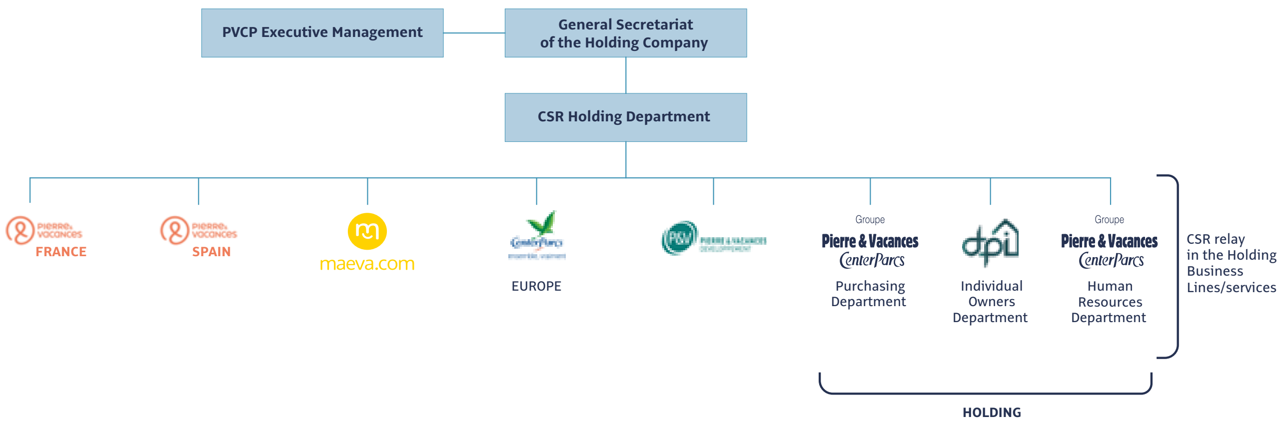
The mission of the CSR Committee is to contribute and ensure execution of the Group's CSR Plan, primarily:

- to ensure that CSR is positioned at the heart of the Group's vision, strategy and governance;
- to issue recommendations on the developments of the Group's CSR commitments;
- to ensure the Group's CSR management, risk management, respect of human rights and ethical measures.

The CSR Committee, led by the Group's CSR director, meets three times a year. Under the aegis of its Chairwoman, the following topics were discussed over the year: CSR strategy, challenges for the development of new sites (license to operate, relations with external stakeholders). In addition to CSR Committee meetings, CSR topics are discussed at least once a year by the Board of Directors (strategy, review of key indicators, etc.).

Operational governance

The CSR Department, which reports to the General Management, is responsible for defining the Group's CSR strategy and actions, supporting the Business Lines in the definition and implementation of roadmaps (as was the case following the roll-out of Reinvention 2025), and overseeing non-financial reporting at Group level. Key performance indicators are presented by all the Heads of the Business Lines and reviewed by the Executive Committee on a quarterly basis.



4.1.1.3 A value-creating CSR strategy

The aim of the CSR approach is to guide the Group towards a creation of value shared by all its stakeholders. It is based on an analysis of employment, societal and environmental issues, and aims to respond to both the CSR risks and opportunities identified for the Group (see section 4.1.4).

Our goal is as follows: to take action to develop tourism with a positive impact by accelerating our ecological transition, by contributing to the dynamism of the regions, and by involving our customers in this sustainable and local tourism. It takes shape in a policy structured around three commitments, broken down into nine operational areas:

- **contribute to the dynamism of the regions** where we operate through strong local anchoring and a positive contribution to the local economy, by working with local players while promoting the assets of these regions among our customers;
- **accelerate our ecological transition while contributing to the protection of the environment** on sites where water, energy and waste management is optimised, where we protect local biodiversity and promote its development, and where we share these values with our customers;
- **promote living together** and excellence in our practices, through both trained employees with varied profiles, but also by engaging our Group and our sites in solidarity actions.

These commitments are taken up at each Business Line, whether it is a support business or a pillar brand of the Group, and adapted to their specificity. An operational roadmap is co-constructed by the Group CSR Department and the Business Lines Pierre & Vacances France, Pierre & Vacances Spain, Center Parcs, the Individual Owners Department, maeva.com, and Pierre & Vacances Développement (development and construction of real estate projects in France, for all brands). It is based on the Group's commitments, the "fundamentals" described above, as well as other projects specific to each Business Line.

Pierre & Vacances France

Pierre & Vacances France's CSR approach is based on three key commitments for which the brand has set itself targets for 2025:

- stays that provide an authentic and privileged discovery of the destination:
  - all the residences and villages provide a range of authentic and local activities selected and validated by the teams and directors on site;
- stays that contribute to the protection of the destination:
  - 8% reduction in water and energy consumption per overnight stay compared to 2019, by raising awareness among customers and our employees, and using renewable energies,
  - all sites provide active mobility for travel during stays; promotion of rail travel as an alternative to cars for journeys to sites,
  - all new projects include construction certification attesting to the environmental performance of the building;
- a responsible and committed employee experience:
  - 30% of the Pierre & Vacances Executive Management Committee are women,
  - achieve an e-NPS score of 75%.

Center Parcs Europe

Center Parcs' CSR approach is based on two pillars. The brand has also set targets for each of these pillars for 2025:

- Green Deeds – Nature deserves a break:
  - all Center Parcs Domaines awarded the Green Key label and ISO 14001 and ISO 50001 certified,
  - all new projects include construction certification attesting to the environmental performance of the building,
  - reduce water consumption by 16% compared to 2019,
  - reduce energy consumption by 12% compared to 2019,
  - greenhouse gas emission reduction targets will be defined in 2022, pursuant to the Group's carbon strategy;
- Good Deeds – Everyone deserves a break:
  - involve employees through the Happy@Center Parcs approach,
  - involve employees in Quality, Safety and Environment prevention,
  - 30% of the Center Parcs Executive Management Committee are women.

Maeva

- Be committed and responsible.
- Facilitate eco-responsible and inclusive holidays.
- Be a creator of sustainable value.

Pierre & Vacances Spain

- Local – Become a benchmark local player.
- Environmental – Commit and prove yourself.
- Human – communication, raising awareness, collaboration.

Individual Owners Department

- Owners who are involved.
- Committed partners.
- Aware employees.

4.1.1.4 A continuously improving non-financial performance

The Group's non-financial performance was up markedly compared to previous years, and all the indicators measured by the CDP Climat, Vigeo Eiris and Gaïa-Index questionnaires were higher than or equal to the sector average. The following scores were awarded:

	2020	2021
CDP	B	B
V.E Part of Moody's ESG Solutions	51/100	51/100
Gaïa Rating	80/100	82/100

4.1.2 A Group that listens to its stakeholders

The Group's sustainable development policy is designed to meet the expectations of our stakeholders, with whom we have specific channels of communication and dialogue:

CUSTOMERS

Satisfaction surveys, presence of teams on site, social media and review sites, etc.

Management of vouchers sent to customers whose stay was cancelled due to the health crisis

SUPPLIERS

Individual meetings, questionnaires, call for tender, audits, etc.

Renewal of the Responsible Supplier Relations label

EMPLOYEES (NEARLY 8 MILLION)

Intranet, company agreements, individual interviews, etc.

Communication with employees now managed by each BL. And regular messaging by Executive Management on crisis management and Reinvention 2025

SHAREHOLDERS

General Meeting, roadshow, one-on-one meetings, socially-responsible investment (SRI) questionnaires, etc.

Regular communications (press release on New Financing, the backing process and the proposals made to the lessors as part of the conciliation process)

CIVIL SOCIETY

Working groups/workshops, public meetings, advisory committees, website, partnership, etc.

Referendum on the Brombachsee project

Donation of land by Résidence Pierre & Vacances Le Rouret to the Fiber Nature association

PUBLIC AND LOCAL AUTHORITIES

Dialogue, consultations, public meetings, steering committees, etc.

Employment committees with local authorities regarding the Center Parcs des Landes de Gascogne project

INSTITUTIONAL OWNERS AND INVESTORS

Newsletters, website and online customer relations, co-owner meetings, etc.

In a health crisis context:
- Conciliation with individual owners
- Negotiation with institutional owners

Means of communication — Highlights of the year

4.1.3 Our business model

The business model is described at the beginning of the URD, see chapter 1 "Presentation of the Group".

4.1.4 Our main non-financial risks

As part of the Reinvention 2025 plan, the Group's CSR strategy was revised according to the Group's current CSR challenges, its Purpose and the pillars of the Group's overall strategy.

The Group's CSR challenges were defined by taking into account the topics identified as material for the Group, and the main non-financial risks identified during the internal study conducted in 2018 and updated in 2020, as well as by considering CSR opportunities. Each risk was assessed according to its level of control by the Group's teams and its level of criticality. The main non-financial risks are listed below:

Environmental risks: poor management of space consumption, degradation of local biodiversity, scarcity of primary resources (water, sand and wood, etc.), poor management of water pollution, poor management of energy consumption and prices and renewable energy needs, poor management of greenhouse gas emissions (carbon footprint), lack of adaptation of the Group's activities to climate change, poor waste management.

Social risks: failure to take into account the arduous nature of jobs in the tourism sector, difficulty in recruiting and retaining employees, psychosocial risks, lack of diversity and fairness within teams, inability to ensure the health and safety of tourism customers and employees.

Societal risks: poor relations with tourism customers, poor relations with individual and institutional owners, defective personal data protection (GDPR), poor participation in local economic life, poor relations with local stakeholders.

Current social and environmental developments and future challenges also provide opportunities for our Group. Our holiday offering meets the growing expectations of customers for authentic tourism, anchored in the regions, geographically close, offering a nature-connected experience. Moreover, this local tourism offering is in line with the potentially more marked constraints of the future, notably in terms of mobility. As part of our HR policy, the growing interest of younger generations in committed companies also represents an opportunity.

The Group's CSR strategy and the CSR roadmaps for each Business Line, defined with the CSR Department, aim to respond to the challenges, risks and opportunities identified.

The table of CSR performance indicators (pages 98 and 99) provides an overview of the relationship between the risks that make up the CSR strategy and the three areas of commitment. Details of the policies, action plans and results are provided in the corresponding chapters.

4.2 Contributing to the dynamism of the regions

In order for it to be virtuous, tourism must involve exchanges with, and contributions to and from, the region concerned and its visitors.

This commitment aims to ensure that the Group's presence directly benefits the region. Several dimensions are being pursued.

4.2.1 Promoting regional tourism assets among our customers

Context

We seek to promote the wealth of the regions where we operate among our customers. Equally, we want each of our sites to provide activities (visits, sports, etc.) that relate to each region and stimulate local tourism, and thereby contribute to its development. These practices enable customers to take full advantage of the assets of the regions where the Group operates, and enable the regions to benefit from new customers.

Policy and action plan

By 2025, the Pierre & Vacances Business Line anticipates that:

- all residences and villages will provide a selection of authentic & local activities;
- there will be one responsible activity per site to discover the treasures of the local region, while fully protecting the environment.

At Center Parcs, by 2023, all sites will work with the tourism office in order to promote sites of local interest. By way of example, the Paris Île-de-France Regional Tourism Committee opened its thirteenth "Tourism Information Point" at Villages Nature® Paris. A multilingual travel advisor is available to foreign visitors on Tuesdays and Saturdays, from 10 a.m. to 6 p.m. This new information point aims to promote the city's tourist sites and places, and notably those of Seine-et-Marne, which are more easily accessible from Villages Nature® Paris.

Results

- Percentage of residences and villages providing a selection of authentic & local activities: not available (work under way at the Pierre & Vacances France Business Line).

In May 2021, to celebrate the reopening of Center Parcs after almost five months of closure, Center Parcs Trois Forêts offered its customers 450 farmers baskets made with local products: yoghurt, green salad, organic apple juice, marshmallows, mirabelle plums in syrup with the "MOSL Quality" label. The producers of the products in the basket are located within a 25 km radius of the Center Parcs and are present during the "farmers' markets" held at the park on Tuesdays and Saturdays.

4.2.2 Providing responsible catering to our customers

Context

A range of restaurants is available at some of our sites: at all Center Parcs, and at Pierre & Vacances villages. The vast majority of it is provided by partners. Catering, via food supply, is a lever for changing agricultural practices and supporting farmers committed to the ecological transition. Food purchases targeting short supply chains and carried out locally are also vectors to support the local economy. They also make it possible to offer our customers regional specialities.

The CSR approach takes into account the entire stay of our customers, and therefore includes catering. For the vast majority of sites offering restaurants, these are managed by partners. The Group pursued these actions so that the Catering offering is aligned with our CSR commitments: promoting local purchases and favouring products from responsible sectors.

Policy and action plan

As part of the Reinvention 2025 plan, the Group will offer its customers responsible catering based on short supply chains. This commitment is reflected in the provision of a range of local products and the reduction of food waste. The Group and its partners also committed to discontinuing the use of eggs and egg products from caged hens by 2025.

Pierre & Vacances Spain

The Pierre & Vacances Spain Business Line plans to include at least one organic vegetarian dish in its buffets and menus, and to prepare local and seasonal dishes.

Pierre & Vacances France

Pierre & Vacances France wants to make catering a veritable lever contributing to the local anchoring of customer holidays. Thus, the Business Line is stepping up its discussions with its catering partners in order to better integrate the expectations of our customers in terms of catering, notably by providing a more localised offering based on short circuits. Thus, by 2025, several typical regional dishes will be provided in the nine restaurants of our residences in France. Moreover, waste monitoring actions will be carried out to ensure that food waste is reduced.

Local pop-ups were set up in the reception areas of the Avoriaz and Les Sables d'Olonne residences. The purpose of these spaces is to offer customers fast food solutions or local souvenirs which they can take with them after their stay in our residences. Local specialities and producers are showcased in these pop-ups, such as products from neighbouring brasseries, winegrowers or cookie factories. This local pop-up roll-out project will be pursued as and when new sites are opened and when the reception areas of the existing residences are renovated. It will gradually replace the local product offerings on Green Key sites, this being a requirement of the label.

Center Parcs

By 2025, Center Parcs Europe is committed to offering a regional dish (or product) in all the restaurants and groceries in our villages. Furthermore, our catering service providers are committed to improving their catering menu by sourcing supplies via responsible supply chains (from fair trade for tea, coffee or chocolate; banning fish from endangered areas) and by developing their vegetarian menu.

With a view to improving the living conditions of farmed animals, the Pierre & Vacances-Center Parcs Group has been working with its partners in recent months in order to gradually integrate animal welfare criteria. The Group is committed to ensuring that, by 2026, the entire supply of meat from chickens will come from farms and slaughterhouses that meet all the criteria stipulated by European Chicken Commitment.

Results

- The Center Parcs sites in Belgium and the Netherlands already meet the animal welfare criteria for broiler chickens.

4.2.3 Reinforcing links with local suppliers

Context

The Group wants to be a long-term economic partner to the regions. We therefore wish to develop purchases from local suppliers at the construction and operational phase of our sites, in order to participate in the economic dynamism of the regions where we are present. Companies are considered local when they are located less than 150 km[(1)] from the site.

Policy

The Group's Purchasing policy aims to create virtuous cycles for the regions around its sites:

- use local companies when their offerings are able to meet specifications;
- favour local players with equivalent costs/quality;
- favour VSEs/SMEs with equivalent costs/quality.

Action plan and results

In the construction phase

In the construction phase of new sites and sites under renovation, the Purchasing Department pays particular attention to maximising the use of local suppliers and service providers, with equal skills and quality. Thus, at the Center Parcs Les Landes de Gascogne site, during the construction phase, a commitment was made to use local companies for the vast majority of its requirements. In September 2020, 57% of the companies chosen to make cottages, equipment and voiries réseaux divers (VRD) were based in Lot-et-Garonne, and 77% of the chosen companies were from the Nouvelle-Aquitaine Region. In addition, specific commitments have been made to ensure that all the wood used during site preparation is sourced locally (for the manufacture of paper pulp, crates, plywood, etc.).

In total, 71% of construction purchases were made in the region.

During the construction phase of the Hôtel des Douanes in Deauville (delivered in July 2021), no purchases were made locally because the contract was executed through a general contractor who was not local.

In the operational phase

In the operational phase, the share of local purchases[(2)] in France was, on average, as follows:

Share of local purchases in operations	2019/2020	2020/2021
Center Parcs France (including Villages Nature® Paris)	39%	35%

(1) Distance as the crow flies.

(2) All purchases made by the Group are taken into account excluding expenses that cannot be incurred locally: energy, telecoms, Booking.com, etc.

4.2.4 Developing local inclusion

4.2.4.1 Promoting the integration of local populations

Context

As a tourism operator, the Group is committed to the local economy by offering jobs that cannot be relocated[(1)]. Thus, Domaine Center Parcs De Haan employs 550 people to operate the entire village.

Governance

The teams in charge of the development of new sites and their operation help to anchor the residences and Domaines.

Policy and action plan

In the construction phase

In the construction phase, the Group promotes the employment of local workers by using local companies. Prior to opening, employees work with local economic players to release job vacancies on the new site and we train future employees in the skills required to work in the tourism sector.

For the Center Parcs Les Landes de Gascogne, in the Lot-et-Garonne department, which is currently under construction, initiatives are in place to boost the local economy, prior to project delivery. Set up in 2019, the Employment Committee brings together the Deputy Prefect (of Marmande), the Chairman of the Community of Communes of Les Landes de Gascogne and DIRECT, the Region, the department of Lot-et-Garonne, and employment agents (Pôle Emploi, Mission Locale business segments). It meets every two months in order to establish the optimum conditions for finding employees with a view to their subsequent training and recruitment. The purpose of this committee is to guide and decide on employment and training decisions, to draw up an inventory of manpower needs, to facilitate the provision of resources and the establishment of relations with multiple partners for recruitment, to activate the levers necessary to prepare the operation of the site.

In the tourism operational phase

By favouring purchases from local companies and offering jobs to local populations, our sites contribute to the economic dynamism of the regions. Thus, for the future Domaine Les Landes de Gascogne, the Group committed to sourcing 65% of its operating purchases locally (maintenance, food supplies, etc.).

In addition, Villages Nature® is part of the "1 jeune 1 solution" ("1 young person 1 solution") programme, which aims to offer a solution to every young person in France. Since the summer of 2020, Villages Nature® has recruited 111 young people under the age of 26, including 25 work-study students in all sectors: facilitators, human resources, safety, reception, commercial development, aquatic areas, maintenance, cleaning, etc. Villages Nature® has undertaken to implement several training courses leading to qualifications for job seekers with a view to obtaining the National Aquatic Surveillance and Rescue Certificate (French BNSSA), in partnership with the Pôle Emploi (the employment centre) and the public authorities. Since the summer of 2020, 17 people have been trained in this context.

4.2.4.2 Co-constructing with our local stakeholders in the development of our major projects

Context

Engaging in a lasting relationship with local partners from the moment new projects are conceived is essential to the development of our projects in France or Europe. Public authorities, local residents, local associations, etc. are key partners in carrying out our development projects, making the project known locally, working on its local anchoring, and integrating the life of the construction site and the future tourist site into the local socio-economic fabric. This approach contributes to the local acceptability of the project.

Governance

One person is responsible for consultation at each team in charge of real estate projects:

- the Center Parcs Europe Real Estate team for new Domaines Center Parcs projects in Northern Europe and Scandinavia;
- the Pierre & Vacances Développement team for real estate projects in France.

Policy and action plan

A local consultation going beyond legal requirements is organised prior to the filing of building permits and during the project development phase for all our projects exceeding 100 accommodation units or having a strong environmental dimension.

Results

- A consultation was carried out for the five projects in the development phase led by Pierre & Vacances Développement (i.e. every project).
- A consultation was carried out for the Center Parcs Brombachsee project in Germany. Thus, by decision of the Land of Bavaria, the inhabitants of the commune of Pfofeld in Middle Franconia were asked to take part in a referendum in June 2021. The majority of residents voted against the project. The Group therefore decided not to continue the development of this project.

(1) Non-offshorable means that these are jobs that primarily benefit the employment pool in the region where the site is located.

4.3 Promoting living together and excellence in our practices

4.3.1 Ethical and responsible practices

Business ethics

Context

As a leader in local tourism in Europe, the Group is particularly committed not only to compliance with the regulations to which it is subject, such as the SAPIN II law or the law on the duty of vigilance, but also to protecting its reputation and its integrity in the eyes of its customers, stakeholders and employees.

Governance

The Group Compliance Officer, who reports to the Group Secretary General, is responsible for designing the Group's compliance programme, notably with regard to the SAPIN II law and the duty of vigilance. The Group Compliance Officer is supported, notably, by Ethics & Compliance focal points at each Business Line who are in charge of implementing the compliance programme.

Policy and action plan

As regards the fight against corruption, the Group applies a principle of zero tolerance. During the 2020/2021 financial year, the Compliance Department strengthened the corruption risk prevention system by:

- adopting a procedure to manage conflicts of interest;
- updating the whistleblower charter;

  Employees and any stakeholder can thus issue an alert, notably to report acts of corruption, via a secure and confidential online platform. In 2020-2021, no alerts were made via the Whispli alert system. These documents (whistleblower charter and conflict of interest management procedure) are available on the intranet;
- SAPIN II accounting controls were carried out at several Group entities, notably in the real estate business;
- 400 employees in France, at the head office or on-site, were trained in the risks of corruption and influence peddling, in person or remotely, due to the health crisis, by the Group Compliance Officer.

Moreover, a working group on the assessment of third parties was set up with the Purchasing Department, the Finance Department, the Internal Audit Department and the Compliance Department. This working group began a process of consolidating, harmonising and formalising third-party assessment practices.

The implementation of this system was delayed due to the COVID-19 health crisis.

The Group's goal is to embed a culture of compliance and ethics at all its Business Lines and in all the countries where it operates.

Respect for human rights

Context

Aware of the risks existing in the sectors in which it operates, the Group is attentive to the respect for human rights. The outsourcing of services in the tourism and construction sectors could involve human rights risks linked, for example, to working conditions and health and safety.

Policy and action plan

The Group is committed to protecting human rights within its direct sphere of operations. The Code of Ethics is based on upholding the United Nations Universal Declaration of Human Rights and the founding texts of the International Labour Organisation. The basic principles that inform the Group's actions are: respecting laws and regulations; respecting people; respecting the environment. The Code of Ethics reiterates that each employee must perform their duties with integrity, transparency, loyalty and responsibility. The issue of human rights is also included in the CSR questionnaires sent to our suppliers and covered in the vigilance plan.

The Code of Ethics was disseminated in October 2021 among all French employees of the Group. With the new whistleblowing system, it is now possible to report violations or risks of violations of human rights. It will be communicated to all Group employees in 2021/2022.

The Group's vigilance plan is addressed in chapter 4.8 of the NFPS.

General Data Protection Regulation (GDPR)

Context

The GDPR legal framework enforced in May 2018 with a view to protecting individuals by ensuring respectful use of their data. This was an opportunity for the Group to review its internal processes to ensure that the use of its customers' and employees' personal data remains supervised and sustainable.

Over the past financial year, the challenge for the Group in terms of GDPR was to comply with the new rules on the management of cookies.

In October 2020, the CNIL reinforced the applicable rules aimed at guaranteeing the rights of Internet users, and gave public and private organisations six months to comply with them. While it was already mandatory to obtain the consent of visitors to place non-essential cookies (e.g. advertising tracking cookies) in their terminal, since 1 April 2021, it is now necessary to ensure that said cookies can also be refused in one click. Thus, refusing tracers must be as easy as accepting them. This new rule required a review of all cookies and the banner texts displayed when visiting one of the Group's websites.

During the year, a significant increase in the number of customer requests made to our call centre (Customer Care Centre) was observed, and related to the disruption of the Group's business.

While the level of customer complaints directly concerning the GDPR remains low, the particularly high volume of requests has led to an unusual delay in their processing.

Governance

Based on the principle of subsidiarity, an organisational structure has been put in place to oversee the governance of GDPR issues: it includes a Data Protection Officer (DPO), supported by Deputy DPOs, who are focal points for each brand, business line and/or country; and Data Privacy Officers, the latter having decision-making powers.

The two governance bodies, the DPO Committee and the Data Privacy Committee, last met in April 2021. They are responsible for defining and/or updating the Group's data protection standards, policies and objectives. The resumption of meetings was scheduled in November 2021, at a rate of one meeting every two months.

Policy and action plan

The fundamentals of the Group's GDPR policy and its governance have been put in place over the past two years. Now, the challenge is to:

- perpetuate the Data Privacy organisation that was put in place via feedback on and updates of the PVCP Group's standards and tools and the updating of the data processing register.
  - This action involves conducting occasional but also cyclical audits. Due to the closure of sites and short-time working for teams, as a consequence of the health crisis, on-site audits had to be suspended. Only audits on major ongoing or future projects were carried out (such as the review of website cookie policies).
  - On-site audits, which also make it possible to ensure that practices comply with regulations, and to obtain feedback on any difficulties encountered, will resume from 2022, in order to give the sites time to resume their tourism operations;
- contribute to the development of new projects and procedures, respecting Privacy by Design, with the Business Lines;
- continue to train employees, especially new hires, on the issue of data protection and the tools made available to them. To do this, several training and awareness-raising materials were developed:
  - e-learning module: intended for all employees, available in five languages (French, English, Spanish, Dutch, German). It aims to provide employees with essential information on the GDPR regulations to better understand the issues, the Company's obligations and allow employees to ask themselves the right questions when starting a project related to the collection, storage and use of data. Prepared in the first quarter of 2020, the roll-out of the e-learning module was delayed due to the health crisis. The module is currently available in French for a limited audience in order to carry out a first test phase,
  - the colour chart "Everything you need to know about GDPR": Designed in a fun way, this colour chart is intended for on-site employees. It aims to answer their concrete questions about data. It addresses the principles of lawfulness, minimisation, storage, human rights and security,
  - a GDPR space, including procedures, best practice rules and news reports, was set up on the Group's Intranet and is accessible to all employees.

Tax policy

Context

The Group is not based in any low-tax jurisdictions. In accordance with the requirements of the Sapin II Law, the Group has based its tax policy on four pillars:

- tax compliance;
- tax transparency;
- tax risk management;
- assistance for operational staff.

Policy and action plan

Tax compliance

The Group's operations generate significant taxes of all kinds (corporate income tax, local taxes, customs duties, registration fees, social security expenses, etc.).

The Group's Tax Department ensures that the various business lines comply with all applicable laws, regulations and international treaties in force. This involves filing the necessary tax returns, as well as timely payment of taxes due. The Group monitors changes in tax regulations. In addition, the Tax Department monitors tax audits and disputes.

Tax transparency

The Group complies with the national, European and international tax standards published by the OECD, as well as the country-by-country reporting (CBCR) requirement for transfer pricing under the French finance law.

Tax risk management

The Tax Department is supervised by the Group Chief Financial Officer under the responsibility of the Group Deputy Chief Executive Officer. Tax risk is handled with a view to safeguarding the Group's reputation. This means:

- complying with all applicable regulations and paying the correct amount of tax;
- mitigating tax risk by monitoring tax developments and seeking external advice where appropriate.

In addition, the Audit Committee examines and discusses the implications of the tax policy.

Assistance for operational staff

The Group's tax policy is fully integrated into the Group's activity and development. Thus, the Tax Department is organised through a central team that works closely with the operational teams to ensure the proper implementation of its policy and compliance with the regulations.

4.3.2 Developing our human capital

With over 11,000 employees, the development of the Group's human capital is a key issue for it, notably as regards the recruitment and retention of employees. Moreover, the Group takes the necessary measures to reduce psychosocial risks and initiate actions to reduce hardship in jobs in the tourism sector. Lastly, the Group takes all necessary measures to ensure the health and safety of its customers and employees.

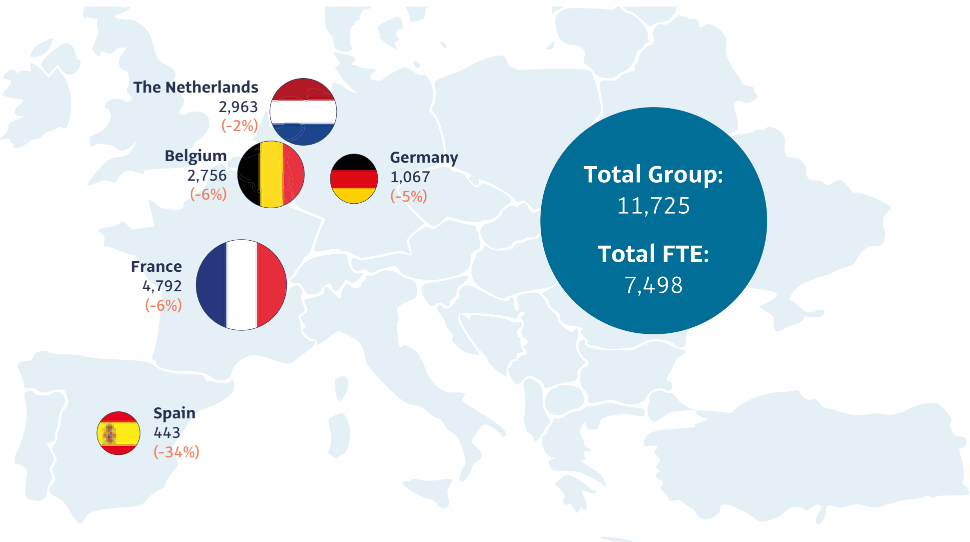
4.3.2.1 The Group's human profile

The Group's profile

The Group's business requires a wide range of skills:

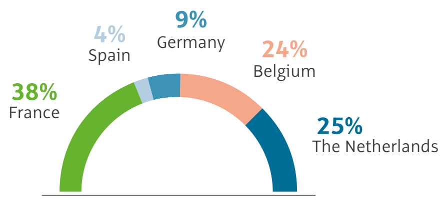
- tourism operations: front desk, reception, maintenance, renovation, security, housekeeping, swimming pools, events management, site management, operational control;
- real estate: property development and promotion, property marketing and management, and relations with owners;
- support functions: marketing, finance, IT services, purchasing, legal, human resources, communication, sustainable development, security;
- business functions, digital, analytics and customer relations.

Average annual headcount by country and average annual Group headcount by full-time equivalent (2020/2021)

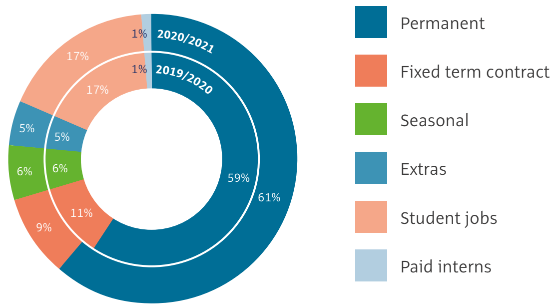


Difference between year N and N-1

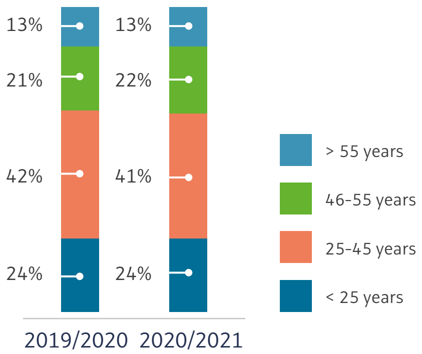
Breakdown of average headcount in numbers by country



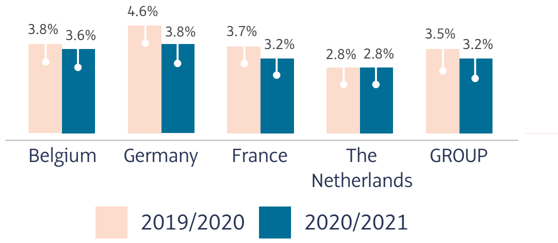
Breakdown of headcount at 30 September by type of contract



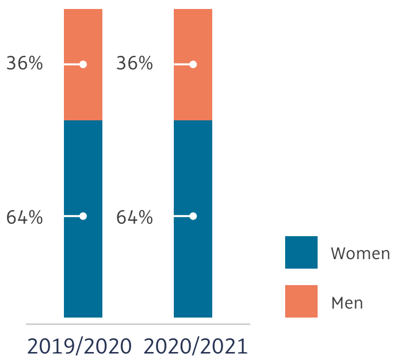
Breakdown of headcount at 30 September by age range

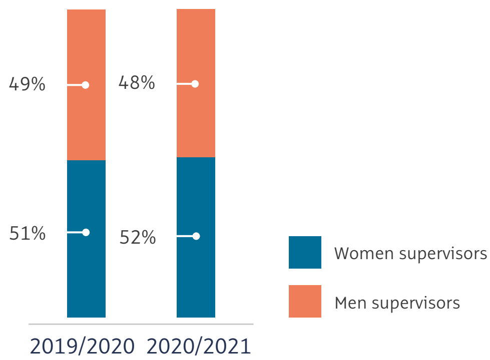


Absenteeism rate

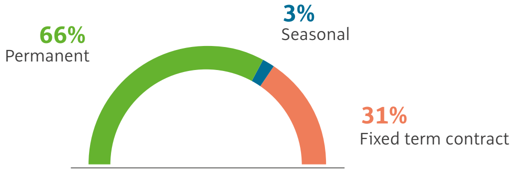


Breakdown of headcount and supervisors by gender

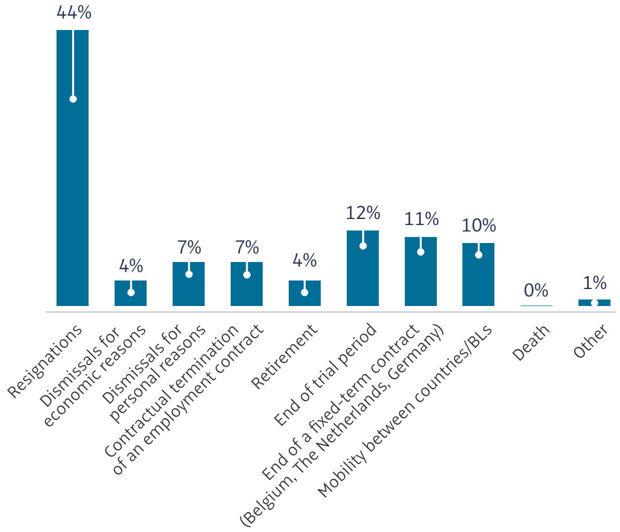




Breakdown of trained employees by type of contract



Breakdown of departures by reason in 2020/2021



	2019/2020	2020/2021
Number of new staff	1,857	1,551
Number of departures	1,889	2,044
TURNOVER RATE	**18%**	**18%**

Our HR policy

Context

The context of the health crisis led to the closure of most of our sites during the year. The Group used the partial activity legal scheme in France, Belgium, Germany and Spain. A tool for preventing economic redundancies, partial activity aims to preserve employment when the Company is facing cyclical economic difficulties.

In addition, during the resumption of activity, notably over summer periods, the Group was faced with tensions in the labour market and the shortage of employees, observed for several years in the hotel and catering sector, and exacerbated by the health crisis. In this context, attractiveness, training and talent retention will be major challenges for the Group in the coming years.

Payroll is the Group's second largest item of expenditure.

Governance

The implementation of *Change up* led to the alignment of the HR organisation with that of the Business Lines. Each Business Line now has an HR Department in charge of its recruitment, training, labour relations, development, internal communication and employer brand policy. With this new organisation established since 1 October 2020, the operational HR Departments are thus autonomous in all activities across the HR spectrum. Coordination is now under the responsibility by the Holding HRD, which also handles certain cross-functional operational activities such as payroll, HRIS and labour management control.

Policy

Two major events actively mobilised the HR teams this year:

- the implementation of the *Change Up* transformation plan, including, on the one hand, the finalisation of the EPP and, on the other, the creation of new companies and the intra-group transfer of approximately 2,800 employees as of 1 February 2021.

  It was accompanied by the roll out of new employee bodies, associated professional elections, and a 15-month period during which all employee agreements must be renegotiated.

  Moreover, restructuring operations were pursued: notably with the discontinuation of certain Pierre & Vacances sites and the programmed closure of Pierre & Vacances Conseil Immobilier (PVCI);
- the management of the health crisis through strict protocols, both at the head office and at sites, and recourse to partial activity.

The Reinvention 2025 plan provides for the improvement of the Group's performance, notably through cost savings on support functions.

The roll-out of the "Attract, recruit, develop, engage" HR strategy has therefore been very limited. The actions implemented and the results obtained this year are detailed below.

The current context made it impossible to launch the process for automating the collection of HR data. The Group relied on the internal audit processes as well as on previously existing tools for 2020/2021 reporting.

Attracting and hiring talents

Context

From February 2020 to February 2021, the hotel and catering sector, already under pressure, lost 237,000 employees in France. This change in profession by many employees in the sector is due to the flexibility of working hours, the arduous nature of the work, and the level of remuneration. For example, in the Netherlands, 35% of the cleaning technician positions remained vacant at our sites during the year. Consequently, when sites reopened, the Group had to use external services and temporary employment to cover the internal labour shortage. In this context, attracting and recruiting seasonal workers, and training and talent retention, are major challenges for the Group.

Policy and action plan

In order to ensure an optimal customer experience during peak seasons, the Pierre & Vacances and Center Parcs Europe Human Resources Department have worked on an action plan, which was rolled out at the start of the 2021 school year, for the recruitment of seasonal and operational staff. It is based on the following pillars:

- diversifying sourcing: job fairs, interventions in hotel schools, second chance schools, local missions;
- supporting managers in charge of recruitment with a view to making their methods more professional;
- facilitating internal mobility;
- reducing hardship;
- improving the attractiveness of jobs and career paths.

The challenges related to reducing the arduous nature of the work, to psychosocial risks, and to improving the attractiveness of the profession, could not be addressed during the financial year. Specific action plans will be rolled out over 2021/2022.

As regards the support functions at the head office, recruitment mainly focused on the Digital and IT Departments to support the digitisation of the Group and Finance, as well as to strengthen the Maeva team whose activity continues to grow.

Results

- Loyalty rate among seasonal workers: 53.7%

  The loyalty rate among seasonal workers for the 2019/2020 financial year was slightly underestimated because it was calculated on the basis of contracts and not the number of seasonal employees. It was therefore recalculated; it amounted to 53.4% for 2019/2020 (instead of 53% as published in the 2019/2020 URD).

Providing a professional pathway for all

Context

Developing the skills of our employees is essential to support the transformation of our businesses. Given the partial activity among employees and the closure of sites due to the health crisis, the training schedule was disrupted. Thus, the Human Resources Departments at the various Business Lines focused on mandatory training and the application of health protocols.

Policy and action plan

Skills development is largely based on a training policy that facilitates the growth of the business lines. The policy consists of five strands: health, safety and environment; business line expertise; sales; customer relations; management and leadership.

In the context of the health crisis, the HR Departments of Center Parcs Europe and Pierre & Vacances France focused their training on the following themes:

- ensuring the health and safety of customers through training on the health measures, legionella, electrical certification and evacuations in the event of fires;
- training of managers to support change as part of the implementation of the *Change Up* strategy.

More specifically, at Pierre & Vacances France, the management of incivilities, a significant subject this year, was addressed through training rolled out at Pierre & Vacances residences. 121 employees were trained in 43 residences.

At Center Parcs Europe, the focus was on the performance management process called “Talent Review”, which was revised in order to include a complete vision of talent across all the business lines (including floor managers). 3,000 talented individuals were identified, and starting in November around 20 talented individual will be promoted and reappointed every six months with a view to engaging employees and developing the corporate culture.

The Center Parcs Europe Business Line also organised a Road Show: the WATT (We Are All Together) Tour. Its purpose is to meet all employees and managers and to present the Reinvention 2025 strategy to them at the Center Parcs Business Line level. In total, the 26 sites were visited by Business Line Management in 3 months. 1,550 employees took part. The satisfaction rate for this event is 97%.

Lastly, the health crisis has led HR Departments to transform their training tools by fostering remote training. Consequently, for next year, several e-learning training courses are planned: incivilities, gestures and postures, risks of corruption, cleaning protocols, disability in companies, and holiday sales.

Results

- 15 training sessions on the management of incivilities were conducted among Pierre & Vacances employees.
- The number of training hours are presented below:

	2019/2020	2020/2021
Total number of training hours	61,155	36,104
Average number of training hours per employee	9.6	5.5
Proportion of employees trained	51%	56%
Proportion of women among trained employees	61%	62%
Training budget	€2,014,126	€1,444,998

Engaging our employees

Context

Convinced that commitment is a lever to guarantee individual and collective motivation and efficiency, the Group has made employee commitment one of the pillars of its policy. A common indicator applicable to each Business Line will be set up gradually: the e-NPS, or employee Net Promoter Score.

Policy and action plan

The implementation of the *Change Up* transformation plan has empowered each Business Line to monitor employee engagement and to roll out improvement actions. Thus, at 30 September 2021, two Business Lines had already calculated their e-NPS (Employee Net Promoter Score): Center Parcs Europe and Maeva. The calculation of the e-NPS will be carried out in the coming months at the Pierre & Vacances France, Pierre & Vacances Spain Business Lines and at the Holding Company.

At Center Parcs Europe, a new HR strategy based on the implementation of a continuous feedback loop involving employees, their managers and Management was put in place. Using the Peakon tool, more regular surveys will be carried out to identify positive points and areas for improvement. An e-NPS improvement target of 10 points has been set from 2021 to 2025.

At Pierre & Vacances France, the commitment will involve greater inter-site, inter-departmental and site-head office assistance. Thus, the Pierre & Vacances CSR approach stipulates that all new employees (hired on permanent contracts) must carry out a "Live my life" module as part of their on-boarding programme. In addition, one-day "Live my life" volunteering will be organised over 2021-2022 to facilitate work involving the sites and the head office, and to foster better mutual understanding. Lastly, teleworking at sites and at the head office will also be encouraged with the aim of 70 employees working in this way 2021/2022 (compared to 40 people in 2020/2021), i.e. 17% of employees eligible for teleworking.

Results

- e-NPS: Center Parcs Europe: -3 (attendance rate: 57%).
- e-NPS: Maeva: 24.

Ensuring health and safety for all

Context

The health crisis underlined the priority set by the Group of ensuring the safety of its employees and customers.

Governance

Operational risks are managed jointly by the Operational Risk Departments and the Human Resources Department. A dedicated team specific to each Business Line has been set up within Center Parcs and Pierre & Vacances France. At Pierre & Vacances Spain, the management of operational risks is addressed jointly by the HR Department and the Operational Departments.

Policy

Pursuant to the policy implemented for several years, the Operational Risk and Prevention & Safety Departments at Pierre & Vacances France and Center Parcs have set up an intervention framework based on the following themes: anticipate, analyse, train & support, and control.

Nine risk areas have been identified, in compliance with regulations: hygiene, health and safety at work; safety; fire safety; accessibility; leisure activities; swimming pool; playground; food hygiene; drinking water hygiene (legionella). They structure the action on both brands.

Furthermore, in the context of the health crisis, the Operational Risk and Prevention & Safety Departments applied increased vigilance in order to adapt the protocol implemented at the sites to changes in the epidemic (implementation of gauges in swimming pools, etc.). The measures taken made it possible to check the health passes and/or to carry out screening tests when required by regulations. The Group encouraged employees to be vaccinated.

Action plan

Pierre & Vacances

At the Pierre & Vacances Business Line, the Prevention & Security Department targeted the following actions over the year:

- updating the Prevention & Safety policy to remind employees of its fundamental components;
- multiplying communication resources in order to foster a safety culture. "Safety quarter-hours" sheets were disseminated on a regular basis to promote discussion among the teams on risks and prevention actions;
- the "Safety" check list, which is to be completed by site managers before sites are opened prior to the start of each season, was automated on the FMS tool in order to facilitate its filling by site managers and its analysis by the Prevention & Security Department.

Center Parcs Europe

Risk management is the responsibility of the head of operational risk at Center Parcs Europe. He is assisted by four national managers (one in each country of operation, i.e. Germany, Belgium, the Netherlands and France). These national managers work closely with the SHE managers (Safety, Health, Environment) at each Center Parcs Europe site.

In each of these areas, six audits are carried out each year to verify the implementation of operational risk prevention processes. Awareness-raising among on-site teams is carried out via the SHEmatters app: each department answers a questionnaire on a weekly basis.

In addition, in the context of the COVID crisis, all Center Parcs sites were certified in order to guarantee their compliance with the recommendations of the health authorities in terms of prevention, protection and hygiene (by the Fresenius Institute in Germany; with the Kiwa label in Belgium and the Netherlands; and with the Safeguard label in France).

Results

All active employees made aware of health measures.

	2019/2020	2020/2021
Frequency rate of workplace accidents	29.3	17.5
Accident severity rate	1.7	1.3

The calculation of the accident severity rate and frequency rate changed compared to the previous financial year. In the previously reported figures, the rate was overestimated because the number of hours of absence (in the denominator) taken into account was overvalued. The length of absence took into account partial unemployment in days (instead of hours).

Ensuring quality labour relations

The health crisis had a significant impact on the Group. The latter was able to work in collaboration with the various Works Councils (European Central Committee, various French Social Economic Committees and the three German, Belgian and Dutch Works Councils) to inform them of the impacts of the health crisis and the organisational changes related to the *Change Up* and Reinvention 2025 transformation plans. This unique context was therefore reflected in intense dialogue with the employee representative bodies and made it possible to sign 14 agreements; and in France it resulted in a new organization made up of three ESUs (Economic and Social Units: PV, CP and Holding Company) coming into effect following agreements signed unanimously by the trade unions across all scopes. Professional elections were held to set up Social Economic Committees.

4.3.2.2 Promoting diversity and equity

The Group's diversity and equity policy now focuses on two areas:

- promoting gender equity;
- promoting access to work for people with disabilities.

Promoting access to work for all

Context

Effective since 2020, the reform of the obligation to employ workers with disabilities has had two major impacts on the Group's French entities:

- the headcount is now calculated across the Company scope (and no longer at the establishment level). All establishments (even those not previously covered) are now included in the headcount. Consequently, the target number of units relating to the Mandatory Declaration of Employment of Workers with Disabilities (French DOETH) increased from 170 in 2019 to 248 in 2020;
- a single employment rate based solely on direct employment; the use of the protected and adapted sector no longer counts towards the valuation of beneficiary units.

Policy and action plan

Since 2005, the Pierre & Vacances-Center Parcs Group has been committed to promoting the employment and job retention of workers with disabilities. A new Group Disability collective agreement for the 2021-2023 period was signed during the year on the employment and integration of people with disabilities. Signed unanimously by all trade unions across all scopes, it applies to France. Initiatives were also implemented in Belgium, the Netherlands and Germany, but were not monitored at Group level.

The main objectives of the Agreement are to:

- raise awareness among all employees and communicate the Group's commitments. To this end, Mission Handicap conducts at least one awareness-raising campaign each month (month without tobacco, cancer, multiple sclerosis, autism, etc.);
- support employees with disabilities already at Pierre & Vacances-Center Parcs by taking measures that allow employees to offset their disabilities;
- support employees who in turn support a family member recognised as having a disability (children, parents or spouse). Said employees benefit from three additional paid half-days per year;
- roll out the necessary measures to promote the employment of workers with disabilities (recruitment, on-boarding, integration, training, etc.);
- allow already-recognised employees to benefit from six additional paid half-days per year, for medical and administrative appointments related to their request for recognition as a worker with a disability;

- continue to develop relations and contracts with the Protected/Adapted Sector;
- offer a situation interview to employees who accumulate 60 days of leave during the year or to people who return to work after more than three months of leave, in order to provide them individualised support to best organise their return.

As regards awareness-raising actions:

- 17 different awareness-raising topics addressed through 21 awareness-raising email messages and involving over 1,200 participants (presence at stands, participation in face-to-face/virtual games, providing answers to quizzes, etc.);
- 125,987 km travelled for the Téléthon initiative from 7 to 28 December 2020 by 252 employees;
- DuoDay: For the second consecutive year, the Group took part in DuoDay on 19 November 2020. For one day, a person with a disability forms a duo with a worker to discover a business line and a company. Due to the health crisis and the closure of sites, some duos had to be postponed. In total, 13 duos were formed during the DuoDay.

Pink October – Fight against breast cancer

In October, Ligue Contre le Cancer (league against cancer) came to the head office with a palpation bust to teach employees the habits to adopt and the screening to be carried out to prevent breast cancer. In total, around 20 employees took part in this awareness-raising activity. For the sites, Mission Handicap sent an email with a video made by Ligue Contre le Cancer on self-examination.

Results

Employment of workers with disabilities – France

	2019/2020	2020/2021
Proportion of employees recognised as workers with disabilities	3.9%	4.7%
Number of workers with disabilities present over the year	188	210
Number of employees recognised as workers with disabilities hired over the year	24	21
Number of adaptations of the working environment for employees with disabilities	13	11

Promoting gender equity

Context

The Reinvention 2025 plan includes an ambitious goal of promoting gender equality. Thus, as in the Tourism sector, the Group has a large number of female employees (64% of employees and 52% of managers are women). However, women are under-represented on the Group's Executive Committees (13% of the Group Executive Committee are women).

Policy and action plan

Action plans will be established by each Business Line in order to better promote women's access to positions of responsibility. A female leadership network will be set up at Center Parcs Europe.

The following objectives have been set:

- at least 30% of Management Committee and Executive Committee member are women by 2025, and 50% in the case of those already above this threshold;
- at Center Parcs Europe and Pierre & Vacances Spain: 50% of Site Managers will be women by 2025.

Results

Three management bodies (Management/Executive Committees) are composed of at least 30% women.

	% of women
Group Executive Committee	13%
Center Parcs Europe	10%
Pierre & Vacances France	22%
Pierre & Vacances Spain	42%
Maeva	14%
Individual Owners Department	56%
Pierre & Vacances Développement	50%

4.3.2.3 Ensuring the safety of our customers

The measures put in place by the Group to ensure the safety of its customers and employees are addressed in the chapter on "Ensuring health and safety for all".

Moreover, the Group is continuing its "Sécuri-Site" certification process, which certifies the implementation of a comprehensive security system, both inside the park and around the site, as well as close collaboration with local authorities.

This label is mainly based on prevention, the exchange of information and preparation for crisis management. The Center Parcs Trois Forêts, Lac d'Ailette, Bois aux Daims, Hauts de Bruyères and Villages Nature® Paris sites are labelled. The process for obtaining the "Sécuri-site" label has begun for the Center Parcs Les Landes de Gascogne site, which is currently under construction.

The Group ensures the safety of its customers at its sites, notably through the implementation of ISO 14001 standards on Center Parcs sites and the safety approach on Pierre & Vacances sites, and by monitoring the accident rate. The latter amounted to 0.0004% for Pierre & Vacances France & Spain (compared to 0.002% in 2019-2020) and 0.0013% for Center Parcs Europe (compared to 0.001% the pre year).

This accident rate refers to damages as a result of personal injury involving civil liability (above the insurance franchise) in relation to the number of customers (Center Parcs) and the number of units occupied (Pierre & Vacances). This rate was down due to the closure of our sites for part of the year.

4.3.3 Putting customer satisfaction and safety at the heart of our priorities

Context and policy

Increasing customer satisfaction is at the heart of the Reinvention 2025 strategy. The Pierre & Vacances France, Pierre & Vacances Spain and Center Parcs Business Lines set up a process to evaluate and manage customer satisfaction. At each entity, a team is in charge of processing customer satisfaction questionnaires that make it possible to monitor the net promoter score[(1)] (NPS).

Action plan and results

The Net Promoter Score of the Center Parcs Europe brands deteriorated this year due to the unique conditions stemming from the health crisis: restriction of the use of swimming pools, reduction in the number of activities offered, impacts of the labour shortage, etc.).

For the Pierre & Vacances France and Spain Business Lines, the NPS was up as a result of the implementation of an improvement plan including a section on cleaning services, as well as targeted investments addressing the issues leading to customer dissatisfaction: change of bedding, crockery and televisions.

- Center Parcs Europe NPS: -3.2% (down 1.1 points compared to 2019-2020).
- Pierre & Vacances NPS (Pierre & Vacances France and Spain): 22.5% (up 4.4 points compared to the previous year).

4.3.4 Boosting the Company's CSR performance by developing responsible purchasing

Context

The Purchasing Department spent €507 million in purchases in 2020/2021. The cross-functional role of this department was confirmed as part of the Reinvention 2025 plan, with a view to centralising a growing share of the Group's purchases.

Policy

The Purchasing Department updated its responsible purchasing policy to align it with the Reinvention 2025 plan. It is based on 2 pillars:

- developing a responsible purchasing culture:
  - training all buyers in responsible purchasing,
  - raising internal customer awareness of the best practices to be adopted for purchasing categories with high environmental and societal impact,
  - favouring local suppliers in relevant purchasing categories (maintenance, etc.);
- integrating the total cost, including the total financial cost and the Life Cycle Analysis[(2)], in the selection of products and services:
  - including CSR criteria in calls for tenders for categories with high environmental and societal impact,
  - assessing the environmental and societal performance of suppliers/service providers and their solutions,
  - providing innovative supplier solutions to achieve the ambitious objectives of the Group's projects.

In addition, the Group has held the Responsible Supplier Relations Label since 2016.

Action plan

Purchasing responsible products and services for our brands

The Purchasing Department is pursuing its responsible purchasing approach. We will cite the following examples:

- an initiative to remove plastic kits from linens was launched for testing at 16 Pierre & Vacances residences, in order to reduce the production of plastic waste;
- on the Pierre & Vacances France and Center Parcs Europe scope, the hospitality products (shower gels and shampoos) offered to customers were replaced by a new fully Ecolabel range since July 2021;
- moreover, at the Pierre & Vacances Business Line, discussions on the use of product dispensers to replace individual packaging are ongoing;
- 59% of the cleaning products used in the Pierre & Vacances, Adagio and Maeva scope are eco-labelled products. Their proportion decreased slightly due to the COVID-19 health measures (64% in 2019/2020).

Building a responsible supplier base

The Pierre & Vacances-Center Parcs Group has held the Responsible Supplier Relations Label since 2016.

Over the 2020/2021 financial year, 64 new suppliers were selected by the Purchasing Department. They were all invited to respond to a questionnaire assessing their environmental and societal performance. 25% agreed to answer the questionnaire and were therefore checked by the Purchasing Department. Suppliers who did not responded to the questionnaire are regularly contacted to follow up on the matter.

(1) The Net Promoter Score corresponds to the difference between the number of "promoters" and the number of "detractors" vis-à-vis the question "would you recommend this site to your friends and family?"

(2) LCA: Life Cycle Analysis and its impact (environmental, ethical, etc.).

Results

- 98% of purchases made by the Group's Purchasing Department are made from European suppliers, of which 45% from suppliers based in mainland France (compared to 50% during the previous financial year) and less than 1% are made in countries considered as "at risk", such as China. To determine the list of "at risk" countries, the Purchasing Department uses the inform risk index of the European Commission, which indicates the level of risk associated with each country. According to this list, only China has been identified as an "at risk" country for our activities. All suppliers managed by the Purchasing Department and based in China have been audited.
- The amount of expenses paid to the adapted and protected sector increased: €443 thousand excl. tax (compared with €438 thousand excl. tax in 2019/2020).

4.3.5 Supporting solidarity actions around our sites

Context

In 2020, and after three years of existence, the PVCP Group Foundation has chosen to reposition its actions in line with the Reinvention 2025 strategic plan.

Policy and action plan

Each year, the Group welcomes an average of 8.5 million customers, most of whom come on holiday with their families.

A survey conducted among 160 employees (France, Germany, the Netherlands, Belgium) confirmed the decision to focus the Foundation's action on the family and its modern challenges, a cause identified as a priority by 86% of male and female employees interviewed.

The choice is based on a very strong conviction: each family must remain a refuge for those it shelters and offer everyone a safe space, as well as time for learning, discussion and sharing. However, some families, due to specific circumstance (a break-up, illness, situations of violence or discrimination, for example), encounter more difficulties than others in forging these quality ties.

To assist and support all unique families, the Group Foundation opened a call for projects in September 2021 to support 12 new national associations (France, Spain, Germany, the Netherlands, Belgium, United Kingdom) providing programmes that target the following families:

- families undergoing reconstruction: single parenthood suffered following a separation, women & children who are victims of intra-family violence, widowhood and orphanhood, children in care;
- families and Disability and/or Illness;
- plural families: blended, single-parent, homoparental and LGBT+.

The Foundation will provide four pillars of annual support to each association:

- a financial contribution of €15,000;
- 100 days of team involvement;
- access to sites (seminar spaces, activities, clubs, swimming pools, free stays, etc.);
- access to the Group's network (suppliers, media, local elected representatives, etc.).

The associations will then be selected through a network of ambassadors in December 2021.

A network of ambassadors at the service of Solidarity

These associations are supported by an internal network consisting of one ambassador per brand and per country, i.e. a total of 12 ambassadors across the Group, who devote 15% to 20% of their working time to identifying the needs of the associations and who make use of all the internal levers necessary to implement and promote solidarity actions.

Results

During the financial year, in addition to the work on the repositioning of actions, the Foundation renewed its financial commitment to 15 associations for a total amount of €200,000.

In view of site closures and partial activity among most employees involved with the associations, the support provided was mainly financial. Nevertheless, some actions were conducted digitally, as was the case with the following two associations:

- Special Olympics Belgium: Center Parcs and Sunparks employees in Belgium provided support to the beneficiaries of the association remotely, notably through small incentive videos published each month;
- Unis Cité in Paris: 40 head office employees took part in coaching sessions for young people at the end of their civic service, involving 90 hours of skills-based sponsorship.

"Work Hard, Chill Hard" by the Akindo association

Domaine Center Parcs De Vossemeren in Belgium welcomed 30 teenagers for a day-long visit as part of Akindo's "Work Hard, Chill Hard" programme. This programme allows teenagers from socially vulnerable backgrounds to discover professional life but also cultural and leisure activities in the region.

In addition to the Foundation's activity, other philanthropic actions were carried out by the Group's various brands:

- 75 stays offered during the year to vulnerable families for a market value of almost €50,000 through our Pierre & Vacances, Center Parcs and Maeva brands;
- 1,400 stays sold at reduced rates by Pierre & Vacances for vulnerable families during off-peak periods;
- financial donations to associations taking action for the environment or the family for an amount of approximately €38,000.

4.4 Accelerating our ecological transition

4.4.1 Improving the sustainability of our real estate projects (under construction and renovation)

Context

The availability of land, the scarcity of primary resources, the inadequate management of energy consumption and greenhouse gas emissions, and poor control of waste management are the main non-financial risks identified by the Group as part of its real estate activities. In addition, the Group's teams have specific property development skills to provide projects that meet these environmental challenges, and work in concert with local stakeholders. This enables the Group to roll out a strategy that integrates these challenges while contributing to its development in the countries where it operates (France, the Netherlands, Belgium, Germany and Spain).

Governance

The development of the Group's real estate projects relies on two teams:

- the Center Parcs Europe Real Estate team, in charge of looking for land for, and designing and building, new Domaines Center Parcs projects in Northern Europe and Scandinavia;
- Pierre & Vacances Développement, in charge of looking for land for, and designing and building, new projects for the Pierre & Vacances, Maeva and Center Parcs brands in France and in the Mediterranean.

In addition, a Real Estate Committee was created at Group level. This body deals with development projects for the Center Parcs Europe, Pierre & Vacances France, and Pierre & Vacances Spain brands. Its purpose is to mediate on projects under review for potential development, as well as those resulting from management mandates and franchises.

Policy

In the design and development phase

The Group implements a development strategy based on three focus areas:

- **expanding the tourism range** by relying on management mandates, the marketing of partner sites, franchises, and the development of new residences through external developers.
  - The "Terhills resort by Center Parcs", a premium resort operated under a management agreement, opened in May 2021. It has 250 cottages on a former mining site.
  - The Pierre & Vacances Business Line opened two franchised residences in 2020/2021, in Île aux Moines and St-Cyprien.

  For projects designed by an external developer, the Pierre & Vacances Development team will rely on specifications incorporating the Group's CSR criteria;
- **capitalising on the existing real estate portfolio** by:
  - renovating our holiday residence portfolio (CAPEX of €430 million financed by the Group plus a massive renovation plan of €715 million financed, to the tune of 90%, by our institutional owners). The renovations concern the Capella residence for Pierre & Vacances and the following Center Parcs villages: Kempervennen, Het Meerdal, Erperheide, Bispingen,
  - launching extension projects at certain sites (Nordseeküste, Villages Nature® Paris),
  - acquiring existing real estate for redevelopment, thus avoiding the construction of new buildings;
- **reducing the environmental impact of our new real estate projects** by targeting stringent environmental standards and setting development criteria.

Action plan

Thus, for the new projects developed, the Group favours land sobriety, limiting the artificialisation of land through several actions:

- favouring the reconversion of already artificial land (car parks, former military sites with a high renaturation potential) and the reconversion of existing buildings;
- designing sober layout methods (optimised floor plans, multi-storey buildings, etc.);
- studying construction methods with limited impact (construction on blocks, etc.).

Moreover, in order to limit the impact of construction across the entire life cycle (carbon, resources, reconversion/reuse), the Group is committed to:

- certifying all new projects developed by Pierre & Vacances Développement with an environmental construction label;
- systematically looking into renewable energy equipment;
- looking for buildings to renovate;
- designing construction methods that enable reversibility on two levels: changing its purpose (e.g. mountain lifestyle hotels) in view of possible changes in use; or dismantling (in order to return the site to its original state).

Results

- Percentage of sites delivered during the year that were built on already artificial land: 100% (1/1).
- Percentage of projects delivered with environmental construction certification: 0% (0/1).
- Percentage of projects under construction with environmental construction certification: 100% (2/2).
- Percentage of projects under construction with renewable energy: 50% (1/2).

For projects delivered or under construction by Pierre & Vacances Développement and the Center Parcs Development team in 2020/2021 (Hôtel des Douanes (restoration), Center Parcs Les Landes de Gascogne, Capella (under renovation)), 66% are located on land that was already partly artificial.

Project stage (from 1/10/2020 to 30/09/2021)	Project name	Partially artificial land	Artificialisation rate[1]
Delivered	**Pierre & Vacances Hôtel des Douanes** 28 units Delivered in July 2021	Yes (refurbished building)	0%
Under construction	**Capella** Avoriaz renovation 143 units Estimated delivery: December 2023	Yes (renovated building)	0%
	Center Parcs Les Landes de Gascogne 446 units Estimated delivery: May 2022	No	+19% artificial surface area
Under development **Construction permit obtained**	**Pierre & Vacances Aime-La-Plagne – Lifestyle** 201 units Estimated delivery: December 2024	No	+6% artificial surface area on scopes A, B, C vs existing land (on the overall French ZAC scope)
	Villages Nature® T1A2 242 units Estimated delivery: October 2024	No	8% artificial surface area (excluding roads)
Under development **Construction permit obtained**	**Telepherik** Avoriaz 153 units Estimated delivery: December 2024	Yes (existing car park)	+36% artificial surface area
	Pierre & Vacances Flaine **46 units** Estimated delivery: 2024	No	+100% (construction between 2 existing buildings)

(1) The artificialisation rate = (Surface areas created and waterproofed – existing and waterproofed surface areas on which the building is located)/total surface area of the land.

Results of the certification of real estate projects delivered:

Restoration of the Hôtel des Douanes to convert it into a Pierre & Vacances residence: No certification (HQE certification for targeted renovation, not achieved due to “classified building” constraints).

4.4.2 Ensuring the eco-responsible operation of our sites through certification

The changing behaviours of our customers and the collective awareness of environmental and climate issues have prompted the Group to strengthen its policy of sustainable management of its sites, but also to fully integrate customers into our approach (through better communication on the certification of our sites and a customer experience rooted in sustainability).

Labelling makes it possible to prevent and manage the risks of failure to participate in local economic life, degradation of local biodiversity, poor management of water pollution, poor management of greenhouse gas emissions, and poor management of energy consumption and pricing.

4.4.2.1 Have our sites labelled

Context

The Group has chosen to have its sites and residences labelled in order to prove the seriousness of its sustainable development approach and to help provide benchmarks for customers to allow them to better choose an eco-responsible tourist destination.

Governance

The Marketing teams of the Pierre & Vacances France and Pierre & Vacances Spain brands and the CSR team of Center Parcs Europe are responsible for the certification of sites in accordance with the Group's commitments.

Policy and action plan

Green Key label

In order to improve the environmental approach of our sites, the Group is using the leading international environmental label for tourist lodging and restaurants: Green Key certification. It guarantees respect for the environment and for people via the implementation of environmental, social and societal criteria. This labelling process also encourages the teams of the labelled residences to be part of a continuous improvement approach.

The Pierre & Vacances France Business Line plans to certify every residence with over 55% leasehold inventory (which corresponds to the minimum inventory to be recognised as a tourist residence). Center Parcs Europe aims to certify all Domaines.

ISO 14001 and 50001 certification

At Center Parcs Europe, the energy management approach is rolled out jointly with the ISO 14001 (environmental management system) and ISO 50001 (energy management) certification processes (see chapter 4.5.2.1).

Maeva is committed to the environmental signage of its affiliated campsites

Maeva rolled out environmental labelling or the "Environmental Tag" on 30% of its campsites (affiliated or Respire). This initiative, led by ADEME and the French Ministry for the Ecological and Solidarity Transition, enables campsites to measure their carbon impact, their water and energy consumption, and the share of organic products. An environmental label results from these calculations. The latter is posted on sites and communicated to clients to raise awareness. The campsites concerned are committed to a sustainable transition process to protect our ecosystems and fight against climate change. Maeva aims to roll out this environmental signage in all its campsites by 2025.

Results

Over the 2020/2021 financial year, the Group achieved its objectives, namely:

- all Center Parcs sites have the Green Key label and are ISO 14001 and 50001 certified;
- 38% of Pierre & Vacances France residences have the Green Key label;
- 58% of Pierre & Vacances France residences (with inventory over 55% and those already labelled with inventory under 55%) are Green Key labelled.

During the summer of 2021, the Bahia Calpe hotel was the first Pierre & Vacances site in Spain to be awarded the Green Key label.

Moreover, this year Villages Nature® Paris became the first tourist destination to obtain four international labels related to sustainable development: already Green Key and Blue Community approved, Villages Nature® Paris was also certified ISO 14001 (environmental management system) and ISO 50001 (energy management system).

4.4.3 Making our customers and owners part of our environmental commitment

Owners are major stakeholders. The Group works to establish ongoing, high-quality relations.

Owner clients

Context

During the financial year, almost all French Pierre & Vacances residences and Domaines Center Parcs were closed for three months by decision of the public authorities as a result of the COVID-19 health crisis:

- 1.5 months from 30 October 2020 to 14 December 2020;
- 1.5 months from 5 April 2021 to 18 May 2021 inclusive.

Due to these administrative closures and closures related to restrictive measures, the payment of rents to individual owners had to be suspended for part of the year. In this unique context, the start of a conciliation procedure was approved by the Paris Commercial Court in order to seek balanced agreements with creditors, as well as institutional and individual owners. The conciliation period was approved for the period from 2 February to 2 December 2021 (following a six-month extension).

Policy and action plan

The conciliation process aims to establish a framework for discussion with individual owners. The Individual Owners Department endeavoured to communicate regularly with owners by setting up newsletters. In total, five newsletters were sent during the conciliation period.

Conciliation resulted in two proposals and two time frames.

- First period: From 15 March 2020 to 30 June 2021 (impacted either by administrative closures imposed by decree or by restrictive measures): the proposal provides for a 7.5 month discontinuation, including 5 months of administrative closures. This scheme is equivalent to other companies in the sector: 50% of contractual rents paid.
- Second period: From 1 July 2021, two proposals were made to owners: the first proposal was based on fixed rents amounting to 72.5%, the second on variable rents depending on the occupancy rate (with a guaranteed minimum of 50% of the contractual rent).

Following improved summer performance compared to the reference summer of 2019, the Group improved its offer by proposing, to all owners, the full payment of rents for all owners who signed the amendment, for the period from 1 July 2021. The second option therefore lapsed.

Lastly, in November 2021, the Group proposed an alternative solution as part of the conciliation process. The owners who sign this new amendment will only waive 5 months' rent (versus 7.5 months in the previous proposal). In return, they will waive the payment of any compensation foreseen by the State and of holiday vouchers worth €2,700. The implementation by the Group of this new option remains subject to signature by a number of owners, signatories of the September amendment and of this new proposal, representing at least 85% of units, all residences combined. The deadline set for owners to accept this offer was 2 December 2021.

At 30 September 2021, 59.8% of owners had accepted the Group's offer.

After this special conciliation phase, the Individual Owners Department plans to set up a specific system to communicate with owners.

Results

- Lease renewal rate: 57% (67% in 2019/2020).
- Acceptance rate of the Group's commercial offering in the context of the conciliation procedure (at 30/09/2021): 59.8%.
- Volume of owner disputes (number of disputes compared to the total number of owners): 2% (4% in 2019/2020).
- Time taken to process ownership disputes: 5 days (compared to 3 days in 2019/2020). The extension of this period is explained by the partial activity put in place for the entire Group.

Tourism customers

See chapter 4.4.5.2.

4.4.4 Reducing the environmental impact of operations

The Group has identified several risks applicable to sites in operation: the risk of inadequate management of greenhouse gas emissions, the risk of inadequate management of water pollution, the risk of a scarcity of primary resources, as well as the risk of failures in waste management.

Context

Tourism companies contribute to global warming by generating greenhouse gases through the construction of sites, their activities, transportation, accommodation and food services for vacationers.

Equally, 87% of tourists want to travel more responsibly according to a study conducted by Booking in 2021 (compared to 68% in 2019). The increase in this rate shows that our customers expect our residences to be operated sustainably and in such a way as to contribute to the protection biodiversity. The floods that affected the countries where the Group operates (Germany, Belgium, France and the Netherlands) during the summer of 2021 were a reminder of the sensitivity of populations to climate issues and of the need to manage our water and energy consumption.

Governance

All policies described below are steered by the CSR Department implemented in collaboration with the Business Lines.

4.4.4.1 Anticipating climate hazards

Context

The tourism sector generates a number of pressures on the environment and the climate. In the operational phase, tourist traffic generates impacts related to the mobility of tourists, accommodation (energy, water consumption), catering and various activities. According to a study published in 2018 in Nature Climate Change, the tourism sector is responsible for around 8% of global greenhouse gas emissions.

Tourism contributes to climate change but is itself also threatened by the direct and indirect impacts of climate change. The Group's activities are impacted by changes in potential climatic hazards, in the short, medium and long term; therefore resilience to climate change has been identified as a non-financial risk.

Policy and action plan

A detailed study was carried out in 2018 to analyse the climate risks to which the Group is exposed. Five major potential hazards were studied:

- storms, winds, hurricanes;
- increases in average temperatures;
- heat waves;
- droughts;
- heavy rainfalls.

Based on the potential hazards, the following high-stake risks were identified:

- storms that could result in significant renovation costs, increased insurance costs and construction delays;
- heat waves that could lead to an increase in management costs, or even temporary closures, and a decrease in the attractiveness of sites;
- landform instabilities and flooding potentially rendering the sites inaccessible;
- droughts leading to risks of weakening of buildings (shrinkage/swelling of clays).

All these risks would result in potential long-term loss in the value of the real estate assets managed by the Group.

Actions to adapt to climate change are one of the keys to the resilience of the Group's business. The year in 2020/2021 having been strongly impacted by the partial activity as a result of the health crisis, the development of an action plan, "Adaptation to climate change", is planned for 2021/2022.

4.4.4.2 Limiting our carbon footprint

During the year, work was carried out to update the carbon assessment. It has made it possible to refine the share of each emission item in view of the Group's current activities. This work has also provided a basis for updating the response to the 2021 CDP (Carbon Disclosure Project) questionnaire.

The Group's carbon footprint

The Group's carbon footprint was updated across the Group's activities and value chain, based on the GHG protocol methodology. The carbon footprint covers the Center Parcs Europe, Pierre & Vacances France and Pierre & Vacances Spain Business Lines.

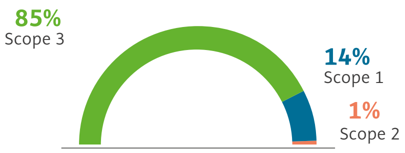
The Group's carbon footprint amounted to 628,493 tonnes of $CO_2$2 equivalent.

Scopes 1 and 2 correspond to greenhouse gas emissions directly and indirectly related to energy consumption. This footprint was down compared to the previous year due to reduced activity resulting from the health crisis (closure of our sites for several months). The method for calculating Scopes 1 and 2 also changed over the 2020/2021 financial year: an approach based on the strict application of the GHG protocol is now used. Emission estimates for Scopes 1 and 2 are based on the market-based approach.

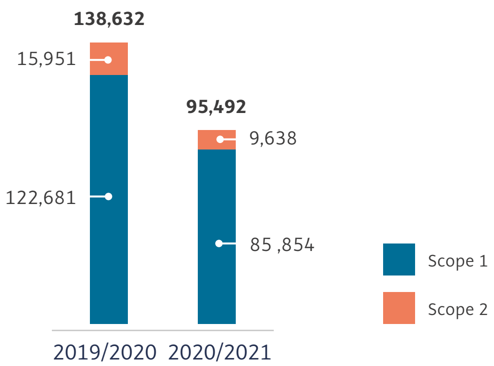
The main sources of greenhouse gas (GHG) emissions were as follows:

	Carbon footprint (tCO_2e)	
Breakdown of emissions by scope (2021/2022)	**2019/2020**	**2020/2021**
Scope 1: GHGs emitted directly by the Company through on-site facilities – notably for heating (gas, geothermal, wood)	122,681	85,854
Scope 2: GHGs indirectly related to energy (electricity and heat)	15,951	9,638
Scope 3: GHGs indirectly emitted by the Company (customer travel, purchases, etc.)	863,687	533,001
TOTAL	**1,002,319**	**628,493**

Breakdown of GHG emissions by scope – FY 2020-2021

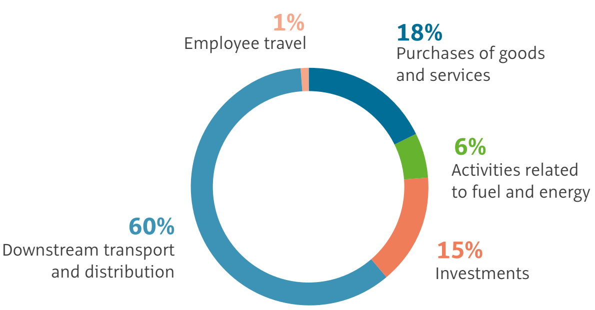


Scope 1 & 2 PVCP footprint (tCO2e)



Scope 3 – FY 2020-2021

Scope 3 breaks down as follows:



Customer travel represents 62% of Scope 3. Actions are planned by the Group to try to reduce this footprint (see chapter 4.4.4.6).

Policy and action plan

Over the financial year, preparatory work on the definition of a carbon strategy for the Group continued. The CSR Department conducted an energy audit of the Pierre & Vacances France, Pierre & Vacances Spain and Center Parcs sites. 52 sites responded to a detailed questionnaire to analyse the maturity and potential energy performance of each site. This analysis made it possible to identify the sites for which energy performance improvement work should be carried out as a priority.

While waiting for a carbon strategy to be finalised, various actions taken by the Group are helping to reduce our GHG emissions by:

- limiting energy consumption at our sites with targets for reducing energy (and water) consumption established for each brand (see chapter 4.4.4.3 below) and certified processes (ISO 14001 and ISO 50001 – see chapter 4.4.2.1);
- favouring the use of renewable energy sources at operating sites; 23.5% of Center Parcs Europe's total energy consumption comes from green electricity or on-site production contracts (see chapter 4.4.4.3);
- promoting local tourism (see chapter 4.2.1);
- providing transport alternatives to private cars (see 4.4.4.6).

The Group's carbon strategy will be defined in early 2022. It will set a goal for reducing greenhouse gas emissions in Scopes 1, 2 and 3, as well as reduction targets for each Business Line.

4.4.4.3 Reducing our energy consumption and developing renewable energies

Policy and action plan

Commitments to reduce consumption are established for each Business Line:

At Pierre & Vacances France residences:

- -8% in energy consumption from 2019 to 2025.

At Center Parcs Europe:

- -12% in energy consumption from 2019 to 2025;
- achieve 100% green electricity by 2025.

Due to the health crisis, project development has been slowed down or even discontinued. Nevertheless, over the financial year, the Group implemented various initiatives relating to energy efficiency and renewable energy production.

Energy efficiency

- The installation of sub-metering systems on three Center Parcs sites (Eemhof, Bostalsee, Port Zeland) to optimise the management of gas and electricity consumption. This system should also be set up in other Domaines Center Parcs in the near future.
- The switch to LED lighting for the common areas of Pierre & Vacances France sites reduced energy consumption by 2,373 MWh.

Renewable energy production

Center Parcs Europe plans to roll out solar panels in several Domaines in the coming years, in order to increase the share of renewable energy produced on-site. The Center Parcs Bois aux Daims and Port Zeland sites already have solar panels (production of 5 MWh per year). However, this energy is reinjected into the network (not used by the site).

The installation of 300 kW of solar panels at the Domaine Center Parcs Bostalsee in Germany is the first renewable energy production project on a Center Parcs site. The electricity produced covers 15% of the park's needs. Two other photovoltaic projects are under development: the first, on rooftops, of around 350 kW for Center Parcs de Eemhof; the second, with of 1.7 MW in power, will cover the parking lot at the Domaine de Vossemeren.

Results

The 2020/2021 financial year was once again disrupted by the health crisis, forcing the Group to close its sites for a period of several months (by administrative decisions or due to restrictive measures). This had repercussions on the consumption of each brand (see below).

	Center Parcs Europe		PV France & PV Spain		Group	
Volumes of final energy consumed	**2019/2020**	**2020/2021**	**2019/2020**	**2020/2021**	**2019/2020**	**2020/2021**
Number of sites included in the scope	26	26	153	140	179	166
Total energy (in MWh)	686,270	559,418	105,945	93,810	792,070	653,229
Energy volume (in kWh)/overnight stay	201	219	48	54	140	152
Electricity (in MWh)	140,718	116,091	82,863	72,798	223,449	188,889
Gas (in MWh)	486,860	420,219	10,013	8,336	496,860	428,555
Wood-fired boiler room + Geothermal energy	58,692	23,108	0	597	58,692	23,705
Fuel oil (in MWh)	-	-	4,075	5,245	4,075	5,245
Urban heat (in MWh)	-	-	8,994	6,835	8,994	6,835

The share of renewable energy at Center Parcs Europe is increasing, although the production of renewable energy on-site is decreasing. Due to the temporary closure of sites, sites made very limited use of wood-fired boiler rooms. Center Parcs Europe is supplied with green electricity at all of these sites (except Villages Nature® and Allgaü).

Share of renewable energy (for the Center Parcs Europe scope) (based on gross consumption)	2020/2021	2019/2020
Share of renewable energy produced on-site	4.2%	8.6%
Share of renewable energy purchased (under a renewable energy contract)	19.3%	15.4%
Share of renewable energy (of Center Parcs Europe's total energy consumption)	23.5%	23.9%
Share of green electricity (of all electricity purchased)	92.4%	90.2%

Pierre & Vacances

The year was marked by the closure of residences for more than three months (in some cases, six months). The collection of energy consumption data and the optimisation of technical facilities were impacted by partial employee activity as well as by opening/closing periods. Energy consumption decreased by 13% compared to the previous financial year (-34% compared to 2018/2019), but in a lower proportion than the occupancy rate (-21% compared to the previous year). At certain sites, facilities were completely shut down. However, in most of our residences, they operated normally (or at lower levels) due to the presence of traditional co-owners.

Center Parcs

The same phenomenon was observed for the Center Parcs Domaines, which were also closed for several months (up to six months for French and German parks). Only the Domaines located in the Netherlands remained open all year round, with an occupancy rate of around 30% due to the ban on operating aquatic areas and restaurants. Most central facilities continued to operate at a minimal level in order to ensure their maintenance and due operation, even if significant efforts were made to reduce consumption to the lowest level. In addition, to ensure the cleanliness of cottages, they were heated to a temperature of 14 to 17 °C. Energy consumption fell by 16.8% while the number of overnight stays decreased by 25%.

In order to monitor of energy consumption precisely and ensure data reliability, the Group decided to set up an energy monitoring tool as of the 2021/2022 financial year.

4.4.4.4 Protecting water resources

Governance

The policy described below is managed by the dedicated personnel in charge of managing water and energy consumption, for each of the Center Parcs Europe, Pierre & Vacances France and Pierre & Vacances Spain Business Lines.

Policy and action plan

As with energy, commitments to reduce water consumption are established for each Business Line:

- -16% water consumption by 2025 (2019 baseline) at the Domaines Center Parcs Europe;
- -8% water consumption by 2025 (2019 baseline) at Pierre & Vacances France residences.

Over the 2020/2021 financial year, consumption was closely monitored in order to reduce it as much as possible.

Pierre & Vacances

Water consumption decreased in proportion to the number of overnight stays: -19.9% in water consumed compared to the previous financial year, and -21.6% in occupancy. Despite the closure of sites due to the health crisis, some facilities had to continue to operate for maintenance reasons or due to the presence of traditional co-owners.

Center Parcs

Water consumption fell by 25.7% compared to the previous financial year (already impacted by the health crisis). Several leaks were repaired during the closure periods. The leaks led to an increase in short-term water consumption: repair work was carried out in an empty swimming pool; the pool had to be refilled after the work was completed. Water consumption cannot be reduced to 0 due to regulations related to water quality, the need for watering Aquamundo's tropical plants, and the maintenance process.

Water resource management

During the year, the Group updated the study on the global risk related to water using the Aqueduct tool of the World Resources Institute (WRI), for the scope under management at Center Parcs, Pierre & Vacances France, Pierre & Vacances Spain and Maeva.

The global risk related to water takes into account 13 indicators on quantity, quality, and regulatory and reputation risks.

- 5% of the Group's sites face high global risk; these are Pierre & Vacances sites.
- 17% of the Group's sites face high average global risk.

The Pierre & Vacances sites facing high global risk are all located in Spain and in France in Île d'Aix (Pierre & Vacances Le Fort de la Rade residence). High risk is mainly due to the following factors:

- water stress: ratio between total water use and available water reserves;
- eutrophication potential: potential for rivers to contain loads of nitrogen, phosphorous and silica that promote harmful algal blooms in coastal waters;
- drought.

And depending on the site, the risks of coastal and river flooding can be significant, notably for the Center Parcs located on the North Sea coast (Nordseeküste, Oostduinkerke) and certain Pierre & Vacances residences on the Atlantic coast or on the English Channel.

In addition, sites at risk of water stress were identified by carrying out a projection through to 2030. This identification exercise was only conducted on the risk of water stress and not the global risk related to water. Water stress is an indicator of competition for water resources. It is defined as the ratio between water demand and the quantity of water available.

For Pierre & Vacances, sites facing extremely high risk are all located in Spain.

A specific action plan will be defined in 2021-2022 at the level of each BL in order to prevent this risk at sites facing a high to extremely high risk of water stress, in order to implement mitigation and adaptation solutions with regard to the risks identified.

The 2020/2021 financial year was once again disrupted by the health crisis, forcing the Group to close its sites for a period of seven months (by administrative decisions or due to restrictive measures). This had repercussions on the consumption of each brand (see below).

However, actions were undertaken to better manage and reduce water consumption. Thus, the lockdown periods made it possible to fix some water leaks: at Center Parcs Bois Francs and at the Pierre & Vacances residences in the French West Indies (Sainte-Luce and Sainte-Anne).

Results

	Center Parcs Europe		PV France & PV Spain		Group	
Volumes of water consumed	**2019/2020**	**2020/2021**	**2019/2020**	**2020/2021**	**2019/2020**	**2020/2021**
Number of sites included in the scope	26	26	153	140	179	166
Total water (m^3)	3,512,368	2,608,805	1,283,692	1,050,461	4,796,060	3,659,266
Volume of water (m^3)/overnight stay	1.03	1.02	0.58	0.60	0.85	0.85

A specific analysis of water consumption was carried out on "sensitive" sites, i.e. those located in an area with a medium to high risk of water stress. These involve Pierre & Vacances residences located in Spain and France in the Mediterranean basin. Average water consumption at these sites amounted to 0.51 m^3/overnight stay (lower than the site average for the Pierre & Vacances France and Spain BLs).

4.4.4.5 Recycling our waste and participating in a circular economy

Context

Construction waste represents approximately 70%[1] of the waste produced in France. Moreover, the volume of waste generated by tourism activities is directly linked to the occupancy of our residences and parks. Monitoring the waste generated by our sites, both during the construction phase and over the operating phase, is a major topic of interest for the Group.

In the construction and renovation phase: ensuring proper management of construction site waste

Policy and action plan

During construction and renovation projects, the Group endeavours to sort and recycle construction waste. Renovation projects represent a significant share of business. Therefore, the Group implements a policy promoting the recycling of materials and the circular economy. Monitoring is carried out during construction and renovation projects.

In accordance with the HQE Aménagement approach, a green construction site charter has been put in place at the Center Parcs Les Landes de Gascogne construction site. This charter aims to mobilise all site stakeholders in order to reduce site disturbances by setting requirements on the following topics:

- site waste management (waste reduction and sorting);
- limiting local pollution during construction;
- limiting risks and managing disturbances generated and perceived by local residents (vehicle and pedestrian traffic, noise, dust, etc.);
- safeguarding health and safety;
- reducing environmental impacts, notably on:
  - fauna, flora, natural environments and in particular rare and/or protected species,
  - energy and water consumption and CO_2 emissions,
  - soil and water pollution.

An Environmental Quality Assurance Manager (EQAM) from the construction site works daily on the site and ensures compliance with the green construction site charter. Two subjects in particular are monitored:

- due monitoring of the defences for protected species (by setting up anti-return tarps to protect amphibians);
- monitoring of invasive species.

The EQAM's daily presence on the site ensures compliance with this charter and supports the companies present at the construction site.

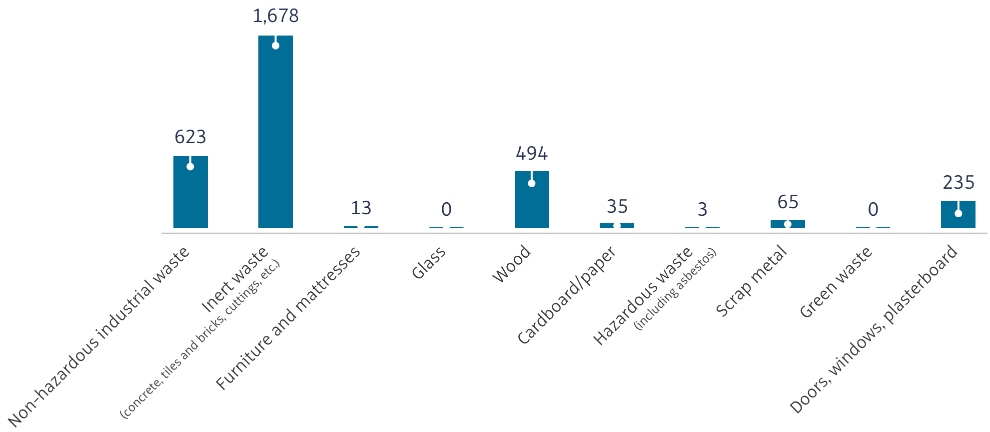
During the renovation of cottages at Center Parcs Heijderbos in the Netherlands, 269 old televisions were purchased from Center Parcs by a company, for a symbolic value of €2,000. It was decided this amount would be donated to another company responsible for planting 1,000 trees. When the trees are planted, a certificate will be given to Center Parcs. The approach will be used again for the next renovations.

(1) *https://www.ademe.fr/sites/default/files/assets/documents/dechets_chiffres_cles_edition_2020_010692.pdf.*

Results

In 2020/2021, 8 renovation projects (4 Domaines Center Parcs: Kempervennen, Meerdal, Erperheide, Bispingen; and 4 Pierre & Vacances residences: Bois de la Grée; Avoriaz – Tilia/Malinka, Belle Plagne – Les constallations; Deauville – Hôtel des Douanes) and 1 construction project (Center Parcs Les Landes de Gascogne) were carried out at Center Parcs Europe and Pierre & Vacances France.

The average sorting rate at Group level was 73%.



In the operational phase

Policy and action plan

Our aim is to optimise waste sorting so that we can work together with our waste management providers to recycle a high proportion of our waste. Prompting employees by means of clear communication and operating standards, and raising customers' awareness of best practices to be adopted are just some of the Group's levers for action.

Center Parcs

A commitment to recycling was made as part of the Naturall policy: 70% of waste sorted by 2025. This target is staggered over the next few years and is included in the environmental programme of each site and in ISO 14001 certification.

In the Domaines Center Parcs, cooperation with private waste management service providers enables the volume and sorting rate at each site to be monitored. However, the Group is dependent, for the calculation of published KPIs, on the reporting provided by each collection service provider.

The improvement of the sorting process continued at Center Parcs Europe: redevelopment of voluntary drop-off points, installation of new information panels on sorting instructions, adaptation of lockers in cottages, and voluntary drop-off points. These improvements were accompanied by an increase in the sorting rate: from 38% to 46% at the De Haan site.

This year, all Domaines Center Parcs in Europe took part in World Clean-Up Day on 18 September 2021. This is a global event during which employees, customers staying at Domaines Center Parcs, and local stakeholders were able to participate on a voluntary basis. The aim of the event is to bring together volunteers from around the world to spend the day together picking up litter from beaches, rivers, forests or streets. The day is an opportunity for Center Parcs to raise its employees' awareness of environmental issues, and notably of waste, while having a good time with colleagues. For example, the Le Bois aux Daims and Le Lac d'Ailette Domaines Center Parcs collected 92 kg and 33 kg of waste respectively.

Pierre & Vacances France

Since June 2021, Pierre & Vacances has been working in partnership with the non-profit association SapoCycle, on 37 of its sites. The goal of this partnership is to collect the soaps left by customers at the end of their stay in order to upcycle them, in other words, to transform them into new soaps. The upcycling process is carried out by an ESAT (French établissements ou services d'aide par le travail; establishments or services providing assistance through work), based in Colmar, which employs people with disabilities. The new soaps produced are then donated to national and local associations. The waste sorting instructions at the residences concerned were updated to include information relating to the recovery of soaps; and customers receive an SMS notification the day before their departure. Work will continue over the coming year with the roll-out of stickers for sinks, to make information more visible.

4.4.4.6 Developing sustainable mobility

Customer mobility accounts for 62% of the Group's carbon assessment Scope 3 emissions. The means of transport most used by the Group's customers to come to sites being the car, the Group, as an initial step, decided to install charging stations for electric vehicles in order to promote mobility that is less carbon-intensive among its customers.

Center Parcs

- 22 Center Parcs sites (6 Belgian, 8 Dutch, 6 German, and 2 French sites) have at least two terminals (except for one site which only has one terminal) that can each charge two vehicles at the same time.

Pierre & Vacances France

To date, 11 residences are equipped with charging stations for electric vehicles. The installation of this type of charging station is submitted to the vote of the General Meeting of co-owners. Initially, the corresponding Business Line plans to raise awareness among co-owners of Premium residences in order to meet this growing need.

In addition to the installation of charging stations for electric vehicles, the Group is launching initiatives to provide its customers with alternatives to private cars.

Maeva

Aware of the strong environmental impact of its customers' journeys, maeva.com, a holiday rental distributor, has partnered with the start-up Tictactrip (booking platform for all direct or inter-modal journeys) in order to offer holidaymakers the opportunity to book their accommodation and simultaneously their journey by train, bus or carpooling. Initiated in September 2021, this partnership aims to simplify customer journeys when making their reservation while offering an alternative to private cars.

4.4.5 Protecting biodiversity and contributing to its sustainable development

Since its creation, the Group has had a special relationship with its natural environment. As a tourism operator, the attractiveness of the Group's sites is strongly linked to the beauty of the surrounding natural areas, landscapes and specificities of each region, such as the Avoriaz resort, created in 1967 by Gérard Brémond, which was a milestone for the architecture of mountain resorts integrated into the landscape, and without a car. For their part, the Domaines Center Parcs offer customers the opportunity to relax with their family in the heart of a forest.

A number of actions have been carried out since then:

- over the operational phase, with regard to both the maintenance of green spaces and efforts to raise customer awareness;
- over the construction phase, by optimising floor plans, by prioritising the search for sites that are already artificial, or by resorting to landscaping.

These actions are based on internal expertise, but also on strong partnerships forged with universities and a number of environmental associations.

4.4.5.1 The Group, recognised as a "Company Committed to Nature" by the French Biodiversity Bureau

Context

Faced with scientific findings, regulatory changes and societal demands, and the desire to be part of a societal contribution approach, the Group decided to collectively develop a biodiversity strategy. It was established according to the official methodology of a "Company Committed to Nature – act4nature France" of the French Ministry for the Ecological Transition, and supported by the French Biodiversity Bureau (Office Français de la Biodiversité). The biodiversity strategy established pursuant to this methodology covers the French sites of the Pierre & Vacances and Center Parcs brands, which are managed by the Group.

Action plan

A diagnostic analysis of the impacts of the Group's activities on biodiversity and of the Group's dependencies on ecosystem services was carried out. All activities, both over the site development phase and during tourism operations, were analysed according to five major factors of biodiversity erosion (changing land use, direct use of resources, climate change, pollution and invasive alien species).

The action plan was developed collectively with internal and external stakeholders: 17 employees from various business lines (quality, risks, site management, management of green spaces, etc.), and two service providers (catering, landscaping) were involved in a dedicated working group. In addition, a committee of external experts – made up of sustainable tourism professionals and a scientist member of the Paris Natural History Museum – provided their critical feedback during Technical Committees.

The action plan breaks down into core business actions on prevention, reducing impacts and restoring biodiversity:

- measure and monitor the Group's biodiversity footprint (all core businesses);
- define a zero net artificialisation (ZAN) trajectory for all our real estate developments;
- strengthen and develop the ecological management of green spaces as part of our tourism operator activities by 2023;
- contribute to the restoration of local ecological continuity;
- act on our consumption of resources by promoting biodiversity as part of our activities as a tourism operator;
- aim for a net gain in terms of biodiversity by developing innovative regional renaturation trajectories;
- involve our co-owners and support franchisees in implementing our commitment to biodiversity.

After the Group signed the 10 shared principles of EEN – Act4 Nature France in the spring, this action plan, as well as its indicators and targets, were validated by the French Biodiversity Bureau in July, which awarded the Group the status of a Company Committed to Nature at the UICN Congress in Marseille. An audit of the progress of this plan will be carried out by the French Biodiversity Bureau in 24 months.

Additional actions are also included in this plan; they involve the development of a collective dynamic with our various stakeholders (employees, customers, universities, associations, etc.) as was the case in the initiative undertaken by Center Parcs les Trois Forêts with the creation of a Biodiversity and Tourism Lab, in collaboration with local authorities, VNF, the ONF, the Chamber of Agriculture, the Lorraine Regional Natural Park, the Conservatory of Natural Spaces, and the League for the Protection of Birds. This laboratory will make it possible to promote and imagine new "best practices" fostering biodiversity and positive interactions between tourism and the richness of biodiversity. For the public, it will involve designing offers targeting amazement and raising awareness of issues. Furthermore, Center Parcs Trois-Forêts supported the creation of the Moselle-Sud biosphere reserve as part of the UNESCO "Man & the biosphere" programme. Covering an area of 139,000 ha, this reserve was successfully created. It aims to become a centre for agro-pastoralism, eco-tourism and environmental research.

Creation of a biodiversity reserve on the Pierre & Vacances Le Rouret site

In May 2020, the Group sold 12 hectares of plots on the Pierre & Vacances Le Rouret site, for a symbolic euro, to the environmental association Fiber Nature with a view to transforming it into a natural biodiversity reserve. This reserve is located on the western slope of the mountain of La Serre, which represents a true Mediterranean-type ecological corridor between the Cévennes National Park and the Ardèche Gorges nature reserve. It is home to many remarkable and protected flora and fauna species, some of which are endemic.

In the operational phase

In order to promote the development of biodiversity on its sites, Center Parcs has set itself the objective of establishing an ecological management plan for green spaces on all Domaines by 2023. This ecological management plan is based on an inventory of the site's biodiversity and defines the actions to be implemented to promote biodiversity (late mowing, mulching, etc.). This objective, initially planned for 2022, was postponed by one year due to the health crisis and the part-time work of employees. It is based on the specificities of the site in terms of fauna and flora species, and aims to establish adapted management methods and measures (late mowing, choice of species, maintenance method adapted to the purpose of each space, etc.).

Bird of prey and hedgehog release centre

For three years now, Villages Nature® Paris and the FAUNE ALFORT association have implemented a partnership making the site a release centre for birds of prey and hedgehogs. On 31 July 2021, 12 kestrels and 5 hedgehogs were released in the presence of customers and more than 40 volunteers from the FAUNE ALFORT association. The Chairman of the association presented the species and how they are released, and customers, with the help of a volunteer from the association, were able to release them. Through their integration at Villages Nature® Paris, the kestrels will get used to their new environment before they start a long journey. As for the five hedgehogs, they will be monitored by the Biodiversity Department and will be released as soon as they have gained sufficient weight.

In the construction phase

At the Center Parcs site in Landes de Gascogne, which is under construction, a green construction site charter was drawn up. Its due implementation is overseen by an EQAM (see 4.4.4.5), the species is monitored by an expert local association, and an ecologist provides advice and monitors the site. Moreover, from the start of the project, an Environmental Committee was created to identify areas with a high environmental impact and protected species. This Committee meets every year to ensure rigorous monitoring of biodiversity at the Domaine.

Results

- The Group has been recognised as a "Company Committed to Nature" since June 2021.
- 12 ecological management plans were drawn up for Center Parcs, i.e. 46%.

4.4.5.2 Provide a nature-oriented vacation experience

The desire to raise awareness of nature among the young and the old is an integral part of the Group's CSR approach. The teams firmly believe in the power of emotion: by providing experiences linked to nature, young and old alike will be all the more eager to discover and protect it. Families take advantage of these holiday and weekend periods, which are well suited to discovery and creating memorable family experiences, to raise their awareness of nature. In addition to the educational farms at Center Parcs and Pierre & Vacances villages, nature-related activities are offered to families.

Context

Pierre & Vacances residences and villages are located in a wide variety of destinations, often in the heart of natural environments (mountains, seaside, countryside), and the Center Parcs Domaines in forested areas. The Group's ambition is to make the most of this natural capital and to help its customers discover it. Due to the health crisis, the sites were closed for several months; as a result, fewer activities were carried out. When they reopened, teams adapted to the health measures and organised activities mainly taking place outdoors and highlighting the local specificities of the regions.

Governance

The Pierre & Vacances and Center Parcs Marketing teams are in charge of the operational implementation of the roll-out of nature activities, and activities focused on the regions. They are supported by the teams at each site and, for certain activities, by the green space and biodiversity teams, which provide them with scientific expertise on proposed activities.

Policy and action plan

Center Parcs

For Center Parcs, nature is a constitutive element of stays, particularly the forest and the water points. Thus, the brand continues to develop its range of Nature activities, which currently number 82. Each site offers at least one nature activity; for example, Center Parcs de Haan offers its customers the opportunity to build an insect hotel.

In addition, Center Parcs plans to roll out a "Ranger" activity at each site by 2025. This activity is now an event on local biodiversity and no longer on biodiversity in general. Its goal is to allow customers to become familiar with, or rediscover, local and ordinary biodiversity. It is based on site inventories and ecological management plans, and may be organised in cooperation with local associations.

Pierre & Vacances

A nature activity including awareness-raising on nature protection is provided at certain Pierre & Vacances villages. Thus, for children aged 3 to 11, two activities are provided: Gardener and Farmer. In addition to these activities, over the summer, the Normandy Garden Village organised an event, from Monday to Friday, on sustainable development, with quizzes on the climate and environmental protection.

Moreover, this year the Pierre & Vacances marketing teams worked on the repositioning of the range of activities available near residences. Thus, activities such as go-karting and quad biking, considered as unsustainable because they use fossil fuels, were removed from the catalogue of activities. Equally, zoo and aquarium promotion was also discontinued.

Maeva

In order to meet the aspirations of our customers who are increasingly concerned about the environment, Maeva and the Ecolodges "L'Étoile d'Argens" have joined forces to develop a "sustainable outdoor hotel" offering that is unique in France. The goal is to open 20 "Maeva – Ecolodge" establishments by 2025. This new concept of "organic and eco-designed camping" offers quality accommodation fully integrated into its environment. A range of activities relating to nature and the region, and local catering, will be provided.

Results

- All Center Parcs sites provide Nature activities.
- 44% of Pierre & Vacances villages in France with children's clubs provide a nature activity (i.e. 2,610 children registered for activities during the year).

4.5 Methodological note

4.5.1 CSR scope

The reference scope covers all Business Lines more than 50%-owned by the Group as at 30 September of year N. Social and environmental reporting for the Adagio brand is included in the Accor Group's Universal Registration Document, as the brand joined their sustainable development programme over the 2015/2016 financial year.

Reported data

The annual statement of non-financial performance is based on:

- employment, environmental, and some societal indicators devised in line with a protocol describing the indicators, in detail, together with a calculation and internal control methods and data collection responsibilities;
- information and indicators monitored by the departments in question and forwarded for reporting purposes.

As the date of publication of the URD was postponed from December 2021 to the beginning of 2022, the Group did not have the material resources to calculate the share of revenue from activities eligible for the taxonomy within the time limit set.

Responsibilities

The CSR Department, which is responsible for carrying out the NFPS and the Group's CSR reporting consolidation, ensures the application of the protocol, and compliance with the reporting parameters and data collection methodologies.

It must therefore ensure the launch of data collection, the reliability of the data transmitted by the business line managers, the consolidation of certain indicators and the transmission of quantitative and qualitative CSR data for publication (structuring of data and transmission to the teams in charge of publication).

In order to ensure the consolidation of the Group's CSR reporting indicators, several levels of responsibility are identified within the organisation:

- for employment data: the HRIS teams are in charge of consolidation and verification at Group level;
- for environmental and societal data: each operational department is in charge of collecting environmental data and ensuring the reliability of the data at its level.

All employment, environmental and societal data are then consolidated by the CSR Department, which ensures that the indicators are consistent across the Group, in line with the CSR strategy.

Scope of publication

There are differences in scope (data excluded or included) within the same theme (environmental, employment, societal, responsible purchasing policy, customer approach). In this case, the scope selected and the associated criteria are explained directly in the data tables as well as in each indicator sheet of the Reporting protocol.

The scopes associated with environmental, employment and societal issues are described in chapter 6.2 "Data collection method" below.

4.5.2 Data collection methods

Employment data

Reporting scope

For employment data, all employees paid by the Group are included, irrespective of the business (Property development or Tourism) or the brand (Center Parcs, Pierre & Vacances, maeva.com, Senioriales and Villages Nature® Paris) for which they work and in all five countries where the Group operates (France, Belgium, the Netherlands, Germany and Spain). Teams based outside the EU (China) are not included in the reporting scope. They account for less than 0.4% of the workforce. Lastly, the indicators do not include temporary staff.

Over the 2020/2021 financial year, due to the COVID-19 health crisis and the reduced activity of employees, the Pierre & Vacances Spain teams were unable to provide data for the calculation of several indicators. Thus, for the indicators on recruitment, training, absenteeism, labour relations and accidentology, Spain has been removed from the Group's reporting scope.

Data collection and tools

Control and collection of employment data is managed by Human Resources teams in each country. The different pilots coordinate the collection of raw data via payroll tools, HRIS or country-specific monitoring tools. Indicators are then consolidated by country and on a Group-wide basis.

Environmental data

Reporting scope

For environmental data, the reference scope consists of all of the Group's operational units marketed for over a year as at 30 September 2020, with the exception of Senioriales (where water and energy use is not managed by the Group) and maeva.com time-share residences. As regards Villages Nature® Paris, water, energy and waste data are included in Center Parcs Europe data. Sites and residences marketed but not operated (maeva.com, franchises, etc.) are not included in the reporting scope.

In total, over the 2020/2021 financial year, 166 sites were covered by the environmental data reporting scope out of the 187 sites operated, representing 98% of the Group's accommodation revenue, including:

- 29 Pierre & Vacances Spain sites;
- 111 Pierre & Vacances France sites;
- 26 Center Parcs Europe sites.

Multi-owner sites are excluded from environmental reporting because they are managed independently.

Data collection and tools

- Across Pierre & Vacances sites, the Group consolidates water and energy use for which joint owners under lease agreements are responsible. Volumes of water and energy consumption are for the Group's share of each site. Data is supplied by ICARE – the internal energy use management tool. Data is reported by the sites. The strategic support team at Head Office monitors water and energy consumption at the sites, performs budget reconciliation and analyses differences. It also supports regional maintenance managers in producing assessments and alerts them in the event of abnormal, unexplained changes.
- The concept of shared use does not apply to Center Parcs. Water and energy use and waste production are monitored weekly and monthly by the energy coordinator for each site. Monthly data are verified by an internal expert who analyses and consolidates the data and monitors targets for all European sites. The Domaines Center Parcs have used Icare software since 2019/2020 to collect water, energy and waste data. However, energy consumption is also managed on the basis of an Excel spreadsheet.
- As with Center Parcs Europe, Pierre & Vacances environmental data (in m^3 or in kWh) are reported by number of overnight stays: an overnight stay corresponding to a unit rented for one night, regardless of the number of occupants.

Societal data

Purchasing, customer satisfaction and construction data are supplied directly by the departments in question which consolidate these indicators so that they can be managed, and the scope is the same as for environmental data. It should be noted that the Purchasing Department introduced a responsible purchasing policy based on a number of quantifiable indicators and targets which are monitored and implemented through specific action plans.

As regards the share of local purchases, all purchases made by the Group are taken into account except for purchases that cannot be made locally:

- in construction: furniture, fixtures and equipment, IT and telecommunications;
- in operations: energy, telecoms, Internet services.

Find the details of the summary protocol of the CSR report on www.groupepvcp.com, Sustainable Development section.

4.5.3 Our contribution to the SDGs

	Our contribution	See chapters
Creating virtuous cycles for the regions		
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	◆ Introducing customers to the local region and its virtues. ◆ Developing a responsible catering offer at our sites: local, organic and seasonal products.	4.2.1
11 SUSTAINABLE CITIES AND COMMUNITIES	◆ Maximising the use of local suppliers and service providers for construction and renovation.	4.2.2 and 4.2.3
8 DECENT WORK AND ECONOMIC GROWTH	◆ Boosting local employment and supporting the local economy. ◆ Developing lasting relationships with local partners to promote project acceptance and its anchoring in the economy and local life.	4.2.2 and 4.2.3
Promoting living together and excellence in our practices		
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	◆ Drafting and validating of the Group's ethics charter. ◆ Complying with applicable regulations.	4.3.1
8 DECENT WORK AND ECONOMIC GROWTH	◆ Group commitment to human rights.	4.3.1
3 GOOD HEALTH AND WELL-BEING	◆ Supporting employees in their career path and professional development. ◆ Supporting employees in the context of the COVID-19 crisis. ◆ Ensuring the health and wellbeing of employees and respecting all forms of diversity. ◆ Ensuring customer satisfaction and safety.	4.3.2 and 4.3.2.1 and 4.3.2.3 and 4.3.3.1
4 QUALITY EDUCATION	◆ Training employees.	4.3.2.1
10 REDUCED INEQUALITIES	◆ Fighting against all forms of discrimination and promoting diversity. ◆ Solidarity actions carried out by the Foundation around the family and priority modern issues.	4.3.2.2 and 4.3.5
5 GENDER EQUALITY	◆ Promoting gender balance in teams and managerial functions.	4.3.2.2
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	◆ Promoting responsible purchasing: updating the responsible purchasing policy. ◆ Selecting and promoting eco-labelled products in the Group's purchasing policy.	4.3.4
Providing stays that contribute to the protection of the environment		
13 CLIMATE ACTION	◆ Taking climate change into account when choosing new sites. ◆ Reducing CO_2 emissions. ◆ Identifying sites located in water-stressed areas.	4.4.1 and 4.4.4.1 and 4.4.4.2
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	◆ Green Key labelling and eco-certification of the construction process. ◆ Waste sorting and management via specific channels. ◆ Developing offers and activities that reflect local heritage and nature.	4.4.2.1
7 AFFORDABLE AND CLEAN ENERGY	◆ Increasing renewable energy production. ◆ Increasing the number of green energy contracts. ◆ Developing solutions to promote sustainable mobility.	4.4.4.3 and 4.4.4.6
6 CLEAN WATER AND SANITATION	◆ Wastewater treatment; reduction in the use of chemicals and hazardous substances for wastewater. ◆ Measures to optimise water consumption (hydro-efficient equipment, optimised pool water management). ◆ Ecological management of rainwater in new projects.	4.4.4.4
15 LIFE ON LAND	◆ Conducting impact assessments and protecting biodiversity during site construction and operation. ◆ Biodiversity management plan for green spaces and woodland areas and monitoring of protected species on sites. ◆ Buying timber sourced from sustainably managed forests (FSC/PEFC). ◆ Reducing waste. ◆ Educating and raising awareness of customers about nature conservation and environmental protection.	4.4.5

4.6 Independent Third-Party Body report

This is a free translation into English of the original report issued in French. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders' Meeting,

In our quality as an independent verifier, accredited by the COFRAC under the number 3-1681 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the Statutory Auditors of your entity Pierre et Vacances, we present our report on the consolidated statement of non-financial performance established for the year ended on 30 September 2021 (hereafter referred to as the "Statement"), presented in the management report pursuant to the provisions of the Article L.225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (Code de commerce).

Responsibility of the entity

It is the responsibility of the Board of Directors to establish the statement in compliance with the legal and regulatory provisions including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied regarding these risks as well as the results of these policies, including key performance indicators.

The Statement has been established by applying the procedures of the entity (hereinafter referred to as the "Criteria"), the significant elements of which are presented in the Statement and available on its website[1].

Independence and quality control

Our independence is defined by regulatory requirements pursuant to the provisions of the Article L.822-11-3 of the French Commercial Code and the Code of Ethics of our profession. In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

Responsibility of the independent verifier

It is our role, based on our work, to express a limited assurance conclusion on:

- the compliance of the Statement with the provisions of Article R.225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to paragraph 3 of I and II of Article R.225-105 of the French Commercial Code, namely the results of the policies, including key performance indicators, and the actions related to the main risks, hereinafter the "Information".

However, it is not our responsibility to express an opinion on the entity's compliance with other applicable legal and regulatory provisions, in particular with regard to the due diligence plan and the fight against corruption and tax evasion, or on the compliance of products and services with applicable regulations.

Nature and scope of the work

Our work described below was carried out in accordance with the provisions of Articles A.225-1 et seq. of the French Commercial Code, the professional standards of the Compagnie Nationale des Commissaires aux Comptes relating to this mission and the international standard ISAE 3000[2]:

- we have reviewed the entity's business and the presentation of the main risks;
- we assessed the suitability of the Criteria in terms of its relevance, comprehensiveness, reliability, neutrality and clarity by taking into consideration, if relevant, the best practices of the industry;
- we verified that the Statement covers each category of information provided in III of Article L.225-102-1 of the French Commercial Code regarding social and environmental matters, as well as the information provided for in the second paragraph of Article L.22-10-36 regarding respect of human rights and the fight against corruption and tax evasion;
- we have verified that the Statement presents the information required under section II of Article R.225-105 when it is relevant with regard to the main risks and includes, where applicable, an explanation of the reasons for the absence of the information required under the second paragraph of section III of Article L.225-102-1;

(1) *http://www.groupepvcp.com/"sustainable development" section, then "publications".*
(2) *ISAE 3000 – Assurance engagements other than audits or reviews of historical financial information.*

- we verified that the Statement presents the business model and a description of the main risks related to the activity of the entity, including, if relevant and proportionate, the risks created through its business relationships, products or services, policies, actions and results, including key performance indicators relating to the main risks;
- we consulted documentary sources and conducted interviews to:
  - assess the process for selecting and validating the main risks as well as the consistency of the results, including the key performance indicators selected, with respect to the main risks and policies presented, and
  - corroborate the qualitative information (actions and results) that we considered the most important presented in Appendix 1. For the risk related to land research and relations with individual owners, our work was carried out at the level of the consolidating entity; for the other risks, work was carried out at the level of the consolidating entity and in a selection of entities listed below: Pierre & Vacances France, in particular the Mediterranean Operating Division and the Calanques des Issambres and Rivages des Issambres sites, and Center Parcs Belgium, in particular the De Haan site;
- we verified that the Statement covers the consolidated scope, i.e. all the entities included in the scope of consolidation in accordance with Article L.233-16 of the French Commercial Code, where applicable with the limits specified in the Statement;
- we have reviewed the internal control and risk management procedures implemented by the entity and have assessed the process for collecting information to ensure that it is complete and accurate;
- for the key performance indicators and other quantitative results that we considered the most important presented in Appendix 1, we implemented:
  - analytical procedures to verify the correct consolidation of the collected data as well as the consistency of their evolutions,
  - detailed tests based on samples, consisting of checking the correct application of the definitions and procedures and reconciling the data with the supporting documents. This work was carried out with a selection of the contributing entities listed above and covers 37% of the workforce and 27% of energy consumption;
- we assessed the overall consistency of the Statement with our knowledge of all the entities included in the scope of consolidation.

We consider that the work we have done by exercising our professional judgement allows us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work.

Means and resources

Our verification work mobilised the skills of seven people and took place between September and December 2021 over a total period of intervention of seven weeks.

We conducted around ten interviews with the people responsible for preparing the Statement, representing notably the CSR, Environment, Human Resources, Health and Safety, Development and Individual Owner Relations Departments.

Conclusion

Based on our work, we have not identified any significant misstatement that causes us not to believe that the consolidated statement of non-financial performance complies with the applicable regulatory provisions and that the Information, taken together, is fairly presented, in compliance with the Criteria.

Paris-La Défense, 17 December 2021

The independent verifier,
EY & Associés

Philippe Aubain
Partner, Sustainable Development

4.7 NFPS cross-reference table

Information	Chapter
Business model description	Chapter 1 of the Universal Registration Document
Description of the major risks related to the Group's activity	Chapter 2 of the Universal Registration Document
Human rights	4.3
Fight against corruption	4.3.1
Climate change	4.4.4 and 4.4.5
Circular economy	4.4.2 and 4.4.4
Food waste	4.2.2
Collective agreements	4.3.2.2
Fight against discrimination	4.3.2.2
Societal commitments	4.3.5
Fight against tax evasion	4.3.1
Fight against food insecurity; respect for animal welfare; responsible, fair and sustainable food	4.3.3 and 4.4.5

4.8 Vigilance plan

4.8.1 Regulatory framework

The Pierre & Vacances-Center Parcs Group has implemented a vigilance plan in line with the French duty of care law for parent and subcontracting companies.

The plan contains reasonable vigilance measures to identify risks and prevent violations of:

- human rights and fundamental liberties;
- personal health and safety;
- the environment.

It targets the major risks resulting from the business activities of the Group and of the companies controlled by the Group as well as the activities of subcontractors and suppliers with which there is an ongoing commercial relationship.

Governance

The plan and its components are applicable to all Pierre & Vacances-Center Parcs Group brands. It is designed in cooperation with the representatives and managers of the Group departments: Purchasing, Legal, Sustainable Development, Human Resources and Risk Management.

4.8.2 Group risk mapping

Mapping of risks linked to the duty of care has been developed using the following sources:

- a materiality analysis of the Group's sustainable development challenges (2016);
- business risk mapping;
- CSR risk mapping (updated in 2020);
- the ethical alert system (2019).

Work will be carried out by the Chief Compliance Officer next year on risk mapping.

4.8.3 Procedures to assess the situation of brands, subcontractors and suppliers

4.8.3.1 Pierre & Vacances-Center Parcs Group

Organisation of the internal controls for business and labour law risks

The Group's activities are subject to the risks related to its type of business. Internal controls are organised as follows to prevent the risks:

- the Legal Department intervenes upstream to secure the Group's legal commitments and monitors disputes involving all of the operational subsidiaries;
- the Group Internal Audit, in partnership with the Legal Department, monitors the Group's risk mapping and works with the different business units to prepare the annual audit plan and via missions requested by General Management. The missions and topics dealt with may affect all of the Group's businesses and subsidiaries;
- together with the Group Internal Audit and the Operational Control team, the Operational Finance Department takes an active role in financial audits as well as in social and regulatory audits related to the tourism operations of the holiday residences in order to protect human capital and ensure compliance with the laws and regulations in effect. These audits are mainly carried out at the operating sites. The choice of sites audited is decided by the Group Internal Audit based on the type of site and on specific criteria.

Whistleblower charter

The whistleblower charter was updated and disseminated among all Group employees. Employees and any stakeholder can thus issue an alert, notably to report acts of corruption, via a secure and confidential online platform. In 2020-2021, no alerts were made via the Whispli alert system.

These documents (whistleblower charter and conflict of interest management procedure) are available on the intranet; The whistleblower charter and a link to the platform are also available on the Group's institutional website.

Organisation in relation to operational risks

Group assessment procedures

The Group has included procedures and action plans in its CSR roadmap to assess and prevent the risks related to duty of care. The system is described in the following sections of the Universal Registration Document:

Risks related to the duty of care	Sections in the Universal Registration Document
Human rights	4.1.3 Listening to our stakeholders 4.3.1 Ethical and responsible practices 4.3.4 Supporting general interest projects that benefit local populations
Health and safety of employees and customers	4.3.2 Being committed to the health and safety of our employees 4.3.2 Continuing to commit employees
The environment	4.4.4 Limiting environmental and carbon impact and promoting biodiversity

The Operational Department of Center Parcs Europe and Pierre & Vacances Tourisme is made up of operational security experts (water quality, fire prevention, etc.). It coordinates the health and safety policy on the sites for all customers and employees and take all necessary steps (training, operational audits, crisis management).

Center Parcs and Villages Nature® Paris

Risk management is organised by country. A Risk Manager is the national focal point for the operational teams in each country and monitors legal and regulatory requirements and changes at local and national level. The operational risk management process is based on the ISO 14001 standard and on an HSE (Health, Safety, Environment) management system.

Pierre & Vacances France, Pierre & Vacances Spain and Maeva

The Prevention & Security Operational Risk Manager is in charge of managing the France and Maeva scopes. He oversees the due implementation of the procedures defined at the level of each Business Line, ensures that site employees complete mandatory training, and performs site audits.

In Spain, a risk prevention tool enables each site to perform a risk analysis and produce a "Document Unique des Risques".

4.8.3.2 Suppliers and subcontractors

The Pierre & Vacances-Center Parcs Group has implemented a responsible purchasing policy which consists of:

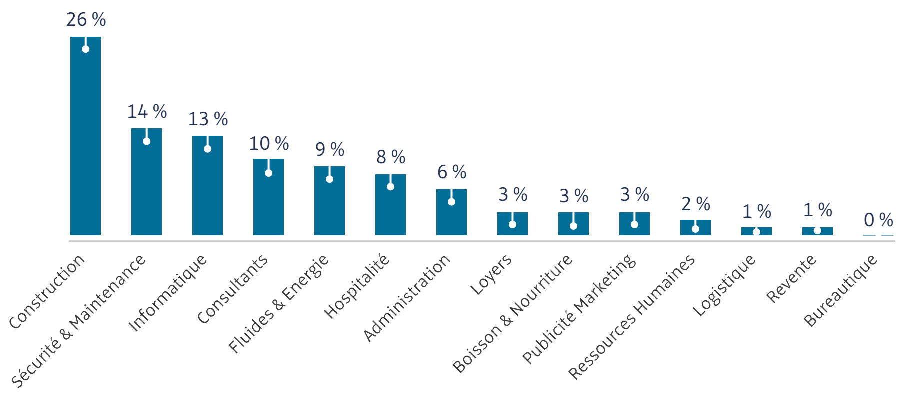
- alignment of the responsible purchasing policy and strategy with the CSR objectives set by the Group;
- risk management and opportunities to define priorities and action plans;
- the implementation of an approach to prevent corruption, notably via the signature of an Ethics Code by all Group purchasers.

The objective of the policy is to secure the supply chain to reduce risks (reputation, licence to operate), promote local purchasing (development of channels and contribution to local employment) and to commit to a sustainable and balanced relationship with partners and subcontractors.

Assessment of the CSR performance of suppliers

Local companies account for a significant share of Group suppliers: cleaning (SME/VSE), laundry, construction and furniture (related to the Construction business).

The Group's expenditures break down as follows:



When a supplier is selected by the Purchasing Department, the supplier or sub-contractor must answer one or more questionnaires evaluating its CSR performance. These questionnaires address themes around environment, social, ethics and human rights and responsible purchasing matters. They are adapted to the companies' size:

- the SME/VSE questionnaire is based on ISO 26000: the questionnaire consists of 10 questions which assess the maturity level of the smallest suppliers without penalising them when compared to larger companies;
- the ISEs and large companies questionnaire, based on ISO 26000: questionnaire of 16 questions, requiring from them to document all their actions.

25% of the suppliers contacted by the Group responded to a CSR questionnaire over the year.

In addition, an Anti-Corruption Questionnaire, based on the Sapin II Law, is sent to mid-size companies (ISEs) and Large Enterprises. It has 17 questions and it assesses suppliers' compliance with the Sapin II Law.

The questionnaires are sent via the self-assessment platform (ACESIA). The results do not condition the selection of a supplier or service provider. On the other hand, this step is required to establish a contract with the supplier. In addition, the results obtained are valid for the duration of the contract.

Supplier audits

Pierre & Vacances-Center Parcs carries out checks via independent auditors. This is notably the case for Chinese suppliers. All Chinese suppliers have been audited in the last 3 years.

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FINANCIAL STATEMENTS 5

5.1 Information on the consolidated financial statements

5.1.1 IFRS financial statements and operational reporting

IFRS 11 "Partnerships", applicable for the Group since the 2014/2015 financial year, leads to the consolidation of joint ventures using the equity method.

IFRS 16 "Leases", applied to the primary consolidated financial statements for the first time for the 2019/2020 financial year, leads to:

- recognising all lease commitments on the statement of financial position, without distinction between operating and finance leases, with the recognition:
  - of an asset representing the right to use the leased asset during the term of the lease,
  - of a liability in respect of the obligation to pay future rent.

  The rental expense is replaced by interest expense and the straight-line amortisation expense over the lease term of the right of use. Rental savings obtained from the lessors are not recognised in the income statement, but are deducted from the value of the right of use and the lease liability, thus reducing the depreciation and financial expenses to be recognised over the remaining term of the leases;
- cancelling, in the consolidated financial statements, a share of revenue and capital gains on disposals completed in the context of property development transactions with third parties (taking into account the lease rights held by the Group).

In order to reflect the operational reality of the Group's business lines and the readability of their performance, the Group's financial communication, in line with the operational reporting as monitored by management, continues to proportionally integrate the results of the joint ventures and does not include the application of IFRS 16. In particular, the rental expense is recognised as an operating expense. Rental savings, obtained in the form of credit notes or deductions, are recognised as a deduction from the operating expense when the lease liability is legally extinguished.

In addition, the operational and legal reorganisation in place since 1 February 2021, resulting in the combination of each of the Group's activities within separate and autonomous Business Lines separate and autonomous, results in a change in segment information in accordance with IFRS 8. The main consequence for the communication of the Group's results is the presentation of the contribution of each operating segment, including the "Adagio" operating segment[1]. The financial years prior to the change in legal structure are presented by business (Tourism and Property Development), in accordance with the historical operational reporting.

It should be recalled that the Group's operational reporting as monitored by management, in accordance with IFRS 8, is presented in Note 3 "Information by operating segment" in the notes to the consolidated financial statements at 30 September 2021.

Alternative performance indicators (API)

Analysis of the Group's operating performance is based on the alternative performance indicators presented below. These were determined as part of the Group's budget planning and reporting, both internally and externally. The Group believes that these indicators are relevant for users of the financial statements to adequately understand the Group's performance, particularly from an operational standpoint.

The main APIs used in the Group's financial communication are as follows:

- **Operational Reporting Revenue:** consolidated revenue restated for the impact of IFRS 11 and IFRS 16;
- **Operating Profit (Loss) from Ordinary Activities (ROC or EBIT) Operational Reporting:** consolidated operating profit (loss) before other non-recurring operating income and expenses (items that are not included in the assessment of the current operating performance of business lines) restated for the impact of IFRS 11 and IFRS 16;
- **EBITDA operational reporting:** operating profit (loss) from ordinary activities operational reporting restated for provisions and net depreciation and amortisation of fixed operating assets;
- **Net debt (or net financial debt):** net debt represents the level of financial debt contracted by the Group with external third parties, less cash and cash equivalents.

(1) This segment includes the contribution of the sites leased by the PVCP Group operated under the Adagio brand and managed by the Adagio SAS joint venture, as well as the Group's share of the contribution of Adagio SAS.

Reconciliation tables operational reporting/IFRS financial statements

Income statement

(in € millions)	FY 2021 operational reporting	IFRS 11 adjustments	Impact IFRS 16	FY 2021 IFRS
Revenue	1,053.5	-39.9	-76.4	937.2
Purchases and external services	-955.8	+36.7	+393.6(1)	-525.5
Operating income and expenses	-265.9	+0.1	+0.6	-265.1
Depreciation and amortisation/provisions	-68.5	+14.4	-217.4	-271.5
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**-236.7**	**+11.4**	**+100.4**	**-124.9**
Other operating income and expenses	-35.3	+2.6	-1.7	-34.3
Net financial income (expense)	-43.7	+3.3	-184.3	-224.7
Share income from equity affiliates	-1.4	-17.5	-6.0	-24.8
Income tax	-24.2	+0.2	+6.4	-17.5
PROFIT (LOSS) FOR THE YEAR	**-341.3**	**-**	**-85.1**	**-426.4**

(1) Of which:
- *selling costs: + €76.1 million;*
- *rents: + €304.5 million: in the Group's internal financial reporting, the rental expense is recognised as an operating expense. Rental savings, obtained in the form of credit notes or deductibles, are recognised as a deduction from the operating expense when the lease liability is legally extinguished. The amount of €304.5 million thus includes:*

i. savings of around €29 million corresponding to the amount of deductions waived by the signatories of the amendment, largely offset by a €28 million expense corresponding to the face value of the holiday vouchers that were allocated to them;
ii. savings of €7 million relating to suspended rents to non-signatory landlords for the periods of administrative closure during which the Group considers, according to the legal basis of the non-performance exception or on the provisions of Article 1722 of the French Civil Code, that the lease liability is extinguished;
iii. net savings achieved through the application of agreements signed with institutional landlords, representing around €39 million for FY 2021.

(in € millions)	FY 2020 operational reporting	IFRS 11 adjustments	Impact IFRS 16	FY 2020 IFRS
Revenue	1,297.8	-59.2	-67.0	1,171.5
Purchases and external services	-1,054.3	+55.1	+377.3(1)	-621.9
Operating income and expenses	-354.4	+16.5	+4.6	-333.3
Depreciation and amortisation/provisions	-60.6	+4.1	-253.5	-310.0
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**-171.5**	**+16.5**	**+61.4**	**-93.7**
Other operating income and expenses	-133.6	+0.2	0.0	-133.4
Net financial income (expense)	-22.2	+2.5	-150.5	-170.2
Share income from equity affiliates	-1.0	-19.2	-5.0	-25.2
Income tax	-7.8	0.0	+5.1	-2.6
PROFIT (LOSS) FOR THE YEAR	**-336.1**	**0.0**	**-89.0**	**-425.1**

(1) Of which Selling costs: €+66.3 million, Rents: €+311.0 million.

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Statement of financial position

(in € millions)	FY 2021 operational reporting	Impact IFRS 16	FY 2021 IFRS
Goodwill	138.2	0.0	138.2
Net fixed assets	356.8	0.0	356.8
Assets under finance lease/Rights of use	80.5	+2,010.1	2,090.6
INVESTMENTS	**575.5**	**+2,010.1**	**2,585.6**
Equity	-423.9	-562.5	-986.4
Provisions for risks and charges	92.3	+15.4	107.6
Net financial debt	529.8	0.0	529.8
Debt related to assets under finance leases/Lease obligations	91.7	+2,626.2	2,717.8
WCR and others	285.7	-69.0	216.7
RESOURCES	**575.5**	**+2,010.1**	**2,585.6**

(in € millions)	FY 2020 operational reporting	Impact IFRS 16	FY 2020 IFRS
Goodwill	140.0	0.0	140.0
Net fixed assets	362.3	-2.5	359.8
Assets under finance lease/Rights of use	86.1	+2,247.8	2,333.9
INVESTMENTS	**588.4**	**+2,245.3**	**2,833.7**
Equity	-83.9	-477.3	-561.2
Provisions for risks and charges	111.2	+6.9	118.1
Net financial debt	330.6	0.0	330.6
Debt related to assets under finance leases/Lease obligations	94.7	+2,789.5	2,884.2
WCR and others	135.8	-73.9	61.9
RESOURCES	**588.4**	**+2,245.3**	**2,833.7**

Cash flow statement

(in € millions)	FY 2021 operational reporting	Impact IFRS 16	FY 2021 IFRS
Cash flows after interest and tax	-242.5	+132.9	-109.6
Change in working capital requirements	+109.2*	+11.9	+121.0*
Cash flow from operating activities	**-133.4**	**+144.8**	**11.4**
Net operational investment spending	-38.7	-	-38.7
Net financial investment	-11.6	-	-11.6
Cash flow from investment activities	**-50.3***	**-**	**-50.3***
OPERATIONAL CASH FLOWS	**-183.7**	**+144.8**	**-38.9**
CASH FLOW FROM FINANCING ACTIVITIES	**+206.4**	**-144.8**	**+61.6**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**+22.7**	**0.0**	**+22.7**

(in € millions)	FY 2020 operational reporting	Impact IFRS 16	FY 2020 IFRS
Cash flows after interest and tax	-223.0	+160.4	-62.6
Change in working capital requirements	+66.9 *	+8.4	+75.3*
Cash flow from operating activities	**-156.1**	**+168.8**	**12.7**
Net operational investment spending	-40.1	-	-40.1
Net financial investment	+0.8	-	+0.8
Cash flow from investment activities	**-39.3**(1)	**-**	**-39.3***
OPERATIONAL CASH FLOWS	**-195.4**	**+168.8**	**-26.6**
CASH FLOW FROM FINANCING ACTIVITIES	**+280.2**	**-168.8**	**+111.4**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**+84.8**	**0.0**	**+84.8**

(1) Reclassification of the inflow of income from equity-accounted investments (€+1.6 million in 2020/21 and €+1.5 million in 2019/20) from cash flows from investment activities to cash flows from operating activities (change in WCR).

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5.1.2 Group results by operational reporting

5.1.2.1 Revenue

(in € millions)	2020/2021 operational reporting	2019/2020 operational reporting	Change vs 2019/2020	2018/2019 operational reporting	Change vs 2018/2019
Tourism	**801.1**	**1,022.7**	**-21.7%**	**1,365.1**	**-41.3%**
◆ Center Parcs Europe	489.7	615.4	-20.4%	768.2	-36.3%
◆ Pierre & Vacances Tourisme Europe	236.2	304.4	-22.4%	414.9	-43.1%
◆ Adagio	75.2	102.9	-27.0%	182.0	-58.7%
o/w accommodation revenue	**532.8**	**685.7**	**-22.3%**	**923.6**	**-42.3%**
◆ Center Parcs Europe	338.6	420.0	-19.4%	516.6	-34.5%
◆ Pierre & Vacances Tourisme Europe	133.6	179.4	-25.5%	250.2	-46.6%
◆ Adagio	60.6	86.3	-29.8%	156.8	-61.4%
Property development	**252.4**	**275.0**	**-8.2%**	**307.7**	**-18.0%**
FULL-YEAR TOTAL	**1,053.5**	**1,297.8**	**-18.8%**	**1,672.8**	**-37.0%**

Revenue – Tourism

After a 1st half affected by restrictive measures in the context of the health crisis, a gradual recovery in the 3rd quarter of the financial year and very good performance over the summer period, revenue from tourism, as reported in the operational reporting, amounted to €801.1 million, down -21.7% compared to the previous financial year and -41.3% compared to the 2018/2019 financial year.

- The revenue of the Center Parcs Europe business segment was down -20.4%, mainly due to the 1st half of the financial year (-70.9%), marked by very low use of the Belgian, French and German Domaines, which were closed for a large part of the half-year (from the beginning of November), and limited offers in the Dutch Domaines. However, in the second half of the year, activity was up by 34.5%, validating the ReInvention strategy of renovating and moving the Domaines upmarket for an ever-improving customer experience.
- Pierre & Vacances Tourisme Europe declined -22.4%, also attributable to the 1st half of the financial year (-69.5%). Revenue was up 24.6% in the second half, with a strong recovery in Spain (+103.6%) and good business performance in France (+16.3%, including +14.2% in accommodation despite a 15% decrease in supply).
- The level of activity of the Adagio residences remains lower than the previous year (-27.0%), strongly impacted in the 1st half (-65.9%), despite a recovery in the 2nd half (+76.2% vs 2020).

Revenue – Property development

Over the full year, revenue from property development activities stood at €252.4 million (compared to €275.0 million in 2019/2020), inclduing a €66.6 million contribution from the Senioriales residences (vs €65.4 million in 2019/2020), €39.2 million for the development of Center Parcs Landes de Gascogne (vs €32.6 million in 2019/2020) and €114.2 million related to the renovations of Domaines Center Parcs (vs €102.4 million in 2019/2020). Revenue for the 2019/2020 financial year also included the contribution of the premium PV residence in Méribel (€31.4 million).

Key indicators – tourism businesses

(in € millions)	2020/2021	2019/2020	Change
Revenue	**801.1**	**1,022.7**	**-21.7%**
of which accommodation	532.8	685.7	-22.3%
of which service activities(1)	268.3	337.1	-20.4%
Average letting rate (ALR)(2) *(in €)*	**751**	**752**	**-0.7%**
Number of weeks sold	**709,787**	**912,121**	**-21.8%**
Occupancy rate	**61.9%**	**71.6%**	**-10.1%**

(1) Catering, events, mini market, stores, marketing, etc.
(2) Average letting rate per week of accommodation net of distribution costs.

Average net letting rates were virtually stable compared to the previous financial year, with the growth in average letting rates of the Center Parcs division (+5.9%) and sea destinations in mainland France (+5.9%) offsetting the drop in rates observed in the mountain destinations, closed for most of the winter (-37.6%), and the Adagio residences, which were also particularly impacted (-14.5%). The number of weeks sold was down by 22%, penalised by very limited activity in the 1st half of the financial year. The occupancy rate was 61.9% (64.2% for the Domaines Center Parcs, 65.1% for the Pierre & Vacances residences and 52.6% for the Adagio Aparthotels).

Characteristics of the holiday residence portfolio operated(1) at the end of the financial year

(by number of apartments)	2020/2021	2019/2020	Change
Pierre & Vacances Tourisme Europe	**16,131**	**28,361**	**-12,230**
PV France (excluding premium label)	9,476	11,276	-1,800
PV France label premium	2,248	2,527	-279
PV Spain	4,407	4,680	-273
Adagio and Adagio access	**9,996**	**9,878**	**+118**
Center Parcs Europe	**17,405**	**17,440**	**-35**
Center Parcs	15,656	15,690	-34
Sunparks	881	882	-1
Villages Nature®	868	868	-
TOTAL	**43,532**	**45,801**	**-2,269**

(1) Excluding the marketing business, multiple ownership and franchise.

The number of holiday residence units operated by the Group at 30 September 2021 was down by 2,269 accommodation units compared to 30 September 2020, mainly due to:

- withdrawals at the end of leases of Pierre & Vacances residences in France (-1,035 apartments), in Spain (-469 apartments) and to an attrition of inventory on the Pierre & Vacances brands in France (-1,098 apartments) and on the Adagio brand (-127 apartments);
- partially offset by the operation of a new residence in Sables d'Olonne (+54 apartments), four residences in Spain (196 units) and two new city residences in Suresnes and London (+245 apartments).

Breakdown of Group rental revenue by customer origin

	PVTE		Adagio		CPE		Total	
	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020
France	80.2%	70.7%	70.5%	53.1%	22.3%	28.5%	42.3%	43.7%
The Netherlands	2.5%	6.2%	0.8%	1.0%	32.3%	23.9%	21.2%	16.4%
Germany	1.4%	1.7%	5.0%	4.2%	26.7%	31.5%	17.9%	20.3%
Belgium	2.6%	3.5%	1.5%	1.4%	16.1%	12.2%	11.0%	8.6%
United Kingdom	1.0%	6.1%	6.8%	6.5%	0.4%	1.0%	1.3%	3.0%
Spain	10.1%	6.0%	1.6%	3.9%	0.1%	-	2.8%	1.9%
Russia & Eastern European Countries	0.2%	1.8%	1.2%	2.3%	-	-	0.2%	0.7%
Italy	0.3%	0.4%	2.0%	2.7%	-	-	0.3%	0.4%
Scandinavia	0.3%	0.6%	0.4%	0.9%	0.1%	0.2%	0.2%	0.4%
Switzerland	0.8%	1.2%	1.0%	1.2%	-	-	0.3%	0.5%
Other	0.5%	1.7%	9.4%	22.7%	2.0%	2.7%	2.5%	4.3%

The majority of the Group's rental revenue is generated by foreign customers (57.7%), including German (17.9%), Dutch (21.2%), and Belgian (11.0%) customers, particularly due to the operation of the Domaines Center Parcs in the Netherlands (eight villages), Germany (six villages) and Belgium (six villages).

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Analysis of revenue by resort/country

Pierre & Vacances Tourism

Number of apartments	2020/2021	2019/2020	Change
Seaside	11,308	12,983	-1,675
Mountain	3,973	4,650	-677
French West Indies	850	850	-
TOTAL	**16,131**	**18,483**	**-2,352**

Accommodation revenue *(in € millions)*	2020/2021	2019/2020	Change
Seaside	109.9	99.1	+10.9%
Mountain	17.6	69.1	-74.6%
French West Indies	6.1	11.2	-45.4%
TOTAL	**133.6**	**179.4**	**-25.5%**

Average net letting rates (for a week's rental) *(in € before tax)*	2020/2021	2019/2020	Change
Seaside	641	561	+13.6%
Mountain	582	931	-37.6%
French West Indies	713	755	-5.5%
TOTAL	**636**	**600**	**-6.3%**

	Number of weeks sold			Occupancy rate		
	2020/2021	2019/2020	Change	2020/2021	2019/2020	Change
Seaside	171,420	176,500	-2.4%	62.1%	66.8%	-7.0%
Mountain	30,211	74,225	-59.2%	79.7%	90.5%	-10.9%
French West Indies	8,580	14,836	-42,2%	70.3%	74,7%	-5,7%
TOTAL	**210,211**	**265,561**	**-20.5%**	**65.1%**	**72.7%**	**-10.3%**

Adagio

Number of apartments	2020/2021	2019/2020	Change
TOTAL	**9,996**	**9,878**	**+118**

Accommodation revenue *(in € millions)*	2020/2021		Change
TOTAL	**60.6**	**86.3**	**-29.8%**

Average net letting rates (for a week's rental) *(in € before tax)*	2020/2021	2019/2020	Change
TOTAL	**425**	**487**	**-14.5%**

	Number of weeks sold			Occupancy rate		
	2020/2021	2019/2020	Change	2020/2021	2019/2020	Change
TOTAL	**142,420**	**177,324**	**-17.9%**	**52.6%**	**72.5%**	**-11.6%**

Center Parcs Europe (including Villages Nature® Paris)

Number of apartments	2020/2021	2019/2020	Change
The Netherlands	5,335	5,343	-8
France	5,227	5,249	-22
Belgium	3,064	3,062	+2
Germany	3,779	3,786	-7
TOTAL	**17,405**	**17,440**	**-35**

Accommodation revenue *(in € millions)*	2020/2021	2019/2020	Change
The Netherlands	116.1	122.0	-4.8%
France	86.7	133.0	-34.9%
Belgium	56.3	58.7	-4.0%
Germany	79.5	106.3	-25.2%
TOTAL	**338.6**	**420.0**	**-19.4%**

Average net letting rates (for a week's rental) *(in € before tax)*	2020/2021	2019/2020	Change
The Netherlands	797	783	+1.8%
France	1,110	1,070	+3.7%
Belgium	934	795	+17.5%
Germany	1,087	921	+18.0%
TOTAL	**948**	**895**	**+5.9%**

	Number of weeks sold			Occupancy rate		
	2020/2021	2019/2020	Change	2020/2021	2019/2020	Change
The Netherlands	145,697	155,789	-6.5%	58.8%	73.7%	-20.2%
France	78,068	124,307	-37.2%	63.0%	66.4%	-5.1%
Belgium	60,246	73,758	-18.3%	59.1%	64.3%	-8.1%
Germany	73,145	115,383	-36.6%	88.1%	75.6%	+16.6%
TOTAL	**357,156**	**469,236**	**23.9%**	**64.2%**	**70.5%**	**-8.9%**

Key indicators – Property development business

Breakdown of property development revenue by programme

(in € millions)	2020/2021	2019/2020
Senioriales	66.6	65.4
Center Parcs Lot-et-Garonne	39.2	32.6
Pierre & Vacances premium Deauville	5.3	7.9
Pierre & Holidays Spain	3.5	5.9
Pierre & Vacances premium Méribel	0.6	31.4
Pierre & Vacances Avoriaz Arietis	0.4	8.4
Villages Nature® Paris	0.2	0.9
Marketing fees	9.6	11.6
Other	12.8	8.5
Revenue from programs	**138.2**	**172.6**
Revenue from Domaines CPE sale-renovation transactions	**114.2**	**102.4**
TOTAL PROPERTY DEVELOPMENT REVENUE – OPERATIONAL REPORTING	**252.4**	**275.0**

Revenue from property development stood at €252.4 million in 2020/2021.

It mainly includes the following programmes:

- Senioriales, with eight programs delivered during the year (Cannes, Cavaillon, La Rochelle Fetilly, La Rochelle Porte de Ré, Le Teich, Pessac, St Avé, Sannois);
- the new Center Parcs Les Landes de Gascogne in Lot-et-Garonne with 446 units, for which work began during the financial year 2019/2020 with a planned delivery in the spring of 2022;
- the extension of the Pierre & Vacances residence in Deauville (refurbishment of the Hôtel des Douanes – La Touques peninsula), delivered on 10 July 2021.

Revenue from property development activities also includes the contribution of Center Parcs sale-renovation operations. Revenue from these operations stood at €114.2 million in 2020/2021, compared with €102.4 million in 2019/2020.

Deliveries (number of units)

	2020/2021	2019/2020
Deauville – Hôtel des Douanes	28	-
Méribel	-	95
Avoriaz Arietis	-	39
TOTAL PIERRE & VACANCES	**28**	**134**
SENIORIALES	**701**	**552**
TOTAL	**729**	**686**

Property reservations including VAT

	2020/2021	2019/2020	Change
New			
Reservations *(in € millions)*	62.7	104.2	39.8%
Number of apartments	391	372	+5.1%
Average price *(in € thousands)*	160.4	280.1	-42.7%
Resale[(1)]			
Reservations *(in € millions)*	48.9	45.8	+6.9%
Number of apartments	329	304	+8.6%
Average price *(in € thousands)*	148.5	150.7	-1.6%
Senioriales			
Reservations *(in € millions)*	96.7	50.2	+92.7%
Number of apartments	451	225	+109.8%
Average price *(in € thousands)*	214.4	223.1	-8.1%
Property reservations – excluding block sales			
Reservations *(in € millions)*	**208.3**	**200.2**	**+4.0%**
Number of apartments	**1,171**	**901**	**+30.0%**
Average price *(in € thousands)*	**177.9**	**222.2**	**-20.0%**
Property reservations – block sales			
Reservations *(in € millions)*	17.4	97.2	-82.1%
Number of apartments	98	256	-61.7%
Average price *(in € thousands)*	177.6	379.7	-53.2%
TOTAL			
Reservations *(in € millions)*	**225.7**	**297.4**	**-24.1%**
Number of apartments	**1,269**	**1,157**	**+9.7%**
Average price *(in € thousands)*	**177.9**	**257.0**	**-30.8%**

(1) The re-sale business is a way to lead a secondary market of apartments operated by the Group. Owners wishing to sell their property can contact the Group, which puts them in contact with potential buyers interested in purchasing a property with a Group lease. This business generates commission of around 6% on the selling price.

Reservation contracts enable buyers to pay a deposit to reserve a property asset currently being built or renovated with a seller.

Group and non-Group property development revenue (value of reservations signed over the financial year, net of cancellations during the same period) reached €225.7 million, corresponding to 1,269 reservations, compared with €297.4 million (1,157 reservations) in 2019/2020.

Excluding block sales, reservations were worth €208.3 million, corresponding to 1,171 units reserved, compared with €200.2 million (901 units) in 2019/2020.

Principal inventory of apartments marketed at 30 September 2021

Programmes	New/Renovation	Opening	No. of units	% reserved
Excluding third-party marketing				
Deauville Presqu'île de la Touques	N	2018	133	100%
Deauville Presqu'île de la Touques T2	N	2021	28	96%
Méribel	N	2019	95	100%
Villages Nature® Paris 1	N	2017/2018	916	99%
Avoriaz Arietis	N	2020	39	100%
CP Lot-et-Garonne	N	2022	446	26%
Senioriales	N		4,401	88%
TOTAL GROUP			**6,058**	**86%**

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5.1.2.2 Group results

(in € millions)	FY 2021 operational reporting	FY 2020 operational reporting
Revenue	**1,053.5**	**1,297.8**
Tourism	801.1	1,022.7
Property development	252.4	275.0
EBITDA(1)	**-186.8**	**-121.8**
Tourism	-171.4	-
Center Parcs Europe	*-78.3*	-
Pierre & Vacances Tourisme Europe	*-58.1*	-
Adagio	*-35.0*	-
Property development	-15.4	-
Operating profit (loss) from ordinary activities	**-236.7**	**-171.5**
Tourism	-221.4	-155.3
Property development	-15.3	-16.2
Net financial income (expense)	**-43.7**	**-22.2**
Other non-operating income and expenses	**-35.3**	**-133.6**
Share of income from equity affiliates	**-1.4**	**-1.0**
Taxes	**-24.2**	**-7.8**
PROFIT (LOSS) FOR THE YEAR	**-341.3**	**-336.1**
Attributable to owners of the Company	*-341.4*	*-336.2*
Non-controlling interests	*0,1*	*0,1*

(1) Comparable information not available – legal reorganization effective in February 2021.

After a 1st half heavily impacted by the closure or operation with a reduced supply of a large number of sites (operating loss from ordinary activities of €-307.2 million), the 2nd half generated positive operating profit from ordinary activities (€+70.5 million), once again demonstrating the relevance of the Group's fundamentals and its ability to rebound after the health crisis. The Group's operating loss from ordinary activities thus stood at €-236.7 million for the full financial year 2020/2021 (vs €-171.5 million in 2019/2020, penalised by more than 5 months of closure or partial operation of its sites (vs 2.5 months for the previous financial year).

The decline in revenue from the Group's tourism business over the full year (€-222 million) resulted in nearly €-150 million in operating loss from ordinary activities compared to the previous year financial year 2019/2020.

However, this impact is partially offset by:

- an increase in compensation related to the decline in activity for €69 million (approximately €35 million in respect of partial activity, mainly in France, and €34 million in public aid recorded in the 2nd half of the financial year, including €19 million in respect of "fixed costs" and "solidarity funds" in France, and €15 million in public financial aid in Germany);
- additional savings under the Change Up plan (€+19 million vs FY 2020).

Rental expense was virtually stable compared to the previous financial year (up €3 million), with the decrease in rents linked to the attrition of inventory caused by a selective lease renewal policy (€20 million) being offset by less significant rental savings in the context of discussions with the Group's lessors than those recorded during the previous financial year (€47 million in FY 2021 vs nearly €70 million in FY 2020).

Rental savings for the 2021 financial year are indeed limited:

- the net savings achieved by the application of the amendments signed by 59.3% of individual lessors at 30 September 2021 (deductions equivalent to 7.5 months of rent, including 5 months in respect of the 2021 financial year, i.e. savings for the Group amount of around €29 million over the financial year, largely offset by €28 million of expenses corresponding to the face value of the holiday vouchers allocated to the signatories of the amendment). The profit (loss) for the financial year also showed savings of €7 million relating to suspended rents to non-signatory lessors for the periods of administrative closure during which the Group considers, according to the legal basis of the non-performance exception or on the provisions of Article 1722 of the French Civil Code, that the lease liability is extinguished;
- the net savings achieved through the application of agreements signed with institutional lessors, representing around €39 million for FY 2021 (deductions/variability of rents with guaranteed minimums, net of provisions rent for financial recovery clauses).

The 2019/2020 financial year recorded rental savings of nearly € 70 million (€30 million in respect of individual lessors' rents suspended during the period of administrative closure and €40 million in respect of negotiated agreements with institutional lessors).

In total, operating loss from ordinary activities stood at €-236.7 million (vs €-171.5 million over the previous financial year):

Operating profit (loss) from ordinary activities 2019/2020 *(in € millions)*	**-172**
Estimated impact of the decrease in revenue	-150
Government compensation – loss of business	+69
Change Up savings	+19
Rental savings – lessor agreements and administrative closure	-23
Rental savings – inventory attrition	+20
Operating profit (loss) from ordinary activities 2020/2021	**-237**

Net financial expenses amounted to €-43.7 million, an increase of €21.5 million compared to the previous financial year due in particular to:

- additional financial expenses related to the drawdown of revolving credit lines (confirmed credit lines and authorised overdrafts) in the context of the health crisis, of €3.4 million;
- fees and interest expenses related to the drawdown of the first tranche of the New Financing, for €8.0 million;
- additional interest expenses on the State-guaranteed loan obtained in June 2020, of €5.8 million (including €3.9 million of future interest provisioning with no cash impact);
- additional interest expenses on the ORNANE and Euro PP bonds, of €2.1 million, related to the provisions of the New Financing on old loans (future interest provisioning, with no impact on cash).

Other non-operating income and expenses amounted to €-35.3 million. They mainly include:

- costs related to the Group's reorganization (consulting, legal and restructuring costs) for €11.9 million and to the conciliation procedure for €5.9 million;
- impairment of real estate assets and inventories for a total of €11.1 million;
- costs related to the divestment of sites of €5.1 million.

Non-operating expenses for the 2020 financial year included in particular, in addition to the costs related to the Group's reorganization (€-33.5 million), impairment of property development inventories (€-61.8 million, in particular related to the abandonment of the Center Parcs project in Roybon) and certain intangible assets (€-30 million).

Income tax expense amounted to €-24.2 million, mainly due to a reversal of deferred tax assets in France already recognised in the 1st half of the financial year and related to the update of activity projections in the context of the COVID-19 crisis.

Group net loss amounted to €-341.3 million, vs €-336.1 million in 2019/2020, in the context of the ongoing health crisis.

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5.1.3 Investments and financial structure according to the operational reporting

5.1.3.1 Main cash flows

(in € millions)	**2020/2021**	**2019/2020**
Cash flows (after interest and tax)	-242.5	-223.0
Change in working capital requirements	+109.2 (1)	+66.9 (1)
Cash flow from operating activities	**-133.4**	**-156.1**
Net operational investment spending	-38.7	-40.1
Net financial investment	-12.5	+0.8
Acquisition of subsidiaries	+0.9	-
Cash flow from investment activities	**-50.3 (1)**	**-39.3 (1)**
OPERATIONAL CASH FLOWS	**-183.7**	**-195.4**
Acquisitions and disposals of treasury shares	-	+0.1
Change in loans and other borrowings	+206.4	+280.1
CASH FLOW FROM FINANCING ACTIVITIES	**+206.4**	**+280.2**
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**+22.7**	**+84.8**

(1) Reclassification of the increase of income from equity-accounted investments (€+1.6 million in 2020/2021 and €+1.5 million in 2019/2020) from cash flows from investment activities to cash flows from operating activities (change in WCR).

In 2020/2021, **the Group's tourism and property development businesses** generated a cash requirement of €-133.4 million, compared with €+156.1 million the previous year.

This requirement results from:

- the deterioration in self-financing capacity (€-242.5 million, compared to €-223.0 million in 2019/2020), mainly due to operating losses related to the impact of the crisis COVID-19 on the Group's activities;

- partially offset by the change in working capital (€+109.2 million, compared to €+66.9 million the previous financial year), mainly due to the increase in operating liabilities (suspension of rents and URSSAF social security contributions as a conciliation).

Net cash flows from investing activities amounted to €-50.3 million and mainly included:

- investments of €33.5 million in site operation, including:
  - €24.5 million of investments for the renovation and improvement of the product mix for all Center Parcs Europe villages, including an investment of €7.0 million in German villages, €6.9 million in Dutch villages, €5.8 million in Belgian villages, and €4.7 million in French villages;
  - €9.5 million in investments in residences and villages operated under the Group's other brands (including €7.0 million in Pierre & Vacances residences and villages in France and Spain and €1.4 million for Adagio Aparthotels);
  - net of the disposal of certain assets for €0.5 million;
- investments made in IT systems (technical and functional improvements) for €5.2 million (IT servers, websites, CRM, etc.);
- financial investments of €12.4 million including the setting up of a term deposit account.

Net cash flow from financing activities amounted to €+206.4 million and mainly included:

- the drawdown, on 24 June 2021, of the first tranche of the New Financing signed on 10 May 2021 with some existing banking partners, holders of the EuroPP 2022 and 2025, and holders of Ornane, of a nominal amount of €175 million, i.e. a cash impact of €169 million net of fees and expenses;
- the conversion into loans (maturity September 2022) of €43.5 million in authorised revolving credit lines;
- net repayments of loans and bridging loans taken out by the Group for property development of €-4.0 million (mainly for Senioriales programmes);
- the annual amortisation of financial liabilities corresponding to finance leases for €3.2 million.

5.1.3.2 Statement of financial position items according to operational reporting

Structure of statement of financial position

Given the management principles adopted by the Pierre & Vacances-Center Parcs Group in its tourism and property development businesses, the following points should be noted regarding the contribution of these two businesses to the consolidated statement of financial position.

The tourism business is not particularly capital intensive since the Group does not intend to own the villages or residences that it operates. As such, investment spending primarily concerns:

- furniture for apartments sold unfurnished to individual investors;
- general services for the residences;
- leisure facilities for holiday villages (swimming pools, sports and recreational facilities, children's clubs, etc.);
- some of the commercial premises (restaurants, bars, seminar rooms, etc.).

Working capital requirements in the tourism business are structurally negative, but vary significantly over the financial year depending on the season.

Concerning the Group's property development businesses, the construction of new property programmes should be distinguished from property renovation activities.

- New developments of Pierre & Vacances residences and villages in France generally require little capital and have the following financial characteristics:
  - the capital required to fund each new residence is equivalent to around 10% of the cost price before tax;
  - bridging loans are set up for each transaction;
  - the relative size of working capital requirement items on the statement of financial position (accounts receivable, work in progress, deferred income and prepayments) is significant.

Sales signed with a notary and not yet recognised in earnings are booked to the statement of financial position as current liabilities. At the same time, expenses incurred on these same transactions are booked as work in progress. Revenue and margins on property development programmes are reported using the percentage of completion method. The percentage of completion is calculated by multiplying the percentage of construction progress by the percentage of revenue from property sales signed at a notary's office.

As a result of the marketing approach (off-plan sales) and pre-marketing conditions that it sets for itself before construction begins, the Group has low levels of stock of land and completed properties.

- The new Center Parcs villages programmes and, in particular, construction of facilities on behalf of institutional investors, generally result in a temporary deterioration in working capital requirements since the Group pre-finances some of these expenditures and works.

- As part of the renovation property development business carried out on behalf of the institutional owners of existing Domaines Center Parcs to be renovated, in particular in the context of sale-renovation transactions, the Pierre & Vacances-Center Parcs Group may be required to temporarily carry certain assets (purchase options from institutional owners subject to pre-marketing conditions), or to pre-finance certain works in the event that the funds received from investors are not released until delivery of the renovated property (rules specific to certain countries).

Simplified statement of financial position

(in € millions)	30/09/2021 operational reporting	30/09/2020 operational reporting	Changes
Goodwill	138.2	140.0	-1.8
Net fixed assets	356.8	362.3	-5.5
Assets under finance lease	80.5	86.1	-5.6
TOTAL INVESTMENTS	**575.5**	**588.4**	**-12.9**
Equity	-423.9	-83.9	-340.0
Provisions for risks and charges	92.3	111.2	-18.9
Net financial debt	529.8	330.6	199.2
Debt related to assets under finance lease	87.7	94.7	-7.0
WCR and others	289.6	135.8	153.8
TOTAL RESOURCES	**575.5**	**588.4**	**-12.9**

The net carrying amount of goodwill totalled €138,2 million.

The main goodwill items mainly include:

- Center Parcs for €125.1 million;
- Pierre & Vacances for €13.1 million.

The change in net fixed assets (€-5.5 million) was mainly due to:

- investments made for tourism operations for €33.5 million;
- investments made in IT systems for €5.2 million;
- the increase in other non-current financial assets (€+12.4 million) relating to the investment of cash in a term account.

After deducting in particular:

- depreciation, amortisation and provisions for the period (€-42.6 million);
- the decrease in the value of equity-accounted investments (€-7.8 million), due to the losses recorded by the Adagio joint venture during the financial year.

Net fixed assets at 30 September 2021 include:

- €122.8 million of intangible assets; this amount mainly includes the €85.9 million net amount of the Center Parcs brand;
- €183.5 million in property, plant and equipment; this amount mainly includes assets used for the operation and marketing of the Center Parcs and Sunparks brand villages for a net amount of €115.1 million and the Pierre & Vacances, Adagio, Maeva and other brand villages and residences for a net value of €68.4 million;
- non-current financial assets of €48.3 million, consisting primarily of guarantee deposits paid to property owners and to lessors and suppliers;
- €1.3 million in equity-accounted investments, mainly including, at 30 September 2021, the Group's stake in Senioriales joint ventures.

The amount of assets under finance leases corresponds mainly to the finance leases for the central equipment of Domaine du Lac d'Ailette.

Equity totalled €-423.9 million at 30 September 2021 (compared with €83.9 million at 30 September 2020), after taking into account:

- profit (loss) for the period of €-341.3 million;
- an increase in equity before earnings of €+1.3 million due notably to the IFRS accounting of actuarial differences on retirement benefit obligations, stock options and treasury shares.

The balance of provisions for risks and charges amounted to €92.3 million at 30 September 2021 (compared to €111.2 million at 30 September 2020) and mainly included:

- the negative value of shares in equity-accounted companies: €48.2 million (mainly Villages Nature®);
- provisions for legal proceedings, restructuring costs and site closures: €18.4 million;
- provisions for pensions: €15.5 million;
- provisions for renovations: €10.0 million.

The decrease in provisions for risks and charges (€-18.9 million) is mainly due to:

- a reversal of a provision for the negative value of Villages Nature® shares of €11.5 million, following the recapitalisation of the joint venture;
- the decrease in provisions for restructuring (net reversal of €7.5 million over the financial year), following the effective departures of employees affected by the employment protection plan implemented during the previous financial year.

Net financial debt (Bank Debt/bonds less net cash) owed outside by the Group at 30 September 2021 breaks down as follows:

(in € millions)	30/09/2021	30/09/2020	Changes
Bank debt/bonds	**750.8**	**528.8**	**222.0**
Cash and cash equivalents (net of overdrafts drawn)	**-221.0**	**-198.3**	**-22.7**
Cash available	*-446.7*	*-205.3*	*-241.4*
Overdrafts drawn	*225.7*	*7.0*	*218.7*
NET FINANCIAL DEBT	**529.8**	**330.6**	**199.2**

Net financial debt as of 30 September 2021 (€529.8 million) mainly corresponds to:

- the ORNANE issue in December 2017 for a principal amount of €100 million;
- the "Euro PP" bonds issued respectively in July 2016 for a nominal amount of €60 million and in February 2018 for a nominal amount of €76 million;
- the State-guaranteed loan obtained in June 2020 for a nominal amount of €240 million;
- the drawdown, on 24 June 2021, of the first tranche of the New Financing signed on 10 May 2021 with some existing banking partners, holders of the EuroPP 2022 and 2025, and holders of Ornane, of a nominal amount of €175 million;
- credit lines drawn down in the context of the health crisis for an amount of €225.7 million (revolving, confirmed credit lines and authorised overdrafts);
- the conversion into loans (maturity September 2022) of authorised revolving credit lines for an amount of €43.5 million;
- loans taken out by the Group to finance property development programmes intended for sale in the amount of €45.3 million (including €28.5 million for the Lot-et-Garonne CP programme, €12.5 million for the Avoriaz programme and €4.3 million in Senioriales bridging loans);
- accrued interest for an amount of €4.3 million;
- net of available cash, in the amount of €446.7 million.

5.1.4 Outlook

Availability of the second tranche of the New Financing

In accordance with the terms of the New Financing entered into on 19 June 2021 between Pierre et Vacances SA and certain financial creditors of the Group, the second tranche of the New Financing, in the principal amount of €125 million (including the New Group PGE) was made available to Center Parcs Europe NV and Pierre et Vacances SA (in the case of the New Group PGE) on 1 December 2021.

The drawdown of the second tranche was accompanied, in accordance with the New Financing documentation, by the placement of a second-ranking pledge on the shares of Center Parcs Holding Belgique held by Center Parcs Europe NV.

Comment on negotiations with individual lessors

As announced in the press release of 10 November 2021, a new alternative proposal for an amendment to the lease agreement was sent by the Group to its individual lessors providing for the payment of an amount equivalent to 11 months' rent over the 16-month period impacted by the health crisis (between March 2020 and June 2021), i.e. almost 70% of the contractual rent.

This proposal is a new option offered by the Group to its individual owners, with the September proposal remaining valid for those owners who wish to join.

As at 6 December 2021, the Group has confirmed that the number of individual lessors in the Group who have signed the September amendment and this new proposal represent almost 80% of the units in all residences.

As a result of this high take-up threshold, the Group has decided to immediately apply its new proposal for the benefit of its individual owners and to already waive the initial condition of obtaining signatures representing at least 85% of the units, in accordance with the terms of the rider.

The new proposal is therefore effective from 6 December 2021 and the Group will continue to gather additional subscriptions from its owners to the various endorsements.

The opt-in period for signatories of the September rider who would like to take up the new proposal has also been opened since 3 December 2021. Without a signature of the new proposal by a signatory of the September amendment, the latter will remain in force and will remain effective with regard to the lessor concerned. The use of travel vouchers will be suspended for lessors who signed the first amendment during the subscription period of the new proposal. The travel vouchers will either be cancelled for lessors opting for the new proposal or reactivated from the end of the subscription period for owners who preferred to keep the September proposal. To take account of this suspension period, the Group has agreed to extend the validity of the travel vouchers until 31 March 2024.

At the financial statements' closing date:

- the overall take-up rate (all amendments combined) was 81%;
- all rents unpaid to non-signatory individual landlords over the period of administrative closure (mid-March to the end of May and mid-December 2020) represented nearly €11 million. It should be recalled that for these periods, the Group considers that the lease liability is extinguished, basing its assessment on the legal basis of the exception of non-performance or on that of the provisions of Article 1722 of the French Civil Code;
- the claims brought by owners to the Group for non-payment of rent amounted to €25 million and were issued by nearly 2,900 claimants. However, this amount includes requests made by lessors who have signed the amendments proposed in the conciliation framework.

The Group also endeavours to manage proceedings brought by non-signatory individual lessors by asserting various legal grounds or, as the case may be, by requesting grace periods.

Obtaining the so-called "closure" aid from the State

The Group requested from the public authorities the so-called "closure" aid aimed at compensating the uncovered fixed costs of companies whose activity is particularly affected by the COVID-19 epidemic and which meet the applicable conditions. The amount of aid requested is around €24 million. Subject to the finalised investigation by the relevant departments, the Group has obtained a preliminary agreement to this aid grant The Group will pay a portion of this aid to certain individual lessors, in accordance with the amendments signed with them as part of the conciliation procedure opened in 2021.

Conclusion of binding agreements on the capital strengthening transaction

In a back-to-back procedure, the Group has entered into binding agreements dated 9 March 2022, subject to final approval by the bank creditors' committees, with the investors (Alcentra-Fidera-Atream) as well as the bank creditors, Euro PP and an Ornane holder group.

These binding agreements meet the Company's objectives of preserving the integrity of the Group and achieving a balanced financial structure by reducing the Group's indebtedness and securing the necessary liquidity to enable it to deploy its ReInvention 2025 strategic plan.

Completion of the capital strengthening transaction is subject to the approval of a conciliation protocol on the Villages Nature project during May 2022. This protocol is itself subject to purely technical or documentary conditions precedent defined in the agreement term sheet concluded on 9 March 2022 under the aegis of the ad hoc agents and the Interministerial Committee for Industrial Restructuring (CIRI) concerning the Villages Nature project.

In addition, the capital strengthening transaction is also subject to implementation constraints such as:

- the agreement between the parties concerned on the terms of the final contractual documentation,
- the approval of the accelerated safeguard plan by the Paris Commercial Court,
- the voting of the classes of parties affected in accordance with the regulations in force;
- the presentation by the independent expert of his report concluding that the price proposed in the planned capital increases is fair, the holding of the General Meeting on the back-to-back procedure and obtaining:
- agreements waiving the exercise of guarantees held by the Group's main co-contractors or institutional lessors,
- the authorisations required under the applicable merger control regulations in Germany,
- the exemption from a takeover bid, if necessary, by the Autorité des Marchés Financiers and its approval of the Company's prospectus.

It is specified that the employee representative bodies of the various Group entities were consulted and all gave a favourable opinion on the Restructuring Transactions. These transactions should be completed by 16 September 2022, unless specifically extended. After this date, the Group's creditors who signed the Binding Agreement will no longer be bound by the undertaking to retain their claims under the terms of this agreement.

5.1.5 Material contracts

Given the nature of its business, the Group has not entered into any material contracts at the date of filing of this Universal Registration Document other than contracts entered into in the normal course of business, with the exception of agreements entered into to strengthen the Group's capital described above.

5.2 Consolidated financial statements

5.2.1 Consolidated income statement

(in € thousands)	Notes	FY 2020/2021	FY 2019/2020
Revenue	25	937,196	1,171,518
Purchases and external services	26	-525,515	-621,925
Employee expenses	27	-271,169	-318,870
Depreciation, amortisation and impairment	28	-271,498	-309,984
Other operating income from ordinary activities	29	35,744	13,758
Other operating expenses from ordinary activities	29	-29,702	-28,159
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**3**	**-124,944**	**-93,662**
Other operating income and expenses	30	-34,337	-133,447
OPERATING PROFIT (LOSS)	**3**	**-159,281**	**-227,109**
Financial income	31	1,072	1,719
Financial expenses	31	-225,804	-171,906
NET FINANCIAL INCOME (EXPENSE)		**-224,732**	**-170,187**
Income tax	32	-17,530	-2,627
Share of net income (loss) of equity-accounted investments	9	-24,833	-25,181
PROFIT (LOSS) FOR THE YEAR		**-426,376**	**-425,104**
Including:			
◆ attributable to owners of the Company		-426,443	-425,249
Non-controlling interests		67	145
Basic earnings per share, attributable to owners of Company *(in €)*	33	-43.67	-44.51
Diluted earnings per share, attributable to owners of Company *(in €)*	33	-43.67	-44.51

5.2.2 Statement of comprehensive income

(in € thousands)	FY 2020/2021	FY 2019/2020
PROFIT (LOSS) FOR THE YEAR	**-426,376**	**-425,104**
Translation adjustments	83	-133
Effective portion of gains and losses on hedging financial instruments	-	-
Deferred tax	-	-
Other comprehensive income (loss) that may be reclassified subsequently to profit or loss, net of tax	**83**	**-133**
Actuarial gains and losses on retirement benefit obligations after tax	390	456
Other comprehensive income (loss) that will not be reclassified subsequently to profit or loss, net of tax	**390**	**456**
Other comprehensive income (loss), net of tax	**473**	**323**
TOTAL COMPREHENSIVE INCOME	**-425,903**	**-424,781**
Including:		
◆ attributable to owners of the Company	-425,970	-424,926
◆ non-controlling interests	67	145

5.2.3 Consolidated statement of financial position

Assets

(in € thousands)	Notes	30/09/2021	30/09/2020
Goodwill	4	138,225	140,025
Intangible assets	5	122,833	124,917
Property, plant and equipment	7	183,499	191,622
Right of use	8	2,090,656	2,333,891
Equity-accounted investments	9	1,327	6,601
Non-consolidated investments in associates and other long-term equity investments	10	804	804
Other non-current financial assets	11	48,293	35,866
Deferred tax assets	32	73,351	87,598
NON-CURRENT ASSETS	**3**	**2,658,988**	**2,921,324**
Inventories and work in progress	12/13/23	142,145	150,922
Trade receivables	14/23	221,281	280,498
Other current assets	14/23	268,710	207,844
Current financial assets	14/23	94,807	112,485
Cash and cash equivalents	15	446,685	205,324
CURRENT ASSETS	**3**	**1,173,628**	**957,073**
TOTAL ASSETS	**3**	**3,832,616**	**3,878,397**

Liabilities

(in € thousands)	Notes	30/09/2021	30/09/2020
Share capital	16	98,935	98,935
Share premiums		20,359	20,359
Treasury shares		-1,556	-5,483
Other elements of comprehensive income		953	480
Reserves		-679,030	-250,438
Consolidated profit (loss)		-426,443	-425,249
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**-986,782**	**-561,396**
Non-controlling interests		368	168
EQUITY	**16**	**-986,414**	**-561,228**
Long-term borrowings	18	525,037	518,138
Long-term lease obligations	21	2,543,252	2,671,614
Non-current provisions	17	93,463	96,876
Deferred tax liabilities	32	11,417	10,094
Other non-current liabilities	22/23	-	9
NON-CURRENT LIABILITIES	**3**	**3,173,169**	**3,296,731**
Short-term borrowings	18	451,485	17,750
Current provisions	17	14,185	21,219
Short-term lease obligations	21	174,565	212,591
Trade payables	22/23	342,730	265,998
Other current liabilities	22/23	658,120	608,904
Current financial liabilities	22/23	4,776	16,432
CURRENT LIABILITIES	**3**	**1,645,861**	**1,142,894**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**3,832,616**	**3,878,397**

5.2.4 Consolidated statement of cash flows

(in € thousands)	Notes	FY 2020/2021	FY 2019/2020
Operating activities			
Consolidated profit (loss)		**-426,376**	**-425,103**
Depreciation, amortisation and impairment of non-current assets		264,130	345,612
Expenses on grant of share options		619	2,441
Gain (loss) on disposal of assets		1,681	2,491
Share of profit (loss) of equity-accounted investments		24,833	25,181
Costs of net financial debt	31	33,885	14,085
Interest on IFRS 16 lease	31	189,976	156,354
Gains/Losses on IFRS 16 leases		-588	-3,981
Income taxes (including deferred taxes)	32	17,530	2,627
Operating cash flows before change in working capital requirements		105,689	119,706
Net interest paid		-25,118	-13,133
Interest on IFRS 16 lease		-189,976	-156,354
Taxes paid		-172	-12,862
Cash flows after interest and tax		**-109,576**	**-62,642**
Change in working capital requirements (including in employee benefits liability)		119,449	73,741
Inventories and work in progress	12/13/23	5,204	26,779
Other working capital items	23	114,246	46,962
NET CASH FLOW FROM (USED IN) OPERATING ACTIVITIES (I)		**9,873**	**11,098**
Investing activities			
Acquisitions of property, plant and equipment, and intangible assets	5/7	-39,205	-45,605
Purchases of financial assets		-16,962	-1,461
Acquisitions of subsidiaries (net of acquired cash)		782	261
Subtotal of disbursements		**-55,385**	**-46,805**
Proceeds from disposals of property, plant and equipment, and intangible assets		515	5,455
Disposals of financial assets		4,626	1,960
Divestments of subsidiaries (net of cash paid)		-60	-1
Subtotal of receipts		**5,081**	**7,414**
Dividends received (or inflow of income) from equity-accounted investments		1,648	1,521
NET CASH FROM (USED IN) INVESTING ACTIVITIES (II)		**-48,655**	**-37,871**
Financing activities			
Acquisitions and disposals of treasury shares	16	-34	98
Dividends paid to owners of the Company		0	-1
Proceeds from new loans and other borrowings	18	217,720	286,860
Repayment of loans and other borrowings	18	-8,251	-3,901
Change in IFRS 16 lease obligations	21	-148,004	-171,527
Impact of exchange rate effects and miscellaneous		34	-
NET CASH FLOW FROM (USED IN) FINANCING ACTIVITIES (III)		**61,466**	**111,529**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (IV = I + II + III)		**22,684**	**84,757**
Cash and cash equivalents at start of the reporting period (V)	15	198,273	113,517
Cash and cash equivalents at reporting date (VI = IV + V)	15	220,957	198,273

5.2.5 Consolidated statement of changes in equity

(in € thousands)	Number of shares	Share capital	Share premiums	Treasury shares	Translation adjustments	Fair value reserves	Reserves	Consolidated profit (loss)	Equity attributable to owners of the Company	Non-controlling interests	Total shareholders' equity
BALANCE AT 30 SEPTEMBER 2019	**9,805,232**	**98,052**	**21,241**	**-5,562**	**-71**	**78**	**170,708**	**-33,023**	**251,424**	**23**	**251,447**
Other elements of comprehensive income	-	-	-	-	-133	-	-	-	-133	-	-133
Actuarial gains and losses on retirement benefit obligations	-	-	-	-	-	-	456	-	456	-	456
Profit (loss) for the year	-	-	-	-	-	-	-	-425,249	-425,249	145	-425,104
Total comprehensive income	**-**	**-**	**-**	**-**	**-133**	**-**	**456**	**-425,249**	**-424,926**	**145**	**-424,781**
Impact of the new IFRS 16 standards	-	-	-	-	-	-	-388,317	-	-388,317	-	-388,317
Impact of the new IFRIC 23 standards	-	-	-	-	-	-	-2,117	-	-2,117	-	-2,117
Capital increase	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-
Change in treasury shares held	-	-	-	79	-	-	19	-	98	-	98
Share-based payment expenses	88,231	883	-883	-	-	-	2,441	-	2,441	-	2,441
Other movements	-	-	-	-	-	-	-	-	-	-	-
Allocation of profit for the year	-	-	-	-	-	-	-33,023	33,023	-	-	-
BALANCE AT 30 SEPTEMBER 2020	**9,893,463**	**98,935**	**20,359**	**-5,483**	**-204**	**78**	**-249,833**	**-425,249**	**-561,396**	**168**	**-561,228**
Other elements of comprehensive income	-	-	-	-	83	-	-	-	83	-	83
Actuarial gains and losses on retirement benefit obligations	-	-	-	-	-	-	390	-	390	-	390
Profit (loss) for the year	-	-	-	-	-	-	-	-426,443	-426,443	67	-426,376
Total comprehensive income	**-**	**-**	**-**	**-**	**83**	**-**	**390**	**-426,443**	**-425,970**	**67**	**-425,903**
Capital increase	-	-	-	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-
Change in treasury shares held	-	-	-	3,927	-	-	-3,961	-	-34	-	-34
Share-based payment expenses	-	-	-	-	-	-	619	-	619	-	619
Other movements	-	-	-	-	-	-	-	-	-	133	133
Allocation of profit for the year	-	-	-	-	-	-	-425,249	425,249	-	-	-
BALANCE AT 30 SEPTEMBER 2021	**9,893,463**	**98,935**	**20,359**	**-1,556**	**-121**	**78**	**-678,034**	**-426,443**	**-986,782**	**368**	**-986,414**

5.2.6 Notes to the consolidated financial statements

Summary of notes to the consolidated financial statements

Preamble

Pierre & Vacances is a French Public Limited Company (société anonyme), governed by a Board of Directors and listed on Euronext Paris.

The consolidated financial statements reflect the financial position of Pierre & Vacances and its subsidiaries (hereinafter referred to as "the Group"), as well as its interests in associates and joint ventures.

The consolidated financial statements are presented in euros, rounded to the nearest thousand.

The Board of Directors approved the Group's consolidated financial statements for the financial year ended 30 September 2021 on 30 November 2021 and then on 9 March 2022.

Note 1 Accounting principles

1.1 - General framework

Pursuant to European regulation No. 1606/2002 of 19 July 2002, the consolidated financial statements for the 2020/21 financial year have been prepared in accordance with IFRS (International Financial Reporting Standards) as adopted by the European Union at 30 September 2021 (these standards are available at http://ec.europa.eu/internal_market/accounting/ias_fr.htm)

The IFRS accounting standards include IFRS, IAS (International Accounting Standards) and their IFRIC (International Financial Reporting Interpretations Committee) and SIC (Standing Interpretations Committee) interpretations.

These standards and interpretations used for the 2020/2021 financial year are the same as those applied in the Group's consolidated financial statements for the 2019/2020 financial year, except for those adopted by the European Union which must be applied for the first time in the financial year beginning 1 October 2020 and for which the Group had not elected for early adoption (see section 1.2 – Changes in accounting standards).

1.2 - Changes in accounting standards

New standards and interpretations, which must be applied for the first time in the financial year beginning 1 October 2020, were used to prepare the financial statements for the 2020/2021 financial year.

The new standards, interpretations and amendments applied by the Group for the 2020/2021 financial year and not applied in advance in the financial statements for the 2019/2020 financial year include the following:

- amendment to IFRS 3 – "Business Combinations" – New definition of an activity;
- amendments to IAS 1 and IAS 8 – Improve the definition of materiality;
- amendments to IFRS 16 entitled "COVID-19-related rent concessions of 13 October 2020" and "COVID-19-related rent concessions beyond 30 June 2021" of 30 August 2021;
- amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform (IBOR) Phase 1;
- changes in references to the conceptual framework in IFRS.

The application of the other amendments to standards has no impact on the Group's consolidated financial statements.

In addition, the Group has not applied the practical expedient, which is optional and makes it possible not to consider the rent concessions granted as a direct result of the COVID-19 pandemic as modifications of leases within the meaning of IFRS 16. Thus, all contract amendments made during the financial year were treated as contract modifications within the meaning of IFRS 16.

1.3 - Future standards, amendments to standards and interpretations

The following amendments have been published by the IASB but were not yet applicable as at 30 September 2021.

- amendments to IFRS 9, IAS 39, IFRS 4 and IFRS 7: Interest Rate Benchmark Reform (IBOR) Phase 2;
- amendments to IFRS 4: Extension of the temporary exemption from the application of IFRS 9;
- the IFRIC amendment published in April 2021 on the duration of service cost allocation aims to revise the trigger date of the provision under IAS 19. The latter would no longer be recognised as soon as the staff member joins the Company but according to length of service and the ceilings set out in the applicable collective agreements and/or agreements. The process put in place by the IASB allows a reasonable and sufficient period of time for companies to implement this decision. Because its reporting date was postponed to 30 September, the Group has decided to apply this reform from the 2021/2022 financial year. This IFRIC opinion therefore has no impact on the financial statements at 30 September 2021.

1.4 - Going concern principle used to prepare the consolidated financial statements of the Pierre & Vacances-Center Parcs Group for the financial year ended 30 September 2021

Following the health crisis, the Group is facing financial difficulties which justified the intervention of a conciliator (which became an ad hoc trustee on 14 December 2021) and the Comité Interministériel de Restructuration Industrielle (the "CIRI"), under the aegis of which all solutions were sought in the Group's interest.

To this end, the Group's restructuring is a two-step process:

- **the provision of bridge financing during the 2020/2021 financial year:** on 10 May 2021, a new financing for a principal amount of €300 million was concluded between Pierre et Vacances SA and certain of the Group's financial creditors. On 24 June 2021, the first tranche of €175,000,000 in principal (excluding guarantee fee and commitment fee) was made available to Center Parcs Europe N.V. (a wholly-owned subsidiary of Pierre et Vacances SA). On 1 December 2021, the second tranche of the new financing of €90.5 million in principal as well as the State-guaranteed loan in of €34.5 million in principal were respectively made available to Center Parcs Europe NV and Pierre et Vacances SA. In accordance with the terms of the New Financing, a collateral trust relating to the shares of the French subsidiary Center Parcs Holding was put in place on 22 September 2021. It is intended to be terminated upon completion of the capital strengthening transaction, subject to the full repayment of the New Financing;
- **implementation of a capital strengthening transaction for the Group to take place during the current financial year:** from January 2021 and in parallel with the bridge financing, management has been working to find solutions to make the Group's financial position more sustainable. Under the aegis of the conciliator (now ad hoc agent) and the CIRI, the Group entered into binding agreements on 9 March 2022, subject to the final approval of the bank creditors' committees with, in particular:
  - a group of investors comprising (a) Alcentra Limited (also a financial creditor of the Group), (b) Fidera Limited (also a financial creditor of the Group, and (c) Atream (also an institutional lessor of the Group) (together, the "Investors") pursuant to which:
    - a capital increase with preferential subscription rights for a total gross amount of €50,085,656 to be subscribed and paid up in cash, fully guaranteed by Alcentra and Fidera, and
    - a capital increase with cancellation of preferential subscription rights for a total gross amount of €149,914,344 reserved for (i) Alcentra for at least €44,957,172 and no more than €74,957,172, (ii) Fidera for at least €44,957,172 and no more than €74,957,172, (iii) Atream €30,000,000, (iv) to SPG (also the Group's creditor) €9,000,000 and (v) holders of Ornane who wish to participate in this capital increase (in proportion to their ownership of Ornane) up to a maximum of €21,000,000. Alcentra and Fidera have undertaken to subscribe, in cash, at parity (unless otherwise agreed between them) for the total amount of the Reserved Capital Increase that would not have been subscribed for by the aforementioned beneficiaries (other than Alcentra and Fidera), it being specified that some of them have already indicated that they will not participate in the Reserved Capital Increase).

These capital increases, which are expected to be completed before the end of the 2021/2022 financial year, will provide an injection of €200 million of equity, enabling the repayment of €160 million of financial liabilities,

  - bank creditors, Euro PP and a group of Ornane holders, to enable:
    - the Group's massive deleveraging, particularly with the conversion into capital of more than €551 million of unsecured debt, to return to a sustainable level of debt and significantly lower than that prevailing before the health crisis,
    - the partial reinstallation of the bridge financing obtained in 2021 by setting up a senior term loan of €174 million at the date of completion of the transaction and the maintenance of the existing debt then raised at the time of the new bridge financing in 2021 up to a principal amount of €103.5 million, which would be transformed into a term loan,
    - an additional €25 million principal increase in unsecured debt from the existing revolving credit facility and the existing consolidated facility, and
    - the maintenance of a fraction of the State-guaranteed loan made available to Pierre et Vacances SA in June 2020, in the amount of €25 million in principal.

The completion of the equity strengthening transaction is subject to certain conditions precedent described in Note 39 "Events after the 2021/2022 reporting period". It should be completed no later than 16 September 2022, unless specifically extended.

In this context, the consolidated financial statements of the Pierre & Vacances-Center Parcs Group for the financial year ended 30 September 2021 were prepared in accordance with the going concern principle, taking into account the position known at the reporting date of the financial statements as described above, binding agreements entered into with the various partners, the latest estimates of cash requirements made in a context of economic recovery – as described below – and assuming that the conditions precedent would be finalised during the financial year allowing the transaction to strengthen the Group's equity to proceed.

Main assumptions used to prepare the cash forecasts

Cash forecasts prepared with a 12-month horizon are based on the following main assumptions:

- ACTIVITY: the activity assumptions used are based in particular on a portfolio of tourism reservations achieved to date for the 2nd quarter of the 2021/2022 financial year, compared to the 2nd quarter 2018/2019 (pre-COVID):
  - growth for the Center Parcs Europe division,
  - comparable for Pierre & Vacances France, restated for the decrease in the number of marketable apartments,
  - down for Adagio, even if there is an acceleration in the recovery of reservations;
- social liabilities: repayment of social security charges (liability amounting to approximately €40 million at the end of June 2021) over 36 months from October 2021 (moratorium obtained from URSSAF and other bodies);
- completion of the back-to-back procedure and the financial restructuring.

The cash flow forecasts made in this context show that the Group can meet its cash requirements over the next 12 months. However, these cash flow forecasts do not take into account the effects of a possible new wave of the pandemic and the mandatory closures that could result from them.

1.5 Basis of presentation

Individual financial statements of the Group's consolidated companies, which are prepared according to the accounting regulations applicable in their respective countries, are restated to comply with the Group's accounting policies.

All fully consolidated companies are consolidated on the basis of parent company financial statements or positions at the reporting date of the parent company, i.e. 30 September.

The Group's consolidated financial statements have been prepared according to the historical cost principle, with the exception of the following assets and liabilities which, when present at the reporting date, are recorded at their fair value: derivatives, investments held for trading purposes and available-for-sale financial assets. The carrying amount of the assets and liabilities hedged against changes in fair value is adjusted to take into account such changes attributable to the risks hedged.

As provided for by IAS 1 "Presentation of Financial Statements", the Group reports income statement items according to their nature.

Operating profit (loss) includes "Other operating income and expenses", which essentially includes non-recurring items such as gains and losses on disposals, restructuring expenses and impairment losses.

Statement of financial position items are classified into "current and non-current assets", and "current and non-current liabilities". The Group's current assets include cash and cash equivalents, assets held for sale and assets consumed in a normal operating cycle. All other assets are classified as non-current. Current liabilities consist of liabilities that mature in the Group's normal operating cycle or within 12 months after the reporting date. All other liabilities are classified as non-current.

The statement of cash flows is presented using the indirect method.

1.6 - Use of estimates

The persistence of the pandemic and its restrictive measures severely impacted the activities of the Pierre & Vacances-Center Parcs Group during the financial year ended 30 September 2021.

In particular, the ban on the operation of ski lifts during the winter season, as well as the ban on access to aquatic areas, restaurants and indoor sports and leisure activities, obliged the Group to close almost all of the Pierre & Vacances Residences and Center Parcs Domains during the first half of the year.

During the financial year and in the absence of visibility, at that time, on the way out of the crisis, the Group entered into conciliation proceedings on 2 February 2021, for a period of 4 months initially and extended until 2 December 2021.

In the context of the conciliation procedure and the ongoing capital strengthening process, the preparation of the parent company financial statements required the use of more structuring judgements and assumptions than in a normal annual end of year reporting.

In this context, the main estimates made by Management for the preparation of the financial statements relate to the assumptions of recoverability of tax losses, the determination of the results on completion of the property development programmes, the valuation of goodwill and the useful lives of operational, tangible and intangible assets, the valuation of rights of use recognised under IFRS 16 as well as the accounting treatment of lease liabilities to individual lessors over the periods of administrative closure of parks.

It should also be noted that these estimates are determined according to the going concern assumption, established on the basis of 12-month cash flow forecasts as described in Note 1.4 "Going concern principle used to prepare the Group's consolidated financial statements." These estimates are drawn up according to available information on the date they were established.

1.7 - Consolidation scope and methods

The following consolidation methods have been used:

- full consolidation, all the companies over which the Group exercises exclusive control, directly or indirectly, in law or in fact;
- equity method, joint ventures (companies operated jointly within the context of joint control) as well as shares of companies over which the Group directly or indirectly exercises significant influence without, however, having control. Significant influence is presumed when the Group holds more than 20% of the voting rights.

  Consolidation using the equity method requires an interest in an associate or joint venture to be recognised initially at the acquisition cost, then adjusted at a later date for the net income and other comprehensive income (loss) of the associate or joint venture attributable to the owners of the Company.

  Share of profit (loss) of these entities is incorporated into the Group's consolidated profit (loss), on a specific line entitled "Share of net income (loss) of equity-accounted investments".

The results of companies acquired during the year are consolidated as from the date on which control (exclusive or joint) or significant influence begins. The results of the companies sold during the financial year are consolidated up to the date on which control or notable influence ceases.

1.8 - Foreign currency translation methods

Translation of transactions denominated in foreign currency:

A company's functional currency is the currency of the primary economic environment in which the Company operates. Transactions made in a currency other than the functional currency are translated at the exchange rate in effect at the time they occur. At the reporting date, receivables and corresponding payables are converted into the functional currency at the reporting date exchange rate. The resulting translation differences are recognised in profit or loss.

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Translation of foreign currency financial statements:

The statement of financial position of companies whose functional currency is not the euro are translated into euros at the exchange rate of the reporting date and their income statement at the average exchange rate for the financial year.

The resulting translation differences are shown in shareholders' equity and will be recognised in profit (loss) for the financial year during which control of the business ceases.

1.9 - Business combinations

Cost of purchasing shares:

The cost of purchasing shares equals the fair value of the assets handed over, the liabilities incurred or assumed, and the equity instruments issued by the buyer on the date of purchase.

The costs directly attributable to the acquisition are recognised under other operating expenses for the period during which they are incurred.

Earn-outs, irrespective of their likelihood of payment, are recognised at fair value in liabilities or shareholders' equity as of the acquisition date; subsequent adjustments must be reported in profit (loss).

Identifiable assets, identifiable liabilities and goodwill:

When they integrate the Group, the assets and liabilities that can be measured separately are reported in the consolidated statement of financial position at their fair value. Assets intended for resale are measured at their fair values less the selling costs. Goods intended for use in operation are measured at their fair value.

The fair value of brand names, as identifiable intangible assets, is determined using a multi-criteria approach generally accepted for the purpose ("relief from royalty" method, excess cash-flows method and cost approach).

The measurement of identifiable assets determines their new gross carrying amount. This serves as a basis for subsequent calculations of gains or losses on disposal, depreciation, amortisation, and impairment losses.

Goodwill represents any amount in excess of the consideration transferred and, if applicable, the difference between the value of "non-controlling interests" and the net fair value of identifiable assets and liabilities of the acquired company. Depending on the option selected for measuring these interests at the date control is acquired (fair value or share of net assets acquired), the goodwill recognised represents either the share acquired by the Group (partial goodwill) or the share of the Group and the share of the non-controlling interests (total goodwill).

If the difference is positive, it is recorded under "Goodwill" for companies consolidated by the full consolidation method and under "Equity-accounted investments" for joint ventures or companies over which the Group exercises significant influence. If the difference is negative, it is posted directly to profit or loss.

If, in the 12 months following the acquisition date, new information leads to a new assessment of the fair values of the assets and liabilities when they were included in the consolidated statement of financial position, the fair values are updated. The remeasurement will result in a change in the gross amount of the goodwill.

When a company is purchased in stages, the previous shareholding is reassessed at fair value on the date control is acquired and the difference from the net carrying amount is recognised in profit or loss.

Commitment to buy out non-controlling interests:

When the Group grants purchase options on their investments to shareholders of its fully consolidated subsidiaries, it anticipates this additional purchase of shares. These commitments are recognised as financial liabilities at the discounted value of the buy-back price, along with an entry to non-controlling interests and any remaining balance being recorded in equity.

1.10 Non-current assets held for sale and associated liabilities

Assets and liabilities that the Group decided to sell during the year are presented on a separate line item of the statement of financial position ("Non-current assets and disposal groups held for sale"), if they are available for immediate sale and the sale is highly probable.

When several assets are intended to be sold in a single transaction, the asset group and the related liabilities are measured overall at the lowest of the net carrying amount and the fair value net of the selling costs. Non-current assets classified as held for sale are no longer depreciated.

1.11 Goodwill impairment tests

Under IFRS, goodwill is not amortised but is subject to impairment testing whenever there is an indication that it may be impaired and at least once a year at the end of the financial year, namely at 30 September.

This test is carried out in order to take account of any changes that may have reduced the profitability and value of the goodwill. Such events or circumstances include significant unfavourable changes of a permanent nature, affecting the economic environment or the assumptions and objectives adopted at the date of acquisition.

Goodwill arising from a business combination is allocated to the CGUs or groups of CGUs likely to benefit from the synergies of the business combination. CGUs containing goodwill and/or intangible assets with an indefinite useful life, such as certain brands, are systematically tested for impairment annually.

This test is carried out at the level of the operating segments used by the Group to analyse its results in its internal reporting.

This impairment test involves comparing the recoverable amount of the cash generating units (CGUs), or of the CGU group, with the net carrying amount of the corresponding assets, including any goodwill. Through these impairment tests, the Group ensures that the recoverable amount of goodwill is not less than the net carrying amount. The recoverable amount is the higher of the fair value less selling costs or the value in use.

If an asset is to be sold, the recoverable amount is determined based on the fair value less selling costs.

The fair value less selling costs is the selling price that could be obtained in a transaction carried out in normal market conditions between informed and consenting parties, less the costs to sell and the costs of withdrawing from the business. The asset's selling price is determined with reference to similar recent transactions or valuations made by independent experts when a sale is in the offering.

Value in use is the future net discounted cash flows that would be generated by the CGU or group of CGUs. Cash flow projections come from business plans developed internally by operating segments over an explicit period of generally 5 years. For periods beyond five years, they are estimated using a perpetual growth rate. The discount rate used is based on the average cost of capital reflecting current market assessments of the time value of money and the risks specific to the asset tested. These discount rates are after-tax rates applied to after-tax cash flows. They are used to determine recoverable amounts that are identical to those obtained using pre-tax rates applied to pre-tax cash flows.

An impairment loss is recognised in profit and loss if the carrying amount of the CGU including the goodwill item is greater than its recoverable amount. Any impairment losses are recorded in "Other operating income and expenses". Any impairment loss recognised for a goodwill item may not be reversed in future periods.

1.12 - Intangible assets

Intangible assets individually acquired are stated in the statement of financial position at their purchase cost less accumulated amortisation and impairment losses.

Intangible assets acquired as part of a business combination are reported at their fair value on the date of acquisition, separately from the goodwill if they are identifiable, that is to say if they satisfy one of the following two conditions:

- they result from legal or contractual rights; or
- they can be separated from the entity acquired.

They primarily consist of brand names.

Intangible assets include:

- brand names classed as intangible assets with indefinite useful lives, the Group having decided that there was no foreseeable limit to the period over which it expects to be able to use them.

  These assets are recorded in the statement of financial position on the basis of a valuation made at the date of acquisition by independent experts using a multi-criteria approach, which takes into account brand name awareness and expected future contribution to profits.

  Brand names are not amortised but their value is subject to a test if there is an indication that they may be impaired and at least once a year. An impairment loss is reported if the amount determined using impairment tests is lower than their net carrying amount.

  The Group determines the value in use of each of its brand names by updating their carrying amounts using the same method as that used for goodwill impairment tests (i.e. discounted future cash flows generated by the business covered by the brand) or the "relief from royalty" method (projection to infinity of future royalties from the brand). Any impairment losses are reported in the income statement, under "Other operating expenses". The corresponding provision may subsequently be reversed if the value in use becomes higher than the net carrying amount;
- the other intangible assets that the Group has classified as intangible assets with definite useful lives. Essentially, these are concessions and patents that mainly include software licences and expenditure on computer programs. These non-current assets are amortised using the straight-line method over periods reflecting their useful lives, usually between three and eight years. If there is an indication of impairment loss, a valuation test is automatically carried out.

1.13 - Subsidies

Investment subsidies are shown on the statement of financial position as a reduction in the value of the asset for which they were received.

In addition, during the 2019/2020 and 2020/2021 financial years, the Group benefited from government aid relating to short-time working and job retention measures in certain countries (Belgium, the Netherlands, Germany and France), presented as a deduction from employee expenses in the income statement for the financial year, in accordance with IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance", as well as state aid calculated on the basis of operating losses compared to previous financial years, presented as other income.

1.14 - Property, plant and equipment

Items of property, plant and equipment are reported in the statement of financial position at their historic acquisition cost or at their construction cost or else, for assets owned by entities consolidated for the first time, at their acquisition-date fair value less any accumulated depreciation and any reported impairment losses. Interest on capital borrowed to finance the production of property, plant and equipment items during the period prior to their being placed in service is considered to be an integral part of their construction costs.

From the date they are commissioned, property, plant and equipment items are depreciated over their useful lives, using a component-based approach and the straight-line method:

Buildings	20-54 years
Equipment, fixtures and fittings	5-16 years
Furniture	7-12 years
Other property, plant and equipment	3-4 years

Items of property, plant and equipment are considered impaired when their economic value appears lower than their net carrying amount as a result of events or circumstances occurring during the financial year.

Any impairments are reported in the income statement, under "Other operating income and expenses" and the corresponding impairment may be subsequently reversed if the economic value becomes higher than the net carrying amount.

1.15 - Rights of use assets and lease obligations

Since 1 October 2019, the Group applies IFRS 16 to leases, which replaces IAS 17 and related interpretations.

The application of this standard leads to the recognition in the balance sheet of all lease commitments, without distinction between operating leases (until now recognised as off-balance sheet commitments) and finance leases.

IFRS 16 introduces a single model for recognising contracts on the lessee's statement of financial position, with:

- an asset representing the right to use the leased asset during the term of the lease;
- a liability in respect of the obligation to pay future rent.

The rental expense is replaced by interest expense and the straight-line amortisation expense over the lease term of the right of use.

On 1 October 2019, the Group has elected to apply the simplified retrospective method, without restatement of comparative periods, with retrospective calculation of the right of use for all contracts, whereby the right of use has been measured by determining its carrying amount as if IFRS 16 had been applied from the inception of the contract, discounted at the Group's marginal borrowing rate at the date of first application. As a result, the reclassifications and adjustments resulting from the first-time application of IFRS 16 are recognized in the opening statement of financial position at 1 October 2019, with a net impact of €-388 million at that date.

The Group has also adopted several simplification measures proposed by the standard at the transition date:

- exemption for contracts with a residual term of less than 12 months or relating to assets with a unit value of less than US$5,000, for which rents continue to be recognised as operating expenses;
- the total term of the leases (and not their residual term) is taken into account in determining the marginal borrowing rate applicable at the transition date;
- recognition of deferred tax on the difference between the tax value of the right of use and its value under IFRS 16, and between the tax value of the lease liability and its value under IFRS 16;
- at the transition date, the Group did not perform impairment tests on rights of use, as it has taken the option allowed by the standard to use the assessment made at 30 September 2019 to conclude that there were no onerous contracts within the meaning of IAS 37.

In addition, the Group did not apply the practical expedient authorised by the amendments to IFRS 16 of 13 October 2020 and 30 August 2021, neither in its 2019/2020 consolidated financial statements, nor in those of the 2020/2021 financial year. Consequently, the adjustment of leases to institutional and individual investors, obtained as part of the conciliation procedure, had a non-material impact on the consolidated income statement for the financial years ended 30 September 2020 and 30 September 2021.

Valuation of lease obligations and rights of use

The lease obligation is initially measured at the present value of the payments due over the term of the contracts.

These payments include both fixed rents (or fixed in substance) and variable rents based on an index or rate.

To determine the present value of lease payments, the Group uses its marginal borrowing rate at the effective date of the contract. This is the rate that the Group would obtain to finance an asset of identical value, in a similar economic environment and over a similar term and with similar guarantees. This rate is calculated per country, per currency, per duration, based on a risk-free yield curve and the addition of a spread specific to each country in which the Pierre & Vacances-Center Parcs Group operates.

The lease obligation is subsequently recognised at amortised cost using the effective interest rate method. At each reporting date, it is increased by the interest for the period and decreased by the amount of payments made.

It is likely to be revalued in the event of a change in the lease contract, a re-estimation of the lease term, as well as to take into account contractual variations in rents following the application of indexes or rates. In addition, in the event of early termination of a lease, the impact of the derecognition of the right of use and the rental commitment will be recorded in the income statement under other operating income and expenses.

The lease obligation is a current (less than one year) or non-current (more than one year) financial liability that is excluded from the Group's net financial debt.

The right of use is initially measured at cost on the effective date of the contract, i.e. the date on which the underlying asset is made available to the Group.

It includes the initial amount of the lease liability, plus any prepayments or initial direct costs incurred, net of benefits received from the lessor.

The right of use is amortised on a straight-line basis over the term of the lease. This term, determined at the level of each contract, is the executory certain term, as defined by the IFRIC decision released in December 2019, taking into account, in particular, the assessment of the exercise of renewal options. The right of use may be subject to subsequent adjustments in respect of revaluations of the rental debt. It will be subject to impairment tests and reduced by any impairment losses that may have been recorded.

Variable rents

Certain leases for properties operated by the Group for tourism include variable rents based on the performance of the site concerned. These variable rents are recognised as operating expenses in the income statement in the period to which they relate and are therefore not restated under IFRS 16.

When lease agreements include a guaranteed minimum amount payable to the lessor, this guaranteed amount is treated as a fixed rent in substance, and as such is taken into account in the valuation of the lease obligation. In the absence of a guaranteed minimum rent, the rent is fully variable and as such is not restated under IFRS 16.

Sale-leaseback transactions

IFRS 16 requires the partial recognition, up to the amount of the rights transferred, of the income on the sale of real estate assets under sale-leaseback transactions, when these transactions are sales under IFRS 15. At Pierre & Vacances-Center Parcs, this relates to the Group's property development operations in which properties (accommodation units or central facilities) sold to individual or institutional investors are leased back by the Group for tourism operations. Renovation operations involving assets leased by the Group are also affected by this issue.

Only sale-leaseback transactions carried out after 1 October 2019, the date of first-time adoption of IFRS 16, are subject to such restatement, which has no retroactive effect on past periods.

For each sale-leaseback transaction, the Group recognises the revenue and cost of the real estate assets sold up to the amount of the share of the rights to the asset considered to have been transferred to a third party.

The share of the margin corresponding to the property rights which is not transferred to the lessor-investor is neutralised. This neutralisation has an impact on the revenue and cost of the real estate assets sold during the construction phase of the asset, and then on the operating profit (loss) of the tourism operating companies over the term of the lease, through the reduction in the amortisation of the right of use.

In addition, cash flows relating to these sale-leaseback transactions are presented under operating cash flows, as they are related to the Group's recurring business.

1.16 - Non-current financial assets

This category mainly includes financial assets as well as receivables related to investments in associates and other long-term equity investments, loans and guarantee deposits with a maturity of more than 12 months.

Investments in non-consolidated companies are recorded in the statement of financial position at their fair value. Positive and negative changes in value are recorded directly in equity. For shares listed on the stock market and for unlisted shares, fair value is an estimate of their fair value. If the fair value cannot be determined reliably, the shares are recognised at their acquisition cost. If there is an objective indication that these shares may be impaired (a significant or prolonged decline in value), a provision for irreversible impairment is recognised under "Other operating income and expenses".

Other non-current financial assets are recorded at amortised cost using the effective interest rate method. If there is an objective indication of impairment loss, a provision for impairment is recognised for the difference between the net carrying amount and the recoverable value, along with an entry to income. This provision may be reversed if the recoverable amount subsequently improves.

1.17 - Inventories and work in progress

Inventories mainly include the inventories of finished goods and work in progress for the Property development business, assets held for sale and inventories of goods intended for resale as part of the Group's Tourism business.

Inventories of finished goods and work in progress are valued at the lower of their purchase price or production costs, and their probable net realisable amount. If the realisable amount of the inventories (price net of marketing costs) is less than their net carrying amount, a provision for impairment is recorded accordingly.

The Group applies the percentage of completion method to report the revenue and margins of its Property development business. All direct costs pertaining to property development programs in progress are accrued, including marketing fees. When the work is completed, committed expenditures that are not yet invoiced are capitalised in inventories.

On 7 December 2018, the IFRS Interpretations Committee published a decision in relation to IAS 23 which now makes it impossible to incorporate borrowing costs into the production cost of a property complex sold to end customers via sale contracts that provide for an over-time transfer of control, such as an off-plan "VEFA" sale contract.

From 1 October 2019, the Group no longer capitalises borrowing costs on its property development transactions.

1.18 - Trade receivables

Due to the nature of the Group's businesses, trade receivables are short-term and are therefore recognised at their nominal amount.

Since 1 October 2018, the Group has applied IFRS 9 which introduced a provisioning model that aims to recognise provisions for financial assets on the basis of expected credit losses.

Counterparty risk is estimated by considering country risk, counterparty default and the nature of the operating receivable.

Further, for the accounting of contracts according to the percentage of completion method, the Group's property development trade receivables include:

- calls for funds to buyers as the work progresses for work not yet paid;
- "invoices to be issued" corresponding to calls for funds not yet issued for off-plan sales contracts.

1.19 - Cash and cash equivalents

Gross cash, as presented in assets on the statement of financial position, consists of cash and sight deposits as well as short-term investments (mutual funds and investment funds), the realisation period of which is less than 3 months. These investments comply with the four criteria of the AMF, their terms are for less than 3 months, they are available for sale at any time for their nominal amount, and the foreign exchange risk is very low.

Cash and cash equivalents in the consolidated statement of cash flows represent gross amounts less overdrafts.

Accrued interest on items included in net cash is reported under net cash.

1.20 - Pierre & Vacances treasury shares

Shares in Pierre & Vacances held by the parent company and/or by Group companies, irrespective of the purpose of the holding, are recorded at their acquisition cost as a reduction to consolidated equity. The income from any sale of treasury shares is recognised directly in consolidated reserves at their value net of tax and does not impact profit (loss) for the year.

1.21 - Share-based payments

Share options granted by the Group to its employees and executives are reported as an employee expense representing services rendered by the beneficiaries of these plans. Thus, the recognised expense reflects the fair value of the options granted calculated on the date of their grant by the Board of Directors using the "Black & Scholes" method. This expense is spread over the vesting period along with the corresponding increase in reserves when the plan is qualified as equity settled.

The grant of benefits to employees through a Group Share Ownership Plan also falls under the scope of IFRS 2 to the extent that a discount is given when the employee buys the shares. Thus, when the subscription price granted to employees includes a discount from the fair value of the share at the grant date, an expense is recognised immediately or over the vesting period unless acquisition is immediate.

1.22 - Provisions

A provision is reported when, at the reporting date, the Group has an obligation to a third party that results from a past generating fact, the measure of which can be estimated reliably and will probably or certainly cause an outflow of resources to the benefit of the third party with no at least equivalent consideration expected from that party. This obligation may be legal, regulatory, contractual or implicit. Provisions are reported at the value that represents the best estimate of the amount to be paid to settle the obligation. If the amount or the maturity cannot be estimated with sufficient reliability, the obligation is treated as a contingent liability and is disclosed in the notes.

Thus, to take account both of its contractual commitments and maintenance policy for the property leased, the Group records provisions for renovation expenses in its financial statements. These provisions are intended to take account of future renovation costs to be paid by the Group through the end of the lease term. They are calculated on the basis of discounted future renovation costs.

Furthermore, in the case of restructuring, an obligation is recognised whenever the restructuring has been announced and included in a detailed, formal plan before the reporting date.

1.23 - Provisions for retirement and other post-employment benefits

Post-employment benefits

The Pierre & Vacances-Center Parcs Group complies with employee retirement legislation, regulations and customs in each of the countries in which it operates.

Group companies pay salary-based contributions to the appropriate institutions. As such, they carry no actuarial liability for these retirement plans. For these defined-contribution plans, payments made by the Group are recorded in profit (loss) as expenses for the period to which they relate.

Certain entities within the Group also have their own retirement plan for their employees. A provision for the corresponding actuarial liability is recorded in the consolidated financial statements. The same applies in France for Group commitments to employees for end of service awards. For these defined benefit plans, the cost of providing the benefits is estimated using a retrospective method based on end of service salaries.

Under this method, the cost of the commitments is recognised as an expense in such a way as to spread it evenly over the employees' period of service. The amount of the provision includes the present value of estimated future payments taking into account length of service, mortality rate, employee turnover rate and valuation and discounting assumptions. For defined-benefit plans partially or wholly financed by contributions paid into a separate fund or an insurance company, the assets of these entities are valued at their fair value. The liability is then recorded in the statement of financial position after deducting the value of the plan assets that cover this obligation.

Actuarial gains and losses result from changes in the actuarial assumptions used for valuations from one financial year to the next, and from any variance in the obligation or the value of the funds with respect to the actuarial assumptions made at the beginning of the financial year. Under IAS 19 "Employee Benefits", these resulting actuarial gains and losses are recognised in other comprehensive income.

Other long-term benefits

When signing corporate agreements, the Group also grants its personnel other long-term benefits during employment such as bonuses and free holidays at the holiday residence portfolio managed by the Group; they are given to employees according to their years of service. These benefits are also the subject of provisions that are determined by using an actuarial calculation to estimate the cost incurred by the Group for the benefits granted. Where necessary, the actuarial differences that are revealed in the year are amortised immediately in the financial year in which they are reported.

Past service cost

The modification or introduction of a new benefits plan after employment has ceased, or other long-term benefits may increase the present value of the obligation reflecting the benefits defined for services rendered during previous years and called "past service costs". These past service costs are expensed immediately in the financial year they are incurred.

The expense representing the change in net commitments for retirement and other post-employment benefits is recognised in operating profit (loss) from ordinary activities or in other financial income and expenses according to the nature of the underlying items. The effect of the reversal of the discounting of the retirement benefit obligation, net of expected return of plan assets, is reported under "Other financial income and expenses".

The portion at more than one year of the "Provisions for retirement and other post-employment benefits" is classified as non-current provisions and the portion at less than one year as current provisions. This current portion reflects the payments that the Group estimates it will have to make in the 12 months following the reporting date.

1.24 - Borrowings and financial liabilities

Financial liabilities

All loans are initially recorded at the cost which reflects the fair value of the amount received net of the costs for setting up the loan. Thereafter, these loans are recorded at amortised cost using the effective interest rate method and the difference between the cost and the repayment amount is recognised in profit (loss) over the term of the loans.

The effective interest rate is the rate used to obtain the carrying amount of a loan at the outset by discounting the future cash payments and receipts over the life of the loan. The carrying amount of the loan at the outset includes the transaction costs and any associated premiums.

If the future interest expense is hedged, the financial liabilities whose cash flows are hedged continue to be measured at amortised cost, the change in value of the effective portion of the hedging instrument being recognised in other comprehensive income (loss).

In the absence of any hedging relationship, or for the ineffective portion of the hedging instrument, the changes in value of the derivative financial instruments are recorded in net financial income (expenses).

Bonds redeemable in cash and new and/or existing shares (ORNANE)

The ORNANE bonds are similar to convertible bonds (OCEANE), which share increases in the Group share price with investors by allotting them an outperformance premium representative of the difference between the stock market share price on the maturity date and the bond's principal.

The Group may thus issue a variable number of shares depending on the share price and the redemption option being exercised. At maturity, the Group may apply the following redemption terms at its discretion:

a) option 1: redemption by conversion into new and/or existing shares;

b) option 2: redemption by paying the principal and the outperformance premium in cash;

c) option 3: redemption by paying the principal and the outperformance PREMIUM partly in cash and in new and/or existing shares.

Accordingly, the option component of ORNANE bonds does not meet the condition of exchanging a fixed amount of cash for a fixed number of equity instruments required by IAS 32 in order to recognise a derivative instrument in equity and must therefore be recognised as a derivative instrument at fair value through profit or loss.

As such, ORNANE is a bond comprising two components:

- a liability component recognised at amortised cost under liabilities;
- an equity component (derivative) recognised at mark-to-market value under liabilities, the fair value of which is determined as the difference between the fair value of the hybrid contract and the fair value of the liability component. Subsequent changes in fair value are recognized in net financial income.

1.25 - Derivative financial instruments

With amounts due to credit institutions offering variable interest rates, the Pierre & Vacances-Center Parcs Group may have to hedge its future interest expense by using derivative financial instruments such as interest rate swaps. The Group's policy is to reduce its exposure to interest rate fluctuations. During the financial year, no hedging instrument was subscribed by the Group and is not recognized.

These risks are managed centrally, allowing the Group to define the main hedging guidelines. The positions are traded over the counter with first class banking counter parties.

Hedge accounting applies if:

- the hedging relationship is clearly documented at the date it is implemented and;
- the effectiveness of the hedging relationship is demonstrated prospectively and retrospectively at each reporting date.

Derivative financial instruments are reported in the statement of financial position at their fair value. The market value is established on the basis of market data and is confirmed by stock market prices provided by financial institutions.

The changes in the fair value of the instruments acquired to hedge certain liabilities are recognised directly in other comprehensive income (loss) for the effective portion of the hedge and, in the absence of a hedging relationship or for the ineffective portion of the hedge, the changes in the value of the derivative financial instruments are reported in net financial income.

1.26 - Deferred taxes

All temporary differences existing at the reporting date between the carrying amounts of the asset and liability items and the amounts of those same items for tax purposes are recorded as deferred taxes and calculated using the liability method. Deferred taxes on temporary differences and losses carried forward are calculated at approved and quasi-adopted rates that will apply on the probable date of reversal of the differences concerned, if these are fixed, or, failing this, at tax rates approved at the reporting date. The effects of tax rate changes are recorded in profit (loss) for the financial year during which the rate change is made.

Deferred tax benefits arising from tax losses that can be carried forward are not reported as deferred tax assets unless there is a high likelihood that they will be used within a reasonable period of time.

The tax expense is recognised in profit (loss) except for tax relating to items recognised in other comprehensive income or loss that is recorded directly in other comprehensive income or loss.

Deferred tax assets and liabilities, irrespective of their due date, are not discounted and are offset when they relate to a single tax entity.

1.27 - Deferred income

Deferred income is income that is received or recorded before the underlying services have been performed or the underlying goods have been delivered. It is classed as a contract liability within the meaning of IFRS 15.

This item primarily consists of sales signed in the presence of a notary for property not yet delivered, for the proportion exceeding the revenue calculated by the percentage of completion method.

To a lesser extent, this item also includes "support funds". In fact, the sale of property assets to owners is generally accompanied by a commitment from the Group to pay annual rents in proportion to the property sale price. When the rent commitments are greater than market rates at the time of the sale, the excess rent, called "support funds" is recognised as a reduction in the selling price of the property. In this way, the excess portion of the property development margin is recorded in deferred income and, after the property is delivered, is recognised in profit or loss using a straight-line method over the lease term.

1.28 - Revenue

IFRS 15 "Revenue recognition" is mandatory for financial years beginning on or after the 1 January 2018. It introduces a single revenue recognition model.

The Group applies the provisions of IFRS 15 to determine property development activities.

The notion of agent or principal is determined as follows:

IFRS 15 analyses the concept of transfer of control:

- if the Company has control of a good or service before transferring control of it to the customer, then its performance obligation is to provide the goods or services itself.

  It is classified as principal and acts on its own behalf.

  As such, the Group is classified as principal when it controls the promised service before providing it to the customer. In this case, revenue and expenses incurred are presented gross on separate lines of the income statement;
- in the opposite case, if the entity does not have control before the transfer to the customer, it acts as an agent ("on behalf of a third party") and recognises in revenue only the margin realized (sales amount less purchases).

  Where the Group is classified as an agent, only the net remuneration is recognised in revenue.

For the tourism sector:

Consolidated revenue comprises:

- **accommodation revenue:** the pre-tax value of holidays and related income earned during the financial year, as well as fees due as part of its marketing activity. The Group acts as principal for this type of service;
- **management revenues:** for residences run under management agreements, only management fees invoiced to the customer are included in revenue. The Group acts as an agent for this type of service;
- **other revenues:** for the part of Center Parcs' catering and food trade business, which is outsourced, includes royalties from the service providers. For this type of service, the Group acts as agent or principal depending on the contractual roles and responsibilities.

Property development:

- property sales generated by the Property development business and recognised according to the percentage of completion method (see Note 1.29 "Revenue recognition method – Property development") less, where applicable, on the date the apartments are delivered, the "support funds" (see Note 1.27 "Deferred income"). The amount is initially recorded in deferred income and then gradually recognised in revenue using the straight-line method over the term of the lease;
- project management fees billed as the work progresses to property development programmes;
- marketing fees;
- the Group's share of the profit from renovations of Domaines Center Parcs.

All revenue is valued at the fair value of the consideration received or to be received, net of rebates, discounts and allowances, VAT and other taxes. Services are recognised when rendered.

1.29 - Revenue recognition method – Property development

Our Property development business is mainly based on off-plan sales contracts (VEFA) through which the seller immediately transfers the land rights to the buyer, as well as ownership of the existing buildings. Future construction works become the property of the buyer as and when the work is completed. The costs incurred or future costs and the income from ordinary activities can be reliably measured.

In this case, the buyer has very limited influence over the design of the property.

Accordingly, the transfer of control occurring as the work is completed, revenue and margins on property development programmes are reported using the percentage of completion method. In order to apply the percentage of completion method, the Group has defined the rate of completion by multiplying the percentage of construction progress, i.e. the cost of the work completed in relation to the cost of the work budgeted, by the percentage of revenue from property sales signed at a notary's office.

For ongoing programmes that are not yet delivered, when the situation on completion is a loss, a provision for losses on completion, taking account of the most likely assumptions, is immediately reported.

In addition, as part of the Center Parcs renovation projects, the Group recognises income associated with the provision of support services for the resale of property assets to new institutional investors under revenue. These services are recognised when the contract of sale for the property assets in question is signed.

The adoption of IFRS 16 requires the partial recognition, up to the amount of the rights transferred, of the income on the sale and leaseback of assets under sale and leaseback transactions, when these transactions are sales under IFRS 15. At Pierre & Vacances-Center Parcs, this relates to the Group's property development operations in which properties (accommodation units or central facilities) sold to individual or institutional investors are leased back by the Group for tourism operations. Renovation operations involving assets leased by the Group are also affected by this issue.

For each sale-leaseback transaction, the Group recognises the revenue and cost of the real estate assets sold up to the amount of the share of the rights to the asset considered to have been transferred to a third party.

The share of the margin corresponding to the real estate rights which is not transferred to the lessor-investor is neutralised. This neutralisation has an impact on the revenue and cost of the real estate assets sold during the construction phase of the asset, and then on the operating profit (loss) of the tourism operating companies over the term of the lease, through the reduction in the amortisation of the right of use.

1.30 – Employee expenses

Employee benefits expenses include all amounts paid or provisioned by the Group, including employee profit-sharing and share-based payment expenses recognised under IFRS 2.

Until 1 January 2019, this item also included accrued income for the Competitiveness and Jobs Tax Credit introduced by the third amended finance law for 2012. On 1 January 2019, this tax credit was replaced by a permanent reduction in employer's contributions.

1.31 – Operating profit (loss)

Operating profit (loss) includes all income and expense directly relating to the Group's activities, whether this income and expense is recurring or whether it is the result of non-recurring decisions or operations.

Operating profit (loss) from ordinary activities is an intermediate aggregate that should facilitate the understanding of the operational performance of the Company, and its comparability from one period to another.

Other operating income and expenses are reported in accordance with the AMF guidelines. Only events that, due to their frequency, amount or nature, are likely to affect the relevance of the monitoring of the Group's operating performances, are presented. This item includes gains and losses on disposals of non-current assets, impairment losses on property, plant and equipment, and intangible assets, restructuring expenses (notably as part of staff departures) and expenses related to legal proceedings and abandonment of property development projects, which are material to the Group.

1.32 – Income tax

Income tax expense or benefit includes both current tax, the corporate value-added tax (cotisation sur la valeur ajoutée des entreprises or CVAE) and deferred tax resulting from temporary differences and consolidation adjustments, where justified by the tax position of the Group's companies.

Following the advice of the French National Accounting Board (Conseil National de la Comptabilité) issued on 14 January 2010, the Group decided to treat the CVAE as an income tax expense.

1.33 – Earnings per share

Earnings per share are calculated by dividing profit (loss) attributable to the owners of the Company by the weighted average number of shares outstanding during the financial year, less the Pierre & Vacances treasury shares recorded as a reduction in equity. The average number of shares outstanding during the financial year is the number of ordinary shares outstanding at the beginning of the financial year, adjusted by the number of ordinary shares repurchased or issued during the year.

To calculate diluted net profit (loss), net profit (loss) for the financial year attributable to the owners of the Company and the weighted average number of shares are adjusted to take account of the maximum impact of the conversion of dilutive instruments into ordinary shares. The impact of any possible future share issue including those resulting from the conversion of instruments that give deferred access to the share capital of the parent company is therefore factored into the calculation of earnings per share.

The negative impact linked to the existence of instruments with an equity component is calculated by taking into account all dilutive instruments issued, whatever their maturity and regardless of the probability of conversion to ordinary shares, excluding instruments with a relative effect.

For the years disclosed, the existing dilutive instruments include share options and bonus share grants. The dilutive effects of share options are calculated according to the "share buyback" method by which the funds that will be collected when the option is exercised or the vested shares are purchased are considered to be assigned primarily to repurchasing Pierre & Vacances shares at the market price.

1.34 – IFRIC 23 "Uncertainties over tax treatments"

IFRIC 23 "Uncertainty over tax treatments" deals with uncertain tax positions relating to income taxes.

It applies to any situation of uncertainty as to the acceptability of a tax treatment relating to income tax under tax law. When it is probable that the tax authorities will not accept a tax treatment, the Group recognises a tax liability. Conversely, if the Group considers it probable that the tax authorities will reimburse a tax paid, a tax receivable is recognised.

The Group reviewed its uncertain tax position at 30 September 2021, which led it, in application of this new standard, to recognise a tax liability of €2.1 million under the "tax liabilities" heading in the consolidated statement of financial position.

At 30 September 2021, the Group has not recognised any additional liability for uncertain tax positions.

1.35 – Consideration of climate risks

The Group's current exposure to the consequences of short-term climate change is limited. Consequently, at this stage, the impacts of climate change have not significantly impacted the financial statements.

Note 2 Highlights of the financial year and scope of consolidation

2.1 – Highlights of the 2020/2021 financial year

Governance

On 7 January 2021, Franck Gervais joined Pierre & Vacances-Center Parcs as Group Chief Executive Officer.

Franck Gervais, a 45 year-old graduate of École des Ponts, successfully managed the transformation of the Accor Group's Europe sector for three years. Previously, within the SNCF Group, he was Chief Executive Officer of Thalys, and then of Voyages-SNCF.com. This combination of operational-digital-marketing experience, strategic vision and recognised leadership will be fully applied in leading the Group into the future.

Conciliation procedure

The persistence of the pandemic and its restrictive measures severely impacted the Group's activities during the 1st half of the financial year. In particular, the ban on the operation of ski lifts during the winter season, as well as the ban on access to aquatic areas, restaurants and indoor sports and leisure activities, obliged the Group to close almost all of its sites during the first half of the year.

In this context, and with no visibility on the way out of the crisis, an amicable conciliation procedure was opened on 2 February 2021 by the President of the Paris Commercial Court. This preventive procedure, initiated by the Group, aimed to reach amicable solutions with its main partners, under the aegis of the Conciliators. For an initial period of 4 months, it was extended until 2 December 2021.

Conciliation with owners

The Group, having suspended the payment of rents to the lessors of the companies concerned by the conciliation, held discussions with its lessors or their main representatives in order to develop common solutions on the treatment of rents.

Discussions with individual lessors

Negotiations with the Group's individual lessors were initiated, under the aegis of the Conciliators, within a structured framework, given the very large number of parties involved. After consultation with certain owner representatives, on 28 June 2021 the Group sent its lessors a proposed amendment to their lease agreements.

In summary, this amendment proposed:

- the payment of an amount representing 50% of the contractual rents for the period from 15 March 2020 to 30 June 2021 (i.e., for the 10 months impacted by administrative closures imposed by decree or by restrictive measures, a deduction of 7.5 months and the payment of 2.5 months of rents on average, and, for the 5.5 months of interim periods, the payment of all the unpaid rents);
- with regard to the payment of rents from 1 July 2021, two options, at the owners' choice:

(i) the payment of a fixed rent of 72.5% of the contractual rent until 31 December 2021 and 100% thereafter, or

(ii) the payment of a variable rent, with a guaranteed minimum of 50% of the contractual rent over a period of 18 months, from 1 July 2021 to 31 December 2022.

In return, this amendment came with some offsets and commitments on the part of the Group (information commitments, most favoured nation clause, allocation of a share of any compensation obtained, over and above the current ceiling for compensation provided for by the so-called "fixed cost" decrees, etc.) and the delivery to each accepting lessor of three vouchers representing a total of €2,700 including tax.

This proposal was accepted by nearly 55% of individual lessors at the end of the summer.

Given the Group's good performance during the summer of 2021 and in a spirit of partnership with individual lessors, this proposal has been improved as follows at the beginning of September 2021:

- for the period 15 March 2020 to 30 June 2021, the original proposal remained unchanged, with the same guarantees offered and payment of 50% of the rents due; and
- from 1 July 2021, the resumption of 100% payment of rents due, for all owners having accepted the first or improved proposal.

At 30 September 2021, 59% of individual owners had accepted this second proposal, resulting in a reduced rent period and granting holiday vouchers to the signatories of the amendment. In addition, the lease liabilities of the lessors, who have not signed this amendment, relating to the periods of administrative closure, have been extinguished, the Group basing its assessment on the legal basis of the exception of non-performance or on that of the provisions of Article 1722 of the French Civil Code.

The extinguishment of these lease liabilities was recorded as a reduction of the right of use, with a non-material impact on the income statement for the 2020/2021 financial year prepared according to the IFRS standards in force (approximately 3% decrease of the amortisation of rights of use for financial year 2020/2021). Changes in lease obligations over the year are presented in Note 21.

Discussions with institutional lessors

Following the administrative closure of some of its sites in France and Europe in the spring of 2020, the Group obtained changes to the terms of the leases concerned from some of its French and foreign institutional lessors.

In summary, these bilateral agreements generally provided for (i) the waiver of part of the rent during the period of administrative closure, (ii) the introduction of a variable rent indexed to the performance of the site in question, with a guaranteed minimum rent, and (iii) a return to better fortune clause if the site in question outperforms.

These bilateral agreements have been renegotiated to take into account the new health restrictions in place as of November 2020.

At 30 September 2021, almost all of the agreements have been concluded bilaterally between the Group and its institutional lessors. These agreements have been treated under IFRS 16 as contract amendments, without applying the practical expedient authorised by the amendments to IFRS 16 of 13 October 2020 and 30 August 2021. These agreements therefore resulted in a change in the lease liability offset by the value of the right of use.

New Financing implemented[(1)]

Discussions between the Group and its various financial partners led to the acceptance, on 10 May 2021, of a New Financing offer of €300 million in debt, mainly intended to meet the Group's short-term needs pending the completion of a transaction to strengthen its equity. This New Financing consists of a first tranche of €175 million, made available on 24 June 2021, and a second tranche of €125 million (of which €34.5 million in the form of a State-guaranteed loan), made available on 1 December 2021. In accordance with the terms of the New Financing, a collateral trust relating to the shares of the French subsidiary Center Parcs Holding was put in place on 22 September 2021. It is intended to be terminated upon completion of the capital strengthening transaction, subject to the full repayment of the New Financing (see Note 1.4 and 18 for more details).

This New Financing matures in September 2022 (with the exception of the New Group State-guaranteed loan, whose maturity is in accordance with the usual conditions).

Discussions with the Group's public creditors and granting of public financial aid

As part of the conciliation, the Group suspended the payment of €38 million in social security contributions to URSSAF. An agreement was reached with this organisation providing for repayment in 36 equal monthly instalments for the companies controlled by the Group, starting in October 2021, with PV SA pledging a fraction of the shares held in the share capital of Pierre & Vacances Marques as collateral for the amounts thus rescheduled.

At the same time, the Group discussed with the public authorities, in particular through the CIRI, the various aid mechanisms for which the Group is eligible.

In this respect, the Group has benefited from the "fixed costs" aid scheme and the solidarity fund for companies in France, as well as public financial aid in Germany (see Note 29 "Other operating income and expenses").

Equity strengthening procedure

In parallel with the discussions initiated with its various creditors, the Group has conducted a structured process to seek new equity investors in order to strengthen its equity on a long-term basis.

The first indicative letters of intent were received at the beginning of June 2021 from French and foreign candidates, both financial investors and strategic or sectoral players. During September, the Group received several reiterated indicative offers and made an initial pre-selection of the investor candidates, who have completed their due diligence work with a view to submitting their firm offer on 8 November 2021. During the same month, negotiations were initiated with the Group's financial creditors regarding the treatment of their claims in the context of the Equity Strengthening Transaction.

The conclusion of a definitive agreement, subject to the final approval of the Bank's Creditors' Committees, took place on 9 March 2022, as indicated in Note 1.4 "Going concern principle used to prepare the Group's consolidated financial statements".

ReInvention Strategic Plan

On 18 May 2021, the Group announced its new strategic plan to 2025, ReInvention.

This strategic plan, which will enhance performance and create value, is based on a new vision of reinvented local tourism, with three major pillars, in line with the Group's corporate purpose:

- a radical modernisation and general move upmarket of our offering, supported by €430 million of investments over 5 years in addition to a renovation programme of over €700 million for the Domaines Center Parcs, mainly financed by their owners;
- a shift from a hosting offer to a 100%-experiential offer, which is more digital, personalised and service-oriented;
- an ambitious and responsible development of new concepts, placing our property expertise at the service of the customer experience.

This strategy should result in a strong growth in performance, resulting both from a significant development of the Group's tourism activity and from a reduction in the costs of support functions.

(1) The terms of the New Financing are described in detail in Note 18.

2.2 – List of main consolidated entities:

There were no significant acquisitions or disposals during the financial year. The implementation of the collateral trust has no impact on the Group's scope of consolidation. A description of the collateral trust, including the analysis of control within the meaning of IFRS 10, is available in Note 35.

French entities

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SA	Pierre et Vacances SA	Full (FC)	100	100	France
SAS	CTM SAS	Full (FC)	100	100	France
SASU	Curchase	Full (FC)	100	100	France
SASU	Pierre & Vacances Investissement 47	Full (FC)	100	100	France
SASU	Pierre & Vacances Investissement 51	Full (FC)	100	100	France
SAS	PV-CP China Holding SAS	Full (FC)	100	100	France
SASU	Pierre & Vacances Investissement 55	Full (FC)	100	100	France
SASU	Pierre & Vacances Investissement 56	Full (FC)	100	100	France
SARL	Pierre & Vacances Investissement 61	Full (FC)	100	100	France
EIG	GIE PV-CP Service Holding	Full (FC)	100	-	France
EIG	GIE PV-CP Services	Full (FC)	100	100	France
SNC	Pierre & Vacances FI	Full (FC)	100	100	France
SAS	Pierre & Vacances Marques SAS	Full (FC)	100	100	France
SNC	Patrimoine Cap Esterel stores	Full (FC)	100	100	France
SNC	Société d'inissements de Cap Esterel – SICE	Full (FC)	100	100	France
SAS	Orion	Full (FC)	100	100	France
SAS	Villages Nature Tourisme SAS	Equity-accounted (EM)	50	50	France
SAS	Adagio SAS	Equity-accounted (EM)	50	50	France
SNC	Adagio Formations & Prestation de Services	Equity-accounted (EM)	50	50	France
SARL	P&V Courtage	Full (FC)	100	100	France
SNC	Les Villages Nature® de Val d'Europe	Equity-accounted (EM)	50	50	France
SARL	Villages Nature® Management	Equity-accounted (EM)	50	50	France
SAS	PV Exploitation France	Full (FC)	100	100	France
SA	Sofinvalmorel SA	Full (FC)	100	100	France
SAS	PV Holding	Full (FC)	100	100	France
SAS	Pierre & Vacances Guadeloupe Tourism Operating Company	Full (FC)	100	100	FRANCE
SAS	Pierre & Vacances Martinique Tourism Operating Company	Full (FC)	100	100	FRANCE
SNC	Société Hôtelière de l'Anse à la Barque	Full (FC)	100	100	FRANCE
SAS	P&V Rénovation Tourisme	Full (FC)	100	100	FRANCE
SAS	PV Distribution	Full (FC)	100	100	FRANCE
SAS	CP Distribution	Full (FC)	100	100	FRANCE
SAS	CP Resorts Exploitation France	Full (FC)	100	100	FRANCE
SNC	Domaine du Lac d'Ailette	Full (FC)	100	100	FRANCE
SAS	Center Parcs Holding Belgique SAS	Full (FC)	100	100	FRANCE
SAS	CP Holding	Full (FC)	100	100	FRANCE
SAS	City Holding	Full (FC)	100	100	FRANCE
SAS	PV-CP City	Full (FC)	100	100	FRANCE
SAS	Maeva Holding SAS	Full (FC)	100	100	FRANCE
SARL	Maeva Gestion	Full (FC)	100	100	FRANCE
SAS	La France du Nord au Sud	Full (FC)	100	100	FRANCE
SAS	maeva.com Immobilier Services	Full (FC)	100	100	FRANCE
SAS	Pierre & Vacances Esterel Développement	Full (FC)	100	100	FRANCE
SAS	PV-CP Gestion Exploitation	Full (FC)	100	100	FRANCE
SA	Sogire	Full (FC)	100	100	FRANCE
SARL	SGRT	Full (FC)	100	100	FRANCE
SARL	Clubhotel	Full (FC)	100	100	FRANCE

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SAS	SAS Résidences MGM	Full (FC)	100	100	FRANCE
SA	Hôtelière Haussmann SA	Full (FC)	100	100	FRANCE
SA	Orion Vacances SA	Full (FC)	100	100	FRANCE
SAS	Clubhotel Multivacances	Full (FC)	100	100	FRANCE
SARL	La Financière de Saint-Hubert	Equity-accounted (EM)	55	55	FRANCE
SASU	PVCI Finances	Full (FC)	100	100	FRANCE
SAS	P&V Conseil Immobilier	Full (FC)	100	100	FRANCE
SARL	P&V Transactions	Full (FC)	100	100	FRANCE
SAS	PIERRE & VACANCES DÉVELOPPEMENT SAS	Full (FC)	100	100	FRANCE
SAS	PV-CP Immobilier Holding SAS	Full (FC)	100	100	FRANCE
SAS	Tourisme et Rénovation	Full (FC)	100	100	FRANCE
SARL	Peterhof 2	Full (FC)	100	100	FRANCE
SNC	Ailette Équipement	Full (FC)	100	100	FRANCE
SNC	Avoriaz Téléphérique	Full (FC)	100	100	FRANCE
SNC	Bois des Harcholins Foncière	Full (FC)	100	100	FRANCE
SNC	Meribel Ravines Premium	Full (FC)	100	100	FRANCE
SAS	Foncière Presqu'île de La Touques	Equity-accounted (EM)	50	50	FRANCE
SNC	Aime La Plagne Loisirs	Full (FC)	100	100	FRANCE
SNC	Avoriaz Crozats Loisirs	Full (FC)	100	100	FRANCE
SNC	Aime La Plagne Aménagement	Full (FC)	100	100	FRANCE
SNC	Villages Nature® Hébergements	Equity-accounted (EM)	50	50	FRANCE
SNC	Presqu'île de La Touques Loisirs	Full (FC)	100	100	FRANCE
SNC	Bois des Harcholins Spa	Full (FC)	100	100	FRANCE
SNC	Bois des Harcholins Village II	Full (FC)	100	100	FRANCE
SNC	Belle Dune Clairière	Full (FC)	100	100	FRANCE
SNC	Flaine Montsoleil Centre	Full (FC)	100	100	FRANCE
SNC	Caen Meslin Loisirs	Equity-accounted (EM)	40	40	FRANCE
SNC	Bois Francs Hébergements	Full (FC)	100	100	FRANCE
SNC	Flaine Montsoleil Extension	Full (FC)	100	100	FRANCE
SNC	Bois de la Mothe Chandenier Cottages	Full (FC)	100	100	FRANCE
SNC	Bois de la Mothe Chandenier Équipements	Full (FC)	100	100	FRANCE
SNC	Le Rousset Cottages	Full (FC)	100	100	FRANCE
SNC	Bois Francs Rénovation II	Full (FC)	100	100	FRANCE
SNC	Le Rousset Équipements	Full (FC)	100	100	FRANCE
SNC	Bois Francs Équipements	Full (FC)	100	100	FRANCE
SNC	Colmar Loisirs	Full (FC)	100	100	FRANCE
SNC	Biarritz Loisirs	Full (FC)	100	100	FRANCE
SNC	Bois de la Mothe Chandenier Foncière	Full (FC)	100	100	FRANCE
SNC	Poligny Cottages	Full (FC)	100	100	FRANCE
SNC	Poligny Équipements	Full (FC)	100	100	FRANCE
SNC	Sud-Ouest Cottages	Full (FC)	100	100	FRANCE
SNC	Sud-Ouest Équipements	Full (FC)	100	100	FRANCE
SNC	Lille Loisirs	Full (FC)	100	100	FRANCE
SNC	La Gare de Bois Roger	Full (FC)	100	100	FRANCE
SCCV	SCCV Palaiseau RT	Equity-accounted (EM)	50	50	FRANCE
SNC	Chaumont Hébergements	Full (FC)	100	100	FRANCE
SNC	Avoriaz Hermine Loisirs	Full (FC)	100	100	FRANCE
SNC	Roybon Cottages	Full (FC)	100	100	FRANCE
SNC	Roybon Équipements	Full (FC)	100	100	FRANCE
SNC	Villages Nature® Équipements I	Equity-accounted (EM)	50	50	FRANCE
SNC	Villages Nature® Équipements II	Equity-accounted (EM)	50	50	FRANCE
SNC	Villages Nature® Hébergements II	Equity-accounted (EM)	50	50	FRANCE
SNC	Nature Hébergements I	Equity-accounted (EM)	38	38	FRANCE
SCCV	Nantes Russeil	Equity-accounted (EM)	50	50	FRANCE

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SAS	Pierre & Vacances Investissement 24	Full (FC)	100	100	FRANCE
SAS	Pierre & Vacances Senioriales Programmes Immobiliers	Full (FC)	100	100	FRANCE
SAS	PV Senioriales Gestion Immobilière	Full (FC)	100	100	FRANCE
SAS	LAB Senioriales	Full (FC)	100	100	FRANCE
SAS	PV Senioriales Production	Full (FC)	100	100	FRANCE
SAS	PV Senioriales Promotion & Commercialization	Full (FC)	100	100	FRANCE
SCCV	Senioriales des Landes	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Cevennes	Full (FC)	100	100	FRANCE
SCCV	Senioriales de la Côte d'Azur	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Jonquières	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Gonfaron	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Soulac	Full (FC)	100	100	FRANCE
SCCV	Senioriales Ville de Luce	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Rambouillet	Full (FC)	100	100	FRANCE
SCCV	Senioriales Ville de St-Avertin	Full (FC)	100	100	FRANCE
SCCV	Senioriales Ville Marseille St-Loup	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Bracieux	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Pont-Aven	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Juvignac	Full (FC)	100	100	FRANCE
SCCV	Senioriales de la Celle	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Cavillargues	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Pringy	Full (FC)	100	100	FRANCE
SCCV	Senioriales Boulou	Full (FC)	100	100	FRANCE
SCCV	Senioriales d'Izon	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de Mions	Full (FC)	100	100	FRANCE
SNC	Senioriales en Ville d'Emerainville	Full (FC)	100	100	FRANCE
SNC	Senioriales Ville Cenon	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Nandy	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Medis	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Vias	Full (FC)	100	100	FRANCE
SCCV	Senioriales Ville de Castanet	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales de Pollestres	Full (FC)	100	100	FRANCE
SCCV	Senioriales Ville de Nîmes	Full (FC)	100	100	FRANCE
SCCV	Senioriales Ville de Tourcoing	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales du Pornic	Full (FC)	100	100	FRANCE
SCCV	Senioriales Ville de St-Étienne	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Soustons	Full (FC)	100	100	FRANCE
SCCV	Senioriales en ville de Rillieux-la-Pape	Full (FC)	100	100	FRANCE
SCCV	SCCV Toulouse Ponts Jumeaux A1	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales de Jonquières	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de Mordelles	Full (FC)	100	100	FRANCE
SNC	Senioriales en ville de St-Palais-sur-Mer	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de Noisy-le-Grand	Full (FC)	100	100	FRANCE
SNC	Senioriales en Ville de Sannois	Full (FC)	100	100	FRANCE
SCCV	Senioriales en ville de St-Priest	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Bassan	Full (FC)	100	100	FRANCE
SNC	Senioriales en Ville de Cesson-Sevigné	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales en Ville du Teich	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de Pessac	Full (FC)	100	100	FRANCE
SAS	P&V Senioriales Exploitation	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de Cavaillon	Full (FC)	100	100	FRANCE
SCCV	Senioriales de la Rochelle Laleu (formerly La Rochelle la Pallice)	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de Fontenay-aux-Roses	Equity-accounted (EM)	50	50	FRANCE

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SCCV	Senioriales en Ville de Mantes-la-Jolie	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de St-Avertin	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales de Nancy	Full (FC)	100	100	FRANCE
SCCV	Senioriales en Ville de Schiltigheim	Equity-accounted (EM)	50	50	FRANCE
SNC	Senioriales de Bordeaux Deschamps	Full (FC)	60	60	FRANCE
SNC	Senioriales de Gujan-Mestras	Full (FC)	60	60	FRANCE
SNC	Senioriales de Valence	Full (FC)	100	100	FRANCE
SCCV	Immaliance Seniors le Pin	Full (FC)	51	50	FRANCE
SCCV	Senioriales d'Angers	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales de Tours – Parc Grandmont	Full (FC)	100	100	FRANCE
SCCV	Senioriales de Cholet	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales de Gévezé	Equity-accounted (EM)	50	50	FRANCE
SCCV	Senioriales de Monteux	Full (FC)	100	100	FRANCE
SAS	Les Cordeliers	Equity-accounted (EM)	50	-	FRANCE
SNC	Senioriales de Lorient	Equity-accounted (EM)	50	-	FRANCE
SCCV	Senioriales du Buffon	Full (FC)	99	-	FRANCE
SCCV	SCCV Senioriales de Fleury-sur-Orne	Full (FC)	100	-	FRANCE
SCCV	Senioriales de Brest	Equity-accounted (EM)	50	-	FRANCE
SNC	Senioriales de Marseille 7	Full (FC)	100	-	FRANCE
SCCV	Senioriales NG AGDE	Equity-accounted (EM)	50	-	FRANCE
SNC	Senioriales du Plessis-Trévise	Full (FC)	100	-	FRANCE
SCCV	Senioriales Clermont-Ferrand – Thibault Thevenot -RA	Full (FC)	100	-	FRANCE

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German, Belgian and Dutch companies:

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SARL	Adagio Deutschland GmbH	Equity-accounted (EM)	50	50	Germany
SARL	Entwicklungsgesellschaft Ferienhauspark Bostalsee GmbH	Full (FC)	90	90	Germany
SARL	Pierre & Vacances-Center Parcs Immobilien GmbH	Full (FC)	100	100	Germany
SARL	Group Pierre & Vacances/Center Parcs Germany GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Bungalowpark Allgäu GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Bungalowpark Bispingen GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Bungalowpark Hochsauerland GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Bungalowpark Bostalsee GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Deutschland Kunden-Center GmbH	Full (FC)	100	100	Germany
Limited Partnership	Group Pierre & Vacances/Center Parcs Service GmbH & Co. KG	Full (FC)	100	100	Germany
SARL	Center Parcs Leisure Deutschland GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Medebach Beteiligungs GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Entwickelungsgesellschaft Germany GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Holding Bostalsee Unternehmergesellschaft (Haftungsbeschrankt)	Full (FC)	94	94	Germany
SARL	Center Parcs Bungalowpark Heilbachse GmbH	Full (FC)	100	100	Germany
SARL	Center Parcs Bungalowpark Bütjadinger Küste GmbH	Full (FC)	100	100	Germany
SARL	Pierre & Vacances Group/Center Parcs Germany GmbH	Full (FC)	100	100	Germany
SA	CPSP België NV	Full (FC)	100	100	Belgium
SA	Sunparks Leisure	Full (FC)	100	100	Belgium
SA	Foncière Loisirs Vielsalm	Equity-accounted (EM)	19,64	19,64	Belgium

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SARL	Bonavista de Bonmont SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Development España SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Inversion Inmobiliaria SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Maeva Distribution España SL	Full (FC)	100	100	Spain
SARL	Sociedad de Explotacion Turistica Orion SL	Full (FC)	100	100	Spain
SARL	Sociedad de Explotacion Turistica Pierre & Vacances España SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Italia SRL	Full (FC)	100	100	Italy
SARL	Résidence City Srl	Full (FC)	100	100	Italy
SARL	Adagio Italia SRL	Equity-accounted (EM)	50	50	Italy
SARL	Sunparks BV	Full (FC)	100	100	The Netherlands
SA	Center Parcs Netherlands NV	Full (FC)	100	100	The Netherlands
SARL	Beheer Recreatiepark Zandvoort BV	Full (FC)	100	100	The Netherlands
SARL	Center Parcs NL Holding BV	Full (FC)	100	100	The Netherlands
SARL	Center Parcs Germany Holding BV	Full (FC)	100	100	The Netherlands
SARL	Center Parcs Development BV	Full (FC)	100	100	The Netherlands
SARL	CP Participations BV	Full (FC)	100	100	The Netherlands
SARL	Pierre & Vacances-Center Parcs Vastgoed BV	Full (FC)	100	100	The Netherlands

Spanish and Italian companies

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SARL	Bonavista de Bonmont SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Development España SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Inversion Inmobiliaria SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Maeva Distribution España SL	Full (FC)	100	100	Spain
SARL	Sociedad de Explotacion Turistica Orion SL	Full (FC)	100	100	Spain
SARL	Sociedad de Explotacion Turistica Pierre & Vacances España SL	Full (FC)	100	100	Spain
SARL	Pierre & Vacances Italia SRL	Full (FC)	100	100	Italy
SARL	Résidence City Srl	Full (FC)	100	100	Italy
SARL	Adagio Italia SRL	Equity-accounted (EM)	50	50	Italy

Other companies

Legal form of consolidation	Company	Method of consolidation	% closing interest	% opening interest	Country
SARL	New City Aparthotels Betriebs GmbH	Equity-accounted (EM)	50	50	Austria
Limited liability company	BEAU VILLAGE TOURISM DEVELOPMENT COMPANY LIMITED	Equity-accounted (EM)	44	44	China
Limited liability company	PVCP China Company Limited	Full (FC)	100	100	China
Limited liability company	PVCP China Real Estate Brokerage Company Limited	Full (FC)	0	100	China
SAS	Pierre & Vacances Maroc	Full (FC)	100	100	Morocco
SARL	P&V Sales & Marketing UK Limited	Full (FC)	100	100	United Kingdom
SARL	Adagio Hotels UK Limited	Equity-accounted (EM)	50	50	United Kingdom
SARL	Pierre & Vacances-Center Parcs Suisse GmbH	Full (FC)	100	100	Switzerland
SARL	New City Suisse SARL	Equity-accounted (EM)	50	50	Switzerland

Segment information

Note 3 Operating segment information

On 29 January 2020, the Pierre & Vacances-Center Parcs Group announced the launch of the Change Up strategic plan.

To support the Group's transformation and achieve all strategic challenges, a new organisation was put in place, more agile, entrepreneurial and empowering, with:

- autonomous Business Lines, integrating support functions and controlling their entire value chain;
- a Property Development Department organised around development projects;
- a lean holding company focused on strategic cross-divisional functions, in support of the Business Lines.

The implementation of this new operational organisation was accompanied by a change in the Group's internal legal structure and its operational reporting, each Business Line responsible for the operational and financial monitoring of its activities.

Consequently, in accordance with IFRS 8, the presentation of segment information had evolved to reflect this new internal organization. As a result, the Group's financial results are now presented according to the following operating segments:

- **the Center Parcs operating segment,** combining the Group's two activities:
  - the Tourism activity, which includes the operation of the residences marketed under the Center Parcs, Sunparks and Villages Nature® brands, located in France, the Netherlands, Germany, Belgium,
  - the Property Development business, which aims to increase tourist destinations available and adapt the portfolio of existing residences to changes in customer expectations. It includes the construction, renovation of tourism assets and property development marketing activities in the Netherlands, Germany and Belgium;
- **the Pierre & Vacances operating segment,** including:
  - the tourism activities carried out in France and Spain under the Pierre & Vacances and Maeva brands, with the operation of tourism assets leased or under management contracts,
  - the property development business in Spain,
  - the Portfolio Management Department;
- **the Adagio operating segment,** grouping together the operation of city residences:
  - leased by the Adagio Group, a 50%-owned joint venture with AccorHotels,
  - leased by the Pierre & Vacances-Center Parcs Group and managed by the Adagio Group;
- **the "Property Development Department" operating segment,** bringing together:
  - construction activities whose mission is to increase the offer of tourist destinations in France,
  - property development marketing activities,
  - this segment also includes the development of Senioriales, specialising in building and marketing residences in France and aimed at an active senior customer base;
- **the "Other" operating segment,** mainly comprising the holding company activities.

In addition, the financial elements of the Group internal reporting are monitored:

- excluding the impact of the application of IFRS 16 for all financial statements. Indeed, in the Group's internal financial reporting, the rental expense is recognised as an operating expense. Rental savings, obtained in the form of credit notes or deductions, are recognised as a deduction from the operating expense when the lease liability is legally extinguished. In this respect, by applying the amendments signed by 59% of individual landlords at 30 September 2021 (deductions of 7.5 months, including five months in respect of financial year 2021), the Group recorded savings of around €29 million largely offset by €28 million of expenses corresponding to the face value of holiday vouchers allocated to signatories of the amendment. In addition, in its internal operational reporting, the Group recorded €7 million of savings relating to suspended rents to non-signatory individual lessors for the periods of administrative closure during which the Group considers, based on the legal basis of the non-performance exception or on the provisions of Article 1722 of the French Civil Code that the lease liability is extinguished.

However, under IFRS 16, the rental expense is replaced by interest expense and the straight-line amortisation expense over the lease term of the right of use. Rental savings obtained from the lessors are not recognised in the income statement, but are deducted from the value of the right of use and the lease liability, thus reducing the depreciation and financial expenses to be recognised over the remaining term of the leases;

- with the presentation of joint ventures according to the proportionate consolidation method (i.e. excluding the application of IFRS 11) for income statement items.

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Data at 30 September 2021

(in € thousands)	Center Parcs (incl. VNT)	Pierre & Vacances	Adagio	Property Development Department	Other	Total Group operational reporting	Impact of the application of IFRS 11	Impact of the application of IFRS 16	Total Group IFRS
Revenue	621,037	244,362	75,379	124,942	9,694	1,075,415	-40,930	-76,377	958,107
Intra-business Group revenue	-13,330	-4,200	-119	-2,455	-1,842	-21,946	1,034	-	-20,911
External revenue	**607,707**	**240,163**	**75,260**	**122,487**	**7,852**	**1,053,468**	**-39,895**	**-76,377**	**937,196**
of which property development revenue	*118,063*	*4,050*	*0*	*122,433*	*7,831*	*252,377*	*-11,754*	*-76,377*	*164,245*
of which tourism revenue	*489,644*	*236,113*	*75,260*	*54*	*21*	*801,091*	*-28,141*	*-*	*772,951*
Owners' rent expense	-213,739	-80,188	-41,691	-6,717	-	-342,335	15,510	304,461	-22,364
EBITDA	**-76,571**	**-58,281**	**-34,961**	**-17,426**	**397**	**-186,842**	**7,584**	**317,833**	**138,575**
of which from operating activities, net of depreciation, amortisation and impairment	-32,226	-13,019	-4,809	153	-	-49,899	3,813	-217,433	-263,519
Operating profit (loss) from ordinary activities	**-108,797**	**-71,299**	**-39,770**	**-17,273**	**397**	**-236,741**	**11,397**	**100,400**	**-124,944**
of which Property Development operating profit (loss) from ordinary activities	*1,709*	*-128*	*-*	*-17,273*	*396*	*-15,296*	*8,500*	*179*	*-6,974*
of which Tourism operating profit (loss) from ordinary activities	*-110,506*	*-71,171*	*-39,770*	*-*	*1*	*-221,446*	*2,897*	*100,579*	*-117,970*
Other operating income and expenses	-2,580	-8,451	-950	-10,546	-12,737	-35,265	2,605	-1,677	-34,337
OPERATING PROFIT (LOSS)	**-111,377**	**-79,750**	**-40,720**	**-27,819**	**-12,340**	**-272,006**	**14,002**	**98,723**	**-159,281**
Investments for the period	-25,216	-7,843	-1,792	-806	-4,324	-39,981	776	-	-39,205
Investments in property, plant and equipment	*-24,824*	*-7,453*	*-1,785*	*-732*	*-*	*-34,794*	*778*	*-*	*-34,016*
Intangible investments	*-392*	*-390*	*-7*	*-74*	*-4,324*	*-5,187*	*-2*	*-*	*-5,189*

Inter-segment revenue is generated under normal market conditions. No single customer represents a significant share of the revenue of the Pierre & Vacances-Center Parcs Group.

Revenue and total non-current assets in France, where the parent company is headquartered, amount to €479,478 thousand and €1,218,125 thousand respectively, of which €884,234 thousand are rights of use.

Data at 30 September 2021

As described in detail in the introduction, the Group changed its segment information during the 2020/2021 financial year to reflect its new internal organisation.

The latter was accompanied by a structural internal legal reorganisation (transfer of personnel from holding company entities to Business Lines, partial contributions of assets, spin-off of entities, etc.), which is a prerequisite to correclty allocate the contribution of the businesses to each operational segment. This legal reorganisation took effect on 1 October 2020. Consequently, the financial years prior to this legal change cannot be presented by Business Lines, but only by activity, Tourism on the one hand, Property Development on the other, in accordance with the reporting previously followed by the Group.

In order to compare data, and in accordance with the recommendations of IFRS 8, the financial year ended 30 September 2021 is presented below according to the former organisation compared to the financial year ended 30 September 2020.

The table also includes a reconciliation with the IFRS data presented in the Group's financial statements.

(in € thousands)	FY 2020/2021 Tourism	Property develop-ment	Unassigned	TOTAL operational reporting*	Impact IFRS 11	Impact IFRS 16	Total
Revenue	818,847	256,567	-	1,075,414	-40,929	-76,377	958,107
Intra-business Group revenue	-17,756	-4,190	-	-21,946	1,034	-	-20,911
External revenue	**801,091**	**252,377**	**-**	**1,053,468**	**-39,895**	**-76,377**	**937,196**
Operating profit (loss) from ordinary activities	**-221,445**	**-15,296**	**-**	**-236,741**	**8,296**	**103,501**	**-124,944**
Other operating income and expenses	-11,879	-9,639	-13,747	-35,265	2,605	-1,677	-34,337
Operating profit (loss)	**-233,324**	**-24,935**	**-13,747**	**-272,006**	**10,901**	**101,824**	**-159,281**
Depreciation and amortisation	**-47,925**	**86**	**-**	**-47,839**	**9,060**	**-222,919**	**-261,697**
Impairment losses net of reversals	-2,432	-4,299	-1,169	-7,900	-	-1,677	-6,973
Property, plant and equipment, and intangible assets	**34,227**	**806**	**4,172**	**39,205**	**121**	**-121**	**39,205**
Non-current assets	547,812	6,400	52,915	607,127	-	2,051,861	2,658,988
Current assets	308,326	320,444	556,493	1,185,263	-	-11,635	1,173,628
Total assets	**856,138**	**326,844**	**609,408**	**1,792,390**	**-**	**2,040,226**	**3,832,616**
Non-current liabilities	143,367	22,422	536,437	702,226	-	2,470,943	3,173,169
Current liabilities	863,508	124,488	526,153	1,514,149	-	131,712	1,645,861
Total liabilities excluding equity	**1,006,875**	**146,910**	**1,062,590**	**2,216,375**	**-**	**2,602,655**	**4,819,030**

* *The data are shown before the impact of the adoption of IFRS 11 and IFRS 16, in accordance with the operational reporting followed by the Group.*

(in € thousands)	FY 2019/2020 Tourism	Property develo-pment	Unassigned	TOTAL operational reporting*	Impact IFRS 11	Impact IFRS 16	Total
Revenue	1,045,206	289,868	-	1,335,074	-60,466	-67,019	1,207,589
Intra-business Group revenue	-22,471	-14,831	-	-37,301	1,231	-	-36,070
External revenue	**1,022,736**	**275,037**	**-**	**1,297,773**	**-59,235**	**-67,019**	**1,171,518**
Operating profit (loss) from ordinary activities	**-155,195**	**-16,342**	**-**	**-171,537**	**16,506**	**61,369**	**-93,662**
Other operating income and expenses	-21,517	-93,714	-18,433	-133,664	217	-	-133,447
Operating profit (loss)	**-176,712**	**-110,056**	**-18,433**	**-305,201**	**16,723**	**61,369**	**-227,109**
Depreciation and amortisation	**-47,913**	**-580**	**-**	**-48,493**	**7,920**	**-258,960**	**-299,533**
Impairment losses net of reversals	-7,279	-21,558	-	-28,837	-	-	-28,837
Property, plant and equipment, and intangible assets	**35,173**	**334**	**10,098**	**45,605**	**-**	**-**	**45,605**
Non-current assets	518,546	12,401	109,846	640,793	2	2,280,529	2,921,324
Current assets	279,628	369,995	315,783	965,406	-36	-8,297	957,073
Total assets	**798,174**	**382,396**	**425,629**	**1,606,199**	**-34**	**2,272,232**	**3,878,397**
Non-current liabilities	136,497	44,682	528,215	709,394	-	2,587,337	3,296,731
Current liabilities	659,061	239,960	81,698	980,719	-59	162,234	1,142,894
Total liabilities excluding equity	**795,558**	**284,642**	**609,914**	**1,690,114**	**-59**	**2,749,571**	**4,439,626**

* *The data are shown before the impact of the adoption of IFRS 11 and IFRS 16, in accordance with the operational reporting followed by the Group.*

Analysis of main financial position items

Note 4 Goodwill

(in € thousands)	30/09/2021	30/09/2020
Tourism business	138,225	138,226
Property development	-	1,799
TOTAL NET AMOUNT	**138,225**	**140,025**

Goodwill was tested for impairment losses at 30 September 2021, according to the procedures described in Notes 1.11 and 6.

Given the Group's new internal organisation as presented in Note 3, goodwill from the Tourism business (€138.2 million) has been broken down by operating segment on the basis of the contribution of each Business Line to Group EBITDA:

- Center Parcs operating segment for €125,103 thousand;
- "Pierre & Vacances/Maeva" operating segment for €13,122 thousand.

In addition, as part of the "RéInvention" strategic plan, the Group intends to adopt a more selective approach to property development projects and focus its property development on northern European countries. Consequently, this internationalisation of property development programmes led the Group to write down the historical goodwill of the property development activity in France and Spain, and to record a non-current expense of €1,799 thousand in this respect (see Note 30 "Other operating income and expenses").

With respect to the 2019/2020 financial year, the Group had written down the Senioriales goodwill for an amount of €18,926 thousand.

Note 5 Intangible assets

(in € thousands)	Brand names	Other intangible assets	Total Intangible assets
At 30 September 2019			
Gross amount	105,777	84,018	189,795
Accumulated depreciation, amortisation and impairment losses	-3,734	-55,378	-59,112
NET AMOUNT	**102,043**	**28,640**	**130,683**
Acquisitions	-	12,279	12,279
Net disposals and retirements	-	-4,825	-4,825
Depreciation, amortisation and impairment losses	-5,321	-7,651	-12,972
Translation adjustments and other	-	-248	-248
TOTAL CHANGES FOR THE YEAR	**-5,321**	**-445**	**-5,766**
At 30 September 2020			
Gross amount	105,777	80,546	186,323
Accumulated depreciation, amortisation and impairment losses	-9,055	-52,351	-61,406
NET AMOUNT	**96,722**	**28,195**	**124,917**
Acquisitions	-	5,189	5,189
Net disposals and retirements	-	-47	-47
Disposals	-	-51	-51
Depreciation, amortisation and impairment losses	-	-7,118	-7,118
Translation adjustments and other	-	-57	-57
TOTAL CHANGES FOR THE YEAR	**-**	**-2,084**	**-2,084**
At 30 September 2021			
Gross amount	105,777	82,723	188,500
Accumulated depreciation, amortisation and impairment losses	-9,055	-56,612	-65,667
NET AMOUNT	**96,722**	**26,111**	**122,833**

Intangible assets at 30 September 2021 consisted of:

- "**brand names**" including:
  - €85,870 thousand for the Center Parcs brand,
  - €7,472 thousand for the Pierre & Vacances brand,
  - €3,236 thousand for the Maeva brand,
  - €114 thousand for the Multivacances brand,
  - and for €30 thousand the Ecolidays brand.

  According to the method described in the accounting policies for intangible assets (Note 1.12 "Intangible assets"), an impairment test was carried out at 30 September 2021 for each of the brand names on the statement of financial position. During the 2020/2021 financial year, this impairment test did not result in any impairment. In the 2019/2020 financial year, these tests led the Group to write down the Sunparks and Senioriales brands for €3,281 thousand and €2,040 thousand respectively.

  It should be noted that for the financial year ended 30 September 2021, the Group also called on an independent expert to confirm the valuation of its brands;
- **"other intangible assets",** in the amount of €26,111 thousand. The change is essentially due to:
- €5,189 thousand in capital investment, including technical and functional enhancements to:
  - Group websites (€1,580 thousand),
  - IT equipment (€1,545 thousand),
  - the customer database (€1,156 thousand),
  - miscellaneous IT projects (€662 thousand),
  - IT solutions developed by the Group (€114 thousand),
  - Group financial services and human resources projects (€132 thousand),
- a decrease of €7,118 thousand in the item relating to impairments.

Note 6 Impairment testing of goodwill and intangible assets with indefinite useful lives

Brand names and goodwill are not amortised. They are subject to impairment testing whenever there is an indication that they may be impaired and at least once a year at the reporting date, namely at 30 September of each year.

As indicated in Note 1.11 "Goodwill impairment tests" and Note 1.12 "Intangible assets", and in the absence of a fair value less selling costs available at the reporting date, the recoverable value of the cash generating units (CGUs) is determined on the basis of their value in use.

As part of the impairment tests, a Group Business Plan, prepared by management and approved by the Board of Directors, was drawn up with the methodological support of a financial firm. It is based on the "ReInvention" strategic plan presented to financial analysts on 18 May, and confirms the structural assumptions, in particular:

- a move upmarket and modernisation of sites, resulting in:
  - a massive renovation plan for all Center Parcs Domaines financed mainly by their institutional owners,
  - continued rationalisation of the Pierre & Vacances portfolio, with a strategy adapted by site category,
- a switch to 100% experiential offers,
- ambitious and responsible development, with real "Business Partner" property development serving the tourism offering, and a selective approach to projects.

The assumptions used to estimate the value in use are based on forecast cash flows from operating activities, which are driven mainly by:

- change in revenue, which varies according to the offering, occupancy rates, average sales prices and the distribution strategy, within the context of upscaling tourism products;
- the implementation of plans to optimise operating costs and support functions;
- and finally, the selective lease renewal policy enabling, in particular, the optimisation of the rent expense.

Beyond this explicit projection period, cash flows are extrapolated by applying a perpetual growth rate, which was assumed to be in line with the long-term growth rate of the countries in which the businesses operate. The main assumptions used to determine the terminal value are based on historical and prospective data. The latter are prepared by the operational departments concerned, namely the Sales Department, in relation to occupancy rate and marketing, Pricing and Revenue Management for average sales prices, and Business Line for operating margins.

Lastly, the discount rate used in determining values in use justifying the carrying amount of the assets is based on the weighted average cost of the Group's capital. The latter is calculated from the rate of return on 10-year French government bonds and sectoral characteristics, primarily to assess the risk premium and the marginal borrowing cost.

Goodwill was tested for the groups of CGUs corresponding to the Group's operating segments (Pierre & Vacances, Center Parcs, Adagio). The Group's brands were tested individually, then included in the long-term assets, which were then subject to an impairment test at the level of the group of CGUs to which they were attached.

As indicated in our discussion concerning Management's use of estimates and judgements, and given the current economic context related to the COVID-19 health crisis, the Group took account of this situation under the framework of its impairment tests undertaken for the financial year ending 30 September 2021.

5

Key assumptions used in establishing recoverable amounts

The health crisis linked to COVID-19 forced the Group to close the vast majority of its sites administratively between 1 November and mid-December 2020, followed by a very reduced operation of its sites, with no ski lifts and no water activities for example. As a result, the discontinuation of the Group's activities had a significant impact on the Group's operating and financial performance, mainly in the first half of the 2020/2021 financial year. The 4th quarter of the financial year enabled the Group to record very good operating and commercial performance, with activity comparable to fourth quarters of financial years prior to the health crisis.

The main assumptions used to determine the recoverable amounts are as follows in terms of the recovery in business:

- gradual recovery of the Group's tourism and property development activities;
- 2021/2022 activity less impacted by the COVID-19 health crisis (compared to the plan prepared in May 2021);
- the Group's fundamentals should enable it to rebound strongly and gradually return to profitability, particularly for Center Parcs activities. The good commercial performance recorded by the Group in the summer of 2021 makes it possible to envisage the 2021/2022 financial year as a transitional year, before a return to normality in the 2022/2023 financial year, with activity comparable to the financial years prior to the health crisis. As an illustration, the occupancy rate of the Center Parcs Business Line is expected to reach 80% by 2025;
- a more gradual return is expected for Adagio, which is more dependent on international customers and business travel, with a return to normality in 2023/2024.

In addition, the Group has made the following financial assumptions:

- a discount rate of 11.25%, up +1.25% over the year;
- a perpetual growth rate of 1.5%, identical to that used in previous years.

The table below shows the sensitivity of the recoverable amount of long-lived assets to changes in the perpetual growth rate, discount rate and key performance indicators of operating segments carrying goodwill and indefinite life intangible assets.

Sensitivity of the recoverable amount to various assumptions		Impacts on recoverable amount: Center Parcs	Pierre & Vacances (France, Spain and Maeva)	Adagio
		(value of assets tested: €328 million)	(value of assets tested: €79 million)	(value of assets tested: €13 million)
Sensitivity of the recoverable amount **to the discount rate**	One point increase in the discount rate	-11%	-13%	-11%
	One point decrease in the discount rate	14%	16%	13%
Sensitivity of the recoverable amount **to the perpetual growth rate**	One point increase in the perpetual growth rate	10%	12%	9%
	One point decrease in the perpetual growth rate	-8%	-10%	-8%
Sensitivity of the recoverable amount **to the occupancy rate**	One point increase in the occupancy rate	10%	22%	12%
	One point decrease in the occupancy rate	-9%	-22%	-12%
Sensitivity of the recoverable amount **to the average selling rate**	One percent increase in the average letting rate	7%	20%	11%
	One percent decrease in the average letting rate	-6%	-20%	-11%
Sensitivity of the recoverable amount **to the margin rate**	One point increase in the margin rate	-7%	-22%	-12%
	One point decrease in the margin rate	7%	18%	12%
The value of goodwill and tangible and intangible assets is not subject to impairment as long as, for each financial year of the business plan:				
	◆ the discount rate does not increase by more than	5 points	1 point	8 points
	◆ the growth rate does not drop by more than	8 points	2 points	11 points
	◆ the occupancy rate does not drop by more than	6 points	0,9 point	7 points
	◆ the average selling price of more than	10%	1%	7%
	◆ the operating margin rate of more than	9 points	0,9 point	7 points

Note 7 Property, plant and equipment

(in € thousands)	Land	Buildings	Fixtures and fittings	Other property, plant and equipment, and assets in progress	Total property, plant, and equipment
At 30 September 2019					
Gross amount	22,737	257,927	321,976	183,180	785,820
Accumulated depreciation, amortisation and impairment losses	-4,133	-126,554	-239,695	-127,087	-497,469
NET AMOUNT	**18,604**	**131,373**	**82,281**	**56,093**	**288,351**
Acquisitions	280	3,921	14,623	14,502	33,326
Net disposals and retirements	-235	-2,661	-	-2,506	-5,402
Depreciation	-706	-4,264	-16,883	-10,781	-32,634
Translation adjustments and other	1,634	-81,680	-5,370	-6,604	-92,020
TOTAL CHANGES FOR THE YEAR	**973**	**-84,684**	**-7,630**	**-5,389**	**-96,730**
At 30 September 2020					
Gross amount	22,524	142,901	285,955	185,737	637,117
Accumulated depreciation, amortisation and impairment losses	-2,947	-96,212	-211,304	-135,032	-445,495
NET AMOUNT	**19,577**	**46,689**	**74,651**	**50,705**	**191,622**
Acquisitions	2,262	4,387	13,401	13,966	34,016
Net disposals and retirements	-578	-386	-1,024	-22	-2,010
Disposals	-	-	-	-103	-103
Depreciation	-1,013	-6,487	-15,571	-12,455	-35,526
Translation adjustments and other	-1,300	7,909	-8,965	-2,144	-4,500
TOTAL CHANGES FOR THE YEAR	**-629**	**5,423**	**-12,159**	**-758**	**-8,123**
At 30 September 2021					
Gross amount	23,730	140,849	241,027	173,586	579,192
Accumulated depreciation, amortisation and impairment losses	-4,782	-88,737	-178,535	-123,639	-395,693
NET AMOUNT	**18,948**	**52,112**	**62,492**	**49,947**	**183,499**

Property, plant and equipment items, with a total net carrying amount of €183,499 thousand at 30 September 2021, essentially include the assets used in the operations of:

- **villages of the Center Parcs and Sunparks brands** for a net amount of €115,103 thousand, consisting mainly of the furniture and general installations necessary for the operation of the villages.

  The main changes for the financial year arose from:

  - investments of €24,471 thousand for improving the product mix of all the Center Parcs villages, including €5,826 thousand for the Belgian villages, €6,943 thousand for the Dutch villages, €4,666 thousand for the French villages, and €7,036 thousand for the German villages;
  - depreciation for the period of €19,590 thousand;

- **residences and villages of the Pierre & Vacances, Adagio, Maeva and other brands** for a net amount of €68,396 thousand. Property, plant and equipment mainly comprise general services, fittings and furniture needed for operating the sites.

  During the financial year, the operating companies invested €9,545 thousand, primarily to modernise existing sites.

  Depreciation for the period stood at €15,936 thousand.

Investment subsidies are shown as a reduction in the value of the asset for which they were received. At 30 September 2021, the Pierre & Vacances-Center Parcs Group had not recorded any significant amounts for investment subsidies.

Note 8 Rights of use

Following the application of IFRS 16 from 1 October 2019, the Group recognises a right of use and a lease obligation under leases (see Note 1.15 "Rights of use and lease obligations"). The latter relate mainly to the assets operated by the Group for tourism, which account for 98% of the total rights of use.

The change in the value of these rights of use during the 2020/2021 financial year is as follows:

(in € thousands)

AT 1 OCTOBER 2020	**2,333,891**
Scope effect of contracts and increase in the duration of leases	341,650
Depreciation, amortisation and impairment	-224,598
Changes in discount rate	-331,030
Change in the value of rents	-29,257
AT 30 SEPTEMBER 2021	**2,090,656**
of which gross value	*3,679,128*
of which accumulated depreciation	-1,588,472

Over the financial year, the main changes in rights of use are due to:

- a scope effect of contracts and extension of leases (€+342 million). As part of the "ReInvention" plan, the Group redefined its property development strategy and identified ten or so sites whose current and expected operational and commercial performance by the end of the strategic plan provides a strong economic incentive to extend the lease in accordance with IFRS 16. Consequently, in application of the IFRIC decision of November 2019, the Group has re-estimated the term of certain leases in order to better reflect the operating period of the sites;
- depreciation, amortisation and impairment losses for an amount of €-224.6 million. At 30 September 2021, the Group tested the value of rights of use for which an indication of impairment has been identified, i.e. a decline in activity of more than 20% in the 4th quarter of the financial year, compared to the 4th quarter of the last financial year preceding the health crisis (financial year 2018/2019). These tests, carried out at destinations (sea, mountain for the Pierre & Vacances Business Lines; the country for the Center Parcs Business Line) led the Group to write down the rights of use the Guadeloupe destination for an amount of €1.7 million;
- the impact of the change in the discount rate applicable to all leases modified during the year (€-331 million);
- a change in the value of rents of €-29 million, including both the contractual indexation of rents (for an estimated amount of €18 million) and the savings recorded by the Group for the periods of administrative closure or partial operation of tourist sites (for an estimated amount of €47 million, including €39 million to institutional landlords).

Rental savings obtained from the lessors are not recognised in the income statement, but are deducted from the value of the right of use and the lease liability, thus reducing the depreciation and financial expenses to be recognised over the remaining term of the leases.

Note 9 Equity-accounted investments

Under IFRS 11, the income and expenses, assets and liabilities of interests in associates or joint ventures are consolidated in the Group's consolidated financial statements using the equity method.

At 30 September 2021, the following companies were consolidated using the equity method:

Group	Legal name of the entity	% holding
Adagio	Adagio Deutschland Gmbh	50%
Adagio	Adagio Formations & Prestation de Services	50%
Adagio	Adagio Hotels UK Ltd	50%
Adagio	Adagio Italia	50%
Adagio	Adagio SAS	50%
Adagio	New City Aparthotels Betriebs gmbh	50%
Adagio	New City Suisse SARL	50%
Villages Nature®	Les Villages Nature® de Val d'Europe	50%
Villages Nature®	SNC Nature Hébergements I	37,50%
Villages Nature®	SNC Villages Nature® Hébergements II	50%
Villages Nature®	SNC Villages Nature® Hébergements	50%
Villages Nature®	Villages Nature® Management	50%
Villages Nature®	Villages Nature Tourisme SAS	50%
Villages Nature®	SNC Villages Nature® Équipements I	50%
Villages Nature®	SNC Villages Nature® Équipements II	50%
PROPERTY DEVELOPMENT	SAS Foncière Presqu'île de La Touques	50%
PROPERTY DEVELOPMENT	SCCV Nantes Russeil	50%
PROPERTY DEVELOPMENT	SCCV Palaiseau RT	50%
PROPERTY DEVELOPMENT	SNC Caen Meslin Loisirs	40%
PROPERTY DEVELOPMENT	Beau Village limited	44%
Senioriales	Senioriales de Cholet	50%
Senioriales	Senioriales en Ville de Saint Avertin	50%
Senioriales	SAS Les Cordeliers	50%
Senioriales	SCCV Senioriales d'Angers	50%
Senioriales	SCCV Senioriales de Gévezé	50%
Senioriales	SCCV Senioriales en Ville de Fontenay-aux Roses	50%
Senioriales	SCCV Senioriales en Ville de Schiltigheim	50%
Senioriales	SCCV Senioriales de Brest	50%
Senioriales	SCCV Toulouse Ponts Jumeaux A1	50%
Senioriales	SCI Senioriales Ville de Castanet	50%
Senioriales	SNC Senioriales en Ville de Cesson-Sevigné	50%
Senioriales	SNC Senioriales Ville de Tourcoing	50%
Senioriales	SNC Senioriales de Lorient	50%
Center Parcs	Foncière Loisirs Vielsalm	19,64%
PORTFOLIO	La Financière de Saint-Hubert SARL	55%

(in € thousands)	FY 2020/2021	FY 2019/2020
Adagio	-	1,942
Senioriales	1,037	1,991
Other joint ventures	290	188
NET VALUE OF EQUITY-ACCOUNTED INVESTMENTS	**1,327**	**6,601**

In addition, some joint ventures are negative contributors. These are mainly Villages Nature® companies for which the value of the shares is presented on the liabilities side of the statement of financial position under "Non-current provisions" in the amount of €58,367 thousand at 30 September 2021. The shares in the Adagio companies were valued at €1,942 thousand in the 2019/2020 financial year. Beau Village Limited shares were written down by €1,169 thousand during the period.

Summary of financial information for the main joint ventures

A summary of financial information (based on 100%) for each of the main joint ventures is shown below. These amounts are taken from the joint ventures' financial statements, prepared in accordance with IFRS and Pierre & Vacances-Center Parcs Group accounting principles and methods. The data are presented before eliminations of intragroup data.

2020/2021 income statement

Synthetic income statement of joint ventures (data presented at 100%)	Adagio	Villages Nature®	Other	
Revenue	45,613	27,184	23,669	
Purchases and external services	-36,849	-19,871	-25,552	
Employee expenses	-15,158	-4,370	-	
Depreciation, amortisation and impairment	-12,112	-24,816	-	
Other operating income and expenses	9,919	8,933	33	
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**-8,587**	**-12,940**	**-1,850**	
Other operating income and expenses	97	-5,067	-	
OPERATING PROFIT (LOSS)	**-8,490**	**-18,007**	**-1,850**	
Costs of net financial debt	-2,396	-15,829	-110	
Other financial income and expenses	-936	-2,071	-15	
NET FINANCIAL INCOME (EXPENSE)	**-3,332**	**-17,900**	**-125**	
PROFIT (LOSS) BEFORE TAX	**-11,822**	**-35,907**	**-1,975**	
Tax expense	-142	116	-383	
PROFIT (LOSS) FOR THE YEAR (DATA PRESENTED ON 100% BASIS)	**-11,964**	**-35,791**	**-2,358**	
				TOTAL
Percentage shareholding (weighted average)	50%	50%	n/a	
Group's share of profit (loss)	**-5,982**	**-17,895**	**-956**	**-24,833**

2019/2020 income statement

Synthetic income statement of joint ventures (data presented at 100%)	Adagio	Villages Nature®	Other	
Revenue	57,194	46,166	26,958	
Purchases and external services	-42,082	-30,956	-27,226	
Employee expenses	-19,438	-6,616	-	
Depreciation, amortisation and impairment	-9,053	-24,484	-1,150	
Other operating income and expenses	285	259	63	
OPERATING PROFIT (LOSS) FROM ORDINARY ACTIVITIES	**-13,095**	**-15,631**	**-1,355**	
Other operating income and expenses	-364	-86	-	
OPERATING INCOME	**-13,459**	**-15,717**	**-1,355**	
Costs of net financial debt	-2,152	-12,798	-176	
Other financial income and expenses	-47	-999	-1	
NET FINANCIAL INCOME (EXPENSE)	**-2,199**	**-13,797**	**-177**	
PROFIT (LOSS) BEFORE TAX	**-15,657**	**-29,514**	**-1,532**	
Tax expense	-1,409	-2,808	390	
PROFIT (LOSS) FOR THE YEAR (DATA PRESENTED ON 100% BASIS)	**-17,066**	**-32,322**	**-1,142**	
				TOTAL
Percentage shareholding (weighted average)	50%	50%	n/a	
Group's share of profit (loss)	**-8,533**	**-16,161**	**-487**	**-25,181**

Statement of financial position at 30 September 2021 (financial data presented on 100% basis)

Assets *(in € thousands)*	Adagio	Villages Nature®	Other joint ventures
Non-current assets	98,590	217,377	2,010
Current assets	57,313	176,374	52,577
TOTAL ASSETS	**155,903**	**393,751**	**54,587**

Liabilities *(in € thousands)*	Adagio	Villages Nature®	Other joint ventures
Equity	-7,669	-115,875	1,848
Non-current liabilities	68,385	179,602	680
Current liabilities	95,187	330,024	52,059
TOTAL LIABILITIES	**155,903**	**393,751**	**54,587**

Statement of financial position at 30 September 2020 (financial data presented on 100% basis)

Assets *(in € thousands)*	Adagio	Villages Nature®	Other joint ventures
Non-current assets	67,780	250,363	5,283
Current assets	38,105	171,367	86,818
TOTAL ASSETS	**105,885**	**421,730**	**92,101**

	Adagio	Villages Nature®	Other joint ventures
Equity	3,897	-129,711	6,994
Non-current liabilities	33,872	209,508	473
	68,116	341,932	84,635
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**105,885**	**421,730**	**92,101**

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Note 10 Non-consolidated investments in associates and other long-term equity investments

(in € thousands)	30/09/2021	30/09/2020
Gross amount	**804**	**804**
NET AMOUNT	**804**	**804**

The other "Non-consolidated investments in associates and other long-term equity investments" are equity interests in various companies in which the Pierre & Vacances-Center Parcs Group does not have a controlling interest and over which it does not exercise significant influence.

Note 11 Other non-current financial assets

(in € thousands)	30/09/2021	30/09/2020
Gross loans and other financial assets	49,514	37,087
Impairment losses	-1,221	-1,221
TOTAL	**48,293**	**35,866**

"**Loans and other financial assets**", whose net carrying amount at 30 September 2021 was €48,293 thousand, consist primarily of guarantee deposits paid to property owner/lessors and to suppliers.

The increase in other non-current financial assets over the period is mainly due to the establishment of a term deposit account with a financial institution.

Note 12 Inventories and work in progress

(in € thousands)	30/09/2021	30/09/2020
Work in progress	143,580	139,776
Finished goods	15,564	28,172
GROSS PROPERTY DEVELOPMENT PROGRAMMES	**159,144**	**167,948**
Impairment losses	-22,884	-22,782
NET PROPERTY DEVELOPMENT PROGRAMMES	**136,260**	**145,166**
Gross miscellaneous inventories	6,329	6,168
Impairment of miscellaneous inventories	-444	-412
TOTAL	**142,145**	**150,922**

The breakdown of the contribution of each of the property development programmes to the net amount of the inventories is shown in Note 13.

Impairment of inventories relates to various Center Parcs property development projects in France, including Center Parcs Poligny, Center Parcs Le Rousset, Center Parcs Bois Francs and Center Parcs Bois des Harcholins, as well as the Belle Dune Clairiere programme.

Note 13 Contribution of property development programmes to the gross amount of inventories

Net inventory value was down €8,906 thousand during the 2020/2021 financial year.

This change is explained on the one hand by the property development programmes under construction, in particular the Domaine Center Parcs des Landes de Gascogne, located in the south-west of France (increase of €14,697 thousand) and also certain programmes delivered during the period such as the Deauville, Presqu'île de la Touques programme (delivered in July 2021 resulting in a decrease of €6,775 thousand) and the Center Parcs Heijderbos programme (decrease of €1,903 thousand).

In addition, various Senioriales property development programmes were delivered or sold during the period, reducing the value of inventories by €11,586 thousand, including Senioriales in the city of Le Teich for €5,117 thousand and Senioriales in the city of Sannois for €1,710 thousand.

The programmes included in "Miscellaneous property development programmes" carry inventories with an individual value of less than €300 thousand.

(in € thousands)	Country	30/09/2021	30/09/2020	Changes
Center Parcs Sud Ouest	France	59,806	45,109	14,697
Senioriales property development programmes	France	25,535	37,121	-11,586
Avoriaz Hermine Loisirs	France	20,843	19,050	1,793
PV Aime La Plagne	France	6,007	3,806	2,201
Center Parcs – Huttenheugte	The Netherlands	3,762	520	3,242
Chaumont Hébergements	France	2,318	719	1,599
Center Parcs – Bispingen	Germany	2,176	2,669	-493
Avoriaz Téléphérique	France	2,078	1,388	690
Center Parcs – Eifel	Germany	1,799	726	1,073
Meribel Ravines	France	1,035	2,269	-1,234
Center Parcs – Kempervennen	The Netherlands	992	537	455
Center Parcs – Vossemeren	Belgium	942	422	520
Avoriaz Crozats Loisirs	France	857	1,197	-340
Center Parcs – Putnitz	Germany	776	120	656
Flaine Montsoleil	France	701	351	350
Puerto	Spain	639	1,003	-365
Center Parcs – Bois Francs	France	558	1,801	-1,243
Belle Dune Village	France	522	600	-78
Terrazas	Spain	449	449	-
Center Parcs Nordseeküste	Germany	444	133	311
Center Parcs – Allgäu	Germany	412	4,803	-4,391
Bonmont	Spain	339	301	38
Empuriabrava	Spain	273	1,205	-932
Center Parcs – Meerdal	The Netherlands	269	534	-265
Salou	Spain	268	1,914	-1,646
Miscellaneous – Center Parcs	France	198	2,114	-1,916
Presqu'île de la Touques	France	-	6,775	-6,775
Center Parcs – Heiderbos	The Netherlands	-	1,903	-1,903
Center Parcs – Erperheide	Belgium	-	1,141	-1,141
Center Parcs – De haan	Belgium	-	720	-720
Miscellaneous property development programmes		2,263	3,767	-1,504
TOTAL		**136,260**	**145,166**	**-8,906**

Note 14 Trade receivables and other current assets

14.1 - Trade receivables and other current assets

(in € thousands)	30/09/2021	30/09/2020
Gross trade receivables	232,519	292,299
Impairment losses	-11,238	-11,801
TRADE RECEIVABLES	**221,281**	**280,498**
Advances and prepayments to suppliers	42,445	44,358
State – taxes and duties	105,211	59,368
Other receivables	72,208	91,084
GROSS AMOUNT	**219,864**	**194,810**
Provisions	-3,700	-4,775
NET OTHER RECEIVABLES	**216,164**	**190,035**
Other pre-paid expenses	52,546	17,808
PREPAID EXPENSES	**52,546**	**17,808**
TOTAL OTHER CURRENT ASSETS	**268,710**	**207,844**

Other current assets amounted to €268,710 thousand at 30 September 2021, up €60,866 thousand compared to 30 September 2020.

This change is explained by the increase of €34,738 thousand in prepaid expenses and tax receivables (mainly VAT receivables) for €45,843 thousand, partially offset by the €18,876 in other receivables.

14.2 - Current financial assets

(in € thousands)	30/09/2021	30/09/2020
External current accounts	85,933	101,494
Loans under the "Pierre & Vacances Ownership" programme	8,874	10,991
TOTAL	**94,807**	**112,485**

"Current financial assets" mainly include the debit current accounts of joint ventures as well as several loans under the "Pierre & Vacances Ownership" programme. These are granted to individual owners as part of the acquisition financing of their property.

The "External current accounts", down by €15,561 thousand during the year, mainly in respect of Villages Nature® which was recapitalised by partial incorporation of the current account into equity.

The Group has ensured that the net amount of these current accounts is recoverable.

Note 15 Cash and cash equivalents

Cash and cash equivalents shown in the statement of cash flows breaks down as follows:

(in € thousands)	30/09/2021	30/09/2020
Cash	446,656	205,294
Cash equivalents (money market funds and deposits)	29	30
CASH AND CASH EQUIVALENTS	**446,685**	**205,324**
Bank credit balances	-225,728	-7,051
NET CASH AND CASH EQUIVALENTS	**220,957**	**198,273**

Cash and cash equivalents mainly consist of the Group's investments, through first class banking institutions, in money market funds that comply with the AMF criteria listed in Note 1.19 "Cash and cash equivalents".

The change in net cash position is mainly due to the following items:

- the drawdown of Tranche 1 of the New Financing (€175 million) in June 2021 in terms of gross cash;
- drawdown of revolving lines and lines authorised at the beginning of the 2020/2021 financial year, mainly in France at the level of PVSA in the pandemic context related to the administrative closure period of October 2020. These credit lines are classified under "Bank credit balances" in the above table.

At 30 September 2021, €25 million was allocated to a dedicated account pledged for the benefit of New Financing lenders, which can only be used to pay rent due to institutional lessors in the Netherlands, Belgium and Germany. This account is therefore short-term, liquid, easily convertible into cash and does not present any risk of change in value. It therefore meets the definition of a cash equivalent within the meaning of IAS 7. On the reporting date of the financial statements, this amount was fully released by a deed of release of the pledge.

Note 16 Group shareholders' equity

Issued capital and share premium

The share capital at 30 September 2021 was €98,934,630 divided into 9,893,463 shares, including:

- 9,891,447 ordinary shares with a par value of €10 each (including 738 ordinary shares issued as a result of the conversion on 6 April 2020 of 738 class A preference shares, 426 ordinary shares issued as a result of the conversion on 6 April 2020 of 17 class B preference shares, and 88,560 ordinary shares issued as a result of the conversion on 22 July 2020 of 738 class A preference shares);
- 1,349 class B preference shares with a par value of €10, automatically converted into 1,349 ordinary shares on February 28, 2022;
- 667 class C preference shares with a par value of €10, automatically converted into 667 ordinary shares on 28 February 2022.

The class A preference shares were fully converted into ordinary shares on 6 April 2020 and on 22 July 2020.

Over the 2020/2021 financial year, the weighted average number of shares outstanding was 9,764,509 shares.

Potential capital

Analysis of the potential capital and changes thereto during the 2020/2021 and 2019/2020 financial year are detailed in the following table:

	30/09/2021	30/09/2020
Number of shares at 1 October	**9,893,463**	**9,805,232**
Number of shares issued during the year (prorata temporis)	-	17,283
Exercise of Pierre et Vacances share options	-	-
Pierre et Vacances shares held by Pierre et Vacances SA and deducted from consolidated equity	-128,954	-267,508
Weighted average number of shares	**9,764,509**	**9,555,007**
Dilutive effect	-	-
Pierre et Vacances bonus shares granted	47,094	475,710
Weighted average number of diluted shares	**9,811,603**	**10,030,717**

Treasury shares

During the 2019/2020 financial year, the Pierre & Vacances-Center Parcs Group vested 88,231 treasury shares under employee bonus share plans issued on 2017 and 2018.

To support the share price, the Group also sold and acquired treasury shares generating a net cash inflow of €34 thousand.

At 30 September 2021, the Group held 95,772 treasury shares for a total value of €1,556 thousand.

Dividends paid

The Combined General Meeting of 1 February 2021 decided not to distribute any dividend for the 2019/2020 financial year.

Note 17 Provisions

(in € thousands)	30/09/2020	Additions	Reversals used	Reversals not used	Other changes	30/09/2021
Renovations	8,723	1,315	-16	-	-	10,022
Provisions for retirement and other post-employment benefits	15,257	2,769	-1,949	-	-531	15,546
Provisions for legal proceedings	5,917	1,028	-1,896	-	1	5,050
Provisions for restructuring and site closures	18,356	7,299	-14,715	-82	1	10,859
Provisions for losses on contracts	3,137	636	-1,727	-	-796	1,250
Provisions for negative equity investments	66,705	-	-	-	-3,071	63,634
Other provisions	-	1,287	-	-	-	1,287
TOTAL	**118,095**	**14,334**	**-20,303**	**-82**	**-4,396**	**107,648**
Non-current portion	*96,876*	-	-	-	-	*93,463*
Current portion	*21,219*	-	-	-	-	*14,185*

The provisions for renovations represent the Group's contractual commitments and maintenance policy for its leased property (see Note 1.22 "Provisions").

Provisions for restructuring costs, employee departures and site closures are mainly related to the Group's reorganisation in connection with the Change Up project, as well as to the selective lease renewal policy, leading to the closure of loss-making sites.

It should be noted that the item increased significantly during the 2020/2021 financial year due to a new plan following on from the Change Up plan within the Group's Property Development division.

The provision for negative shares, which amounted to €63,634 thousand at 30 September 2021, mainly relates to the shares of Villages Nature® for €58,367 thousand.

(in € thousands)	30/09/2021	30/09/2020
Renovations	9,817	8,533
Provisions for retirement and other post-employment benefits	14,357	13,998
Provisions for legal proceedings	2,113	3,733
Provisions for restructuring costs, employee departures and site closures	2,292	771
Provisions for losses on contracts	1,250	3,204
Provisions for negative equity-accounted investments	63,634	66,637
NON-CURRENT PROVISIONS	**93,463**	**96,876**
Renovations	205	190
Provisions for retirement and other post-employment benefits	1,189	1,259
Provisions for legal proceedings	2,937	2,184
Provisions for restructuring costs, employee departures and site closures	8,567	17,586
Other provisions	1,287	-
CURRENT PROVISIONS	**14,185**	**21,219**
TOTAL	**107,648**	**118,095**

Provisions for legal proceedings

Provisions for legal proceedings amounted to €5,050 thousand in total, including €2,937 thousand of current provisions and €2,113 thousand of non-current provisions.

Each legal proceeding is monitored and analysed by the Group's Legal Department, which, occasionally with the help of external experts, assesses the potential cost on a case-by-case basis. This is notably the case for disputes that the Group may have with customers, suppliers, owners or other third parties. A provision for the estimated cost of the risk is recognised in the financial statements of the various entities involved.

During the 2020/2021 financial year, summonses from owners of apartments operated under the "Pierre & Vacances", "Adagio" and "Center Parcs" brands were served on the Pierre & Vacances-Center Parcs Group's lessee entities following non-payment of rent. These summons amounted to €25 million and were issued by nearly 2,900 claimants. However, this amount includes requests made by lessors who have signed the amendments proposed in the conciliation framework.

The Group, supported by its legal advisors, considers that the rent debt relating to periods of administrative closures is extinguished. Consequently, no provision has been recognised in this respect in the Group's consolidated financial statements.

The provisions for legal proceedings and their changes during the financial year break down as follows:

(in € thousands)	Tourism business-related disputes	Property development business-related disputes	Individual employee disputes	Total
Balance at 30 September 2020	**3,383**	**122**	**2,413**	**5,917**
New legal proceedings	212	816	-	1,028
Reversals related to expenses for the financial year	-1,400	-496	-	-1,896
Reclassification and changes in scope of consolidation	234	-234	-	-
BALANCE AT 30 SEPTEMBER 2021	**2,429**	**208**	**2,413**	**5,050**

The main new disputes relate to the Group's property development service providers for €816 thousand, exclusively in France.

Regarding provisions for legal proceedings in the context of tourism activities, the reversal of €1,400 thousand corresponds to a Croatian dispute for which an agreement was reached during the period.

Provisions for retirement and other post-employment benefits

Provisions for retirement and other post-employment benefits, which are assessed by independent actuaries, are determined according to the Group's accounting principles (see Note 1.23 "Provisions for retirement and other post-employment benefits").

In addition, the net commitments recorded mainly concern France at 30 September 2021. The main actuarial assumptions used are as follows:

	30/09/2021	30/09/2020
	France	France
Discount rate	0.75%	0.75%
Salary increase rate	1.70%	2.50%
Life table	TH/TF 17-19	TH/TF 14-16
Inflation rate	1.50%	1.75%

The assumptions for expected long-term return on assets and discount rates used for estimating the Group's bonds have been defined on the basis of recommendations from independent experts. The discount rate is determined by reference to a market rate based on highly rated European corporate bonds (Iboxx Corporate AA 10 +).

The amounts recognised on the statement of financial position at 30 September are as follows:

	30/09/2021			30/09/2020		
(in € thousands)	Retirement plans	Other benefits	Total	Retirement plans	Other benefits	Total
Discounted benefit obligation	134,389	6,441	140,830	136,828	6,161	142,989
Fair value of plan assets	125,284	-	125,284	127,732	-	127,732
NET LIABILITY RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION	**9,105**	**6,441**	**15,546**	**9,096**	**6,161**	**15,257**

The change in provisions for retirement and other post-employment benefits are as follows:

	FY 2020/2021			FY 2019/2020		
(in € thousands)	Retirement plans	Other benefits	Total	Retirement plans	Other benefits	Total
Actuarial liability start of the reporting period	**9,096**	**6,161**	**15,257**	**9,763**	**8,224**	**17,987**
Current service cost	1,995	513	2,508	819	851	1,669
Interest cost	61			23		
Contributions received and benefits paid	-1,530	-289	-1,819	-839	-459	-1,299
Recognised actuarial differences	-487	36	-450	-670	-2,471	-3,141
Personal transfers	-32	-14	-46	-	-	-
ACTUARIAL LIABILITY AT 30 SEPTEMBER	**9,105**	**6,441**	**15,546**	**9,096**	**6,161**	**15,257**

The change in the fair value of the assets held to cover the commitments breaks down as follows:

(in € thousands)	FY 2020/2021	FY 2019/2020
Fair value of investments at start of the reporting period	**127,732**	**142,583**
Effective return on plan assets	824	314
Employer contributions received	787	885
Contributions received from plan members	362	357
Benefits paid and expenses for the year	-3,499	-2,766
Actuarial difference	-922	-13,641
FAIR VALUE OF INVESTMENTS AT END OF THE REPORTING PERIOD	**125,284**	**127,732**

Sensitivity analysis of the fair value of plan assets

The sensitivity of the fair value of plan assets during the financial year is as follows: a 0.25 point increase in the discount rate for plan assets would reduce the fair value of plan assets by €5,865 thousand. Conversely, a 0.25 point decrease in the discount rate would increase the fair value of the plan assets for the financial year by €6,250 thousand.

Analysis of the fair value of the assets held to cover the commitments, by asset category:

(in € thousands)	**30/09/2021**	**30/09/2020**
Insurance	125,284	127,732
FAIR VALUE	**125,284**	**127,732**

Sensitivity analysis of the discounted value of bonds

The sensitivity of the present value of the bonds is as follows: a 0.25 point increase in the discount rate would reduce the present value of the bonds by €5,556 thousand. Conversely, a 0.25 point decrease in the discount rate would increase the present value of the bonds by €5,926 thousand.

Note 18 Financial liabilities

(in € thousands)	**30/09/2021**	**30/09/2020**
Long-term borrowings		
Amounts due to credit institutions	257,935	253,163
Bond issue	236,007	233,314
Bridging loans	29,382	30,341
Other financial liabilities	1,713	1,320
SUB-TOTAL LONG-TERM BORROWINGS	**525,037**	**518,138**
Short-term borrowings		
Amounts due to credit institutions	222,252	4,454
Bridging loans	3,505	6,245
Bank credit balances (including the portion of revolving loans drawn down)	225,728	7,051
SUB-TOTAL SHORT-TERM BORROWINGS	**451,485**	**17,750**
TOTAL	**976,522**	**535,888**

Statement of changes in financial liabilities

	30/09/2020	**Increases**	**Reductions**	**Other non-cash changes**	**30/09/2021**
Accrued interest	3,945	8,264	-7,916	-	4,294
Bank overdrafts	7,051	218,677	-	-	225,728
Other financial liabilities(1)	524,892	217,720	-8,251	12,140	746,500
TOTAL FINANCIAL LIABILITIES	**535,888**	**444,661**	**-16,167**	**12,140**	**976,522**

(1) Includes bridging loans, the New Financing loans and the consolidation loan.

At 30 September 2021, financial liabilities increased by €440,634 thousand, including:

- €217,720 thousand in cash inflows and €8,251 thousand in loan repayments, which appear among the financing transactions in the cash flow statement.

  The New Financing loan resulted in a net cash inflow of €169.0 million, corresponding to the nominal amount of the loan (€179.2 million) from which €10.1 million is deducted for banking fees. The latter are included in the effective interest rate of the debt and, as such, are recognized as a financial expense over the term of the loan.

  In addition, a consolidation loan of €43.5 million was carried by PV Finance, and €4 million in support loans were received by the Group's property development entities during the financial year.

  In addition, the Group repaid €8 million in respect of bridging loans;
- €218,677 thousand related to the increase in bank overdrafts in the form of revolving loans and authorised lines;
- €348 thousand increase in accrued interest (included in "Interest paid" in the statement of cash flows);
- €12,140 thousand in financial expenses reflecting the change in value of historical borrowings, whose revised cash flows as part of the new financing qualified as a contractual modification within the meaning of IFRS 9.

Comments on long-term debt

The bond issues correspond to the following loans:

- **the ORNANE-type bond** issued on 6 December 2017 with a principal amount of €100,000 thousand and maturing on 1 April 2023. Bonds redeemable in cash and new or existing shares (ORNANE) are convertible subject to conditions until 25 May 2021, then at any time. This issue is accompanied by a 2.00% coupon payable every six months in arrears on 1 April and 1 October every year.

  At 30 September 2021, this borrowing was recognised in the Group's consolidated financial statements as €100,434 thousand.

  On 21 June 2021, the subscription of the new loan, known as New Financing, led to a change in the current remuneration of Ornane holders, which is increased by a so-called "PIK" coupon (capitalised interest) of 1% of the principal amount of the Ornane from the first tranche made available. The accounting treatment of the 1% increase in the PIK coupon led the Group to carry out work in accordance with IFRS 9 which determined the change was not considered substantial. Consequently, the Group kept the historical interest rate and the original debt and adjusted the latter by an amount of €1,920 thousand corresponding to the catch up adjustment, recorded in financial expenses;
- **the bond issued in the form of an unlisted "EURO PP" private placement** on 19 July 2016 with a principal amount of €60,000 thousand and maturing in December 2022. This issue was subscribed for by French institutional investors. The initial rate of 4.25% was contractually increased to 4.50% given the level of the R-Ratio.

  At 30 September 2021, this borrowing was recognised in the Group's consolidated financial statements as €59,813 thousand.

  On 21 June 2021, the New Financing loan led to a change in the coupon payment schedule without any change in the current remuneration of EURO PP holders. The provisions provided for in accordance with IFRS 9 led to maintaining the original debt;
- **the bond issued in the form of an unlisted "EURO PP" private placement** on 14 February 2018 with a principal amount of €76,000 thousand and maturing in February 2025. This issue was subscribed for by French institutional investors. The initial rate of 3.90% was contractually increased to 4.25% given the level of the R-Ratio.

  At 30 September 2021, this borrowing was recognised in the Group's consolidated financial statements as €75,759 thousand.

  On 21 June 2021, the New Financing loan led to a change in the coupon payment schedule without any change in the current remuneration of EURO PP holders.

  Under IFRS 9, these changes were not considered substantial. Consequently, the Group retained the historical effective interest rate and the original debt, and adjusted the latter by an amount of €170 thousand corresponding to the catch up adjustment recorded in financial expenses.

Other borrowings from credit institutions correspond mainly to the State-guaranteed loan taken out by the Group for the financial year ended 30 September 2020, following the first health crisis.

Other loans from credit institutions are as follows:

1. **state-guaranteed loan (PGE),** subscribed by the Group in June 2020, from its banking pool, for €240 million.

   The loan benefited from a French state guarantee for 90% of the amount borrowed, under the framework of the State loan measures granted in France under the "PGE regulation: Article 6 of Law No. 2020-289 of 23 March 2020 Amending Finances for 2020.

   The main characteristics of the Credit Agreement concerning the State-guaranteed loan obtained by the Group were the following:

   - the loan is recorded at the cost corresponding to the fair value of the amount received net of costs related to the implementation of the loan. Thereafter, the loan is recorded at the amortised cost using the effective interest rate method (see Accounting Principles 1.24), the difference between the cost and the reimbursement value being recognised in the income statement over the duration of the loan,
   - the Group has informed its financial creditors of the choice of the Extended Maturity Date, i.e. 15 June 2026 (in line with the assumption used when preparing the annual consolidated financial statements at September 30, 2020),
   - given the change in the maturity of this loan in accordance with the PGE provisions, the analysis of the accounting treatment under IFRS 9 led the Group to adjust the debt by €3,652 thousand in accordance with the catch up method defined by IFRS 9. This adjustment to the amount of the debt without impact on the historical EIR was recognised in financial expenses.

     As a result, the loan is recognised in the consolidated financial statements for an amount of €244.7 million at 30 September 2021. This amount is net of transaction costs incurred and includes catch up adjustment fees relating to the modification of the repayment schedule,

- in addition, as provided for in the PGE Documentation and in accordance with the FBF press release of 14 January 2021, the Group agreed with its financial creditors an additional one-year grace period compared to that provided for in the initial Documentation, i.e. until 15 June 2022 (inclusive). In this context, the new timetable for the PGE is as follows:

Maturities		Balance *(in € thousands)* as at 30/09/21
Year N+1	22 June	-
Year N+2	23 June	23,872
Year N+3	24 June	38,039
Year N+4	25 June	61,711
Year N+5	26 June	121,149
TOTAL		**244,771**

2. **a loan of a nominal amount of €12,500 thousand,** set up as part of the property development of the Avoriaz Hermine Loisirs programme;
3. **bridging loans of €32,887 thousand,** set up for property development, which breaks down as follows:
   - €28,543 thousand related to the SNC Sud-Ouest Cottages property development programme,
   - €3,505 thousand related to the Senioriales Mantes la Jolie property development programme,
   - €839 thousand related to the Senioriales de Pourrières property development programme.

Comments on short-term debt

Bridge to Equity New Financing taken out in June 2021 by the Group

On 21 June 2021, the Group announced that it had accepted a firm financing offer from some of its existing banking partners, holders of Euro PP 2022 and 2025, and holders of Ornane (the "Financial Creditors") for a maximum total principal amount of €304 million (the "New Financing"), following a competitive process open to third-party lenders.

This financing is mainly intended to meet the Group's short-term needs related to its activities and its operational constraints pending the completion of a transaction to strengthen its equity.

- The New Financing loan is composed of the following two successive tranches:

(i) a first tranche in the form of a term loan, in the principal amount of €179 million financed (a) by banking partners for €125 million and (b) by certain holders of Ornane for €54 million. This first tranche was made available in full in early June 2021; and

(ii) a second tranche (cancellable without penalty) of a maximum principal amount of €125 million, financed for:

(a) €49 million from banking partners as term loans,

(b) €34.5 million by banking partners ias the **"New Group State-guaranteed loan",**

(c) €8 million by certain holders of Euro PP as loans or, where applicable, bond issues, and

(d) €33.5 million by certain holders of Ornane as a term loan or, where applicable, a bond issue.

- The borrower of the New Financing is the Dutch subsidiary of Center Parcs Europe NV. As an exception, the borrower of the New Group State-guaranteed loan is Pierre et Vacances SA.
- The New Financing has a maturity of 15 months from the date of provision of the first tranche (with the exception of the New Group PGE, which will have a maturity in accordance with the usual conditions).

The Group will also have the option to extend under a revolving credit facility (RCF), under certain conditions, for a period ranging from 12 to 24 additional months, up to the amounts made available by banking partners (excluding New Group PGE). The Group has opted for the assumption of its repayment in Spring 2022, i.e. a refinancing of this loan as part of the Equity Back-to-Back Transaction with a new investor.

The contractual maturity of the first tranche is set for 30 September 2022.

In addition, the second tranche was drawn down on 1 December 2021.

- As from the drawdown of the first tranche, the New Financing is guaranteed by the granting of various 1st ranking collateral, brands and intra-group debts of certain subsidiaries and sub-subsidiaries of the Group's Center Parcs division, and in particular by the granting of pledges on the shares of Center Parcs Holding, and on the shares of the sub-subsidiaries Center Parcs Europe NV, Center Parcs NL Holding B.V., Center Parcs Germany Holding, Center Parcs Holding Belgium and other subsidiaries of Center Parcs Europe NV, as well as pledges on the "Center Parcs" brands.
- The New Financing will also be guaranteed by a collateral trust on the shares of the French subsidiary Center Parcs Holding. It is specified that the cash centralisation agreements, the consolidation scope and the existing tax consolidation groups and agreements will remain in place and will continue to operate in accordance with previous practices within the Group. This collateral trust will be released and terminated as soon as the equity strengthening transaction is completed, subject to the full repayment of the New Financing; The New Group PGE does not benefit from any security interests but from a conciliation privilege following the homologation ruling pronounced by the Paris Commercial Court on 24 November 2021.
- The New Financing also provides for a certain number of positive and negative covenants, financial information, a monthly liquidity test (covenant) as well as a list of major events of default, in accordance with the usual conditions for this type of financing, taking into account the situation of the Group.

Indeed, as part of the New Financing under the Term Loan Agreement, the Pierre & Vacances-Center Parcs Group is subject to a single financial covenant. The Documentation provides for PV SA (parent company) to deliver within 5 business days each month, a Compliance Certificate stating that the available cash position of the Pierre & Vacances-Center Parcs Group. The monthly Financial Covenant that must be met is that the amount of cash available to the Group must not be less than €10 million. This has been complied with each month tested since Tranche 1 was disbursed.

- In consideration for the provision of part of the New Financing by certain bank lenders and certain Euro PP holders, these creditors will increase their existing receivables up to a maximum amount of €127.5 million (the "Senior Debt"), including €125 million under the first tranche and €2.5 million under the second tranche. This increase will be made through granting second-ranking pledges on all the aforementioned collateral under the New Financing. If the New Financing is repaid as part of the equity strengthening process, the collateral provided for the "Senior Debt" will be limited, subject to certain conditions, to a pledge on 65% of the securities of the sub-subsidiary Center Parcs NL Holding BV.
- The portion of the New Financing provided by certain banking partners and certain Euro PP holders for Tranche 1 and, where applicable, Tranche 2, will be remunerated at the Euribor rate (0% floor) plus a cash margin of 3.75% payable quarterly. The portion of the New Financing provided by certain holders of Ornane will bear interest at the Euribor rate (0% floor) plus a 2% cash margin, payable quarterly, plus a 10% capitalised interest rate (PIK). The New Group PGE will be remunerated under the usual conditions.
- The portion of the New Financing subscribed by certain holders of Ornane, for a maximum amount of €83.5 million in principal, will also be subject to a specific remuneration (without reduction of the aforementioned total cash subscription amount) consisting of: (i) a guarantee fee (backstop fee) of 2% of this amount (the "Backstop Fee") for holders of Ornane who have undertaken to subscribe to the New Financing as part of the firm offer (the "Guarantors"), and (ii) a commitment fee (commitment fee) of 3% of this amount for the subscribers (the "Commitment Fee"). It is specified that the minimum return for this part of the New Financing (MOIC) realised by the holders of Ornane (excluding the Backstop Fee and the Commitment Fee) was set at (i) 1.15 times during the first 12 months and (ii) 1.20 times from the 13th month included.
- In consideration for the subordination of the bondholders resulting from the Senior Debt, the current remuneration of the holders of Ornane will also be increased by a PIK coupon of 1% of the principal amount of the Ornane as from the availability of the first tranche. Holders of Euro PP will receive a consent fee of 1% of the principal amount of the Euro PP bonds paid in cash on the day the first tranche of the New Financing is made available and immediately assumed in full.

As part of the New Financing, S.I.T.I. SA (majority shareholder of Pierre et Vacances SA) undertook, in particular, until 31 January 2022:

- to vote in favour of the resolution to be submitted to the General Meeting for approval to set up the collateral trust (which will be conditional on obtaining the AMF's decision not to file a public buyout offer), provided in particular that the collateral trust will be released and terminated upon completion of the equity strengthening transaction and repayment of the New Financing;
- to file a request with the AMF for a waiver of the filing of a public buyout offer for the shares of Pierre et Vacances SA due to the implementation of the aforementioned collateral trust;
- to use its best efforts to implement the equity strengthening transaction according to the indicative timetable specified below; and
- to negotiate in good faith with the Financial Creditors the reciprocal and balanced efforts that may be required of all creditors as part of this equity strengthening transaction.

PV Finance Consolidation Loan subscribed in June 2021 by the Group by converting its former authorised overdraft lines

Loan of a nominal amount of €43,500 thousand drawn by the conversion, upon the drawdown of Tranche 1 of the New Financing, of the revolving credit lines authorised as PV Finance credit facilities recognised in Short-term financial debt with a maturity in September 2022.

Other short-term revolving lines

At 30 September 2021, the Group had a revolving credit facility of €200 million, fully drawn down and maturing in September 2022 since the drawdown of Tranche 1 of the New Financing.

Breakdown by maturity

The change in the maturity schedule of gross loans and other financial liabilities (before the impact of transactions related to the back-to-back procedure – see Note 39 "Events after the 2021/2022 reporting period") breaks down as follows:

	Balance *(in € thousands)* as at	
Maturities	**30/09/2021**[(1)]	**30/09/2020**
Liabilities less than 1 year	451,485[(2)]	17,750
Liabilities between 1 and 2 years	189,795[(3)]	24,000
Liabilities between 2 and 3 years	36,648	224,142
Liabilities between 3 and 4 years	111,846[(4)]	61,446
Liabilities between 4 and 5 years	60,351	135,512
Liabilities due in more than 5 years	126,396[(5)]	73,038
TOTAL	**976,522**	**535,888**

(1) Including a five-year extension of the PGE.
(2) Including €174.3 million related to the New Money loan and €200 million related to the revolving credit facility.
(3) Including €100,434 thousand for the ORNANE-type bond and €59,813 thousand for the 2022 Euro PP-type bond.
(4) Including €75,759 thousand for the 2025 Euro PP-type bond.
(5) Including €120 million following the renegotiation of the loan repayment.

Breakdown of main financial liabilities by interest rate type

Fixed rate

The main fixed-rate financial liabilities recorded as liabilities in the statement of financial position at 30 September 2021 relate to the restatement of bonds. The value at amortised cost of fixed-rate financial liabilities amounted to €668.4 million. The majority of these liabilitiess carry interest at percentages between 2.00% and 4.50%.

Issue date	Maturity date	Principal amount outstanding at 30/09/2021 *(in € millions)*	Interest rate	Additional interest
Bond issue				
06/12/2017	01/04/2023	100.4	2.00%	1.00%
14/02/2018	14/02/2025	75.8	4.25%	
19/07/2016	31/12/2022	59.8	4.50%	
Amounts due to credit institutions				
10/06/2020	10/06/2026	244.7		
21/06/2021	21/09/2022	52.1	2.00%	10.00%
21/06/2021	21/09/2022	122.3	3.75%	
30/12/2019	30/12/2023	12.5	2.00%	
25/03/2020	30/03/2024	0.9	2.00%	
TOTAL		**668.4**		

Variable rate

The value at amortised cost of loans from credit institutions and bridging loans contracted at variable rates amounted to €76,537 thousand.

Given the low expected use of variable rate lines, the Group did not contract any hedging instruments.

Amounts due to credit institutions and variable rate bridging loans break down as follows:

	Bridging loans		
Issue date	**Maturity date**	**Principal amount outstanding at 30/09/2021** *(in € millions)*	**Interest rate**
Bridging loans:			
15/09/2017	02/12/2022	28.5	3 mo EURIBOR + margin
19/09/2019	28/09/2022	3.5	3 mo EURIBOR + margin
18/05/2018	16/02/2023	0.8	3 mo EURIBOR + margin
21/09/2021	21/09/2022	0.2	EURIBOR (0% Floor) +1.80% cash margin
21/09/2021	21/09/2022	43.5	EURIBOR (0% Floor) +2.09% cash margin
TOTAL		**76.5**	

Collateral

Collateral pledged by the Group to secure repayment of its bank borrowings include:

- a first call guarantee of €146,967 thousand that can be amortised, granted to the institution that provided the finance lease for the facilities at Domaine du Lac d'Ailette;
- in consideration for the provision of part of the New Financing by certain bank lenders and certain Euro PP holders, these creditors will increase their existing receivables up to a maximum amount of €127.5 million (the "Senior Debt"), including €125 million under the first tranche and €2.5 million under the second tranche. This increase will be made through granting second-ranking pledges on all the aforementioned collateral under the New Financing. If the New Financing is repaid as part of the equity strengthening process, the collateral provided for the "Senior Debt" will be limited, subject to certain conditions, to a pledge on 65% of the securities of the sub-subsidiary Center Parcs NL Holding BV.

At 30 September 2021, the amount of the senior debt was increased to €125 million due to the drawdown of the first tranche on 21 June 2021.

The change in the maturity of collateral (before the impact of Transactions related to the back-to-back procedure – see Note 39 "Events after the 2021/2022 reporting period") breaks down as follows:

	Balance *(in € thousands)* as at	
Maturities	**30/09/2021**	**30/09/2020**
Year N+1	129,894	4,609
Year N+2	5,197	6,059
Year N+3	5,534	5,197
Year N+4	5,862	5,534
Year N+5	6,225	5,862
Year > N+5	119,255	125,479
TOTAL	**271,967**	**152,740**

The New Financing (with the exception of the 2021 PGE) was also secured by the following collateral:

(1) the granting by the Borrower of a pledge an account of first-ranking financial securities account under French law relating to the securities of CP Holding held by the Borrower for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) on the drawdown date of Tranche 2 CP NV, the New Financing Tranche 2 Senior Lenders;

(2) the granting by CP Holding of a Dutch law first-ranking pledge on the shares of Center Parcs Europe NV held by CP Holding for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) on the drawdown date of Tranche 2 CPNV, the New Financing Tranche 2 Senior Lenders;

(3) the granting by Pierre & Vacances FI of a pledge of an account of first-ranking financial securities under French law relating to the securities of Center Parcs Holding Belgique SAS held by Pierre & Vacances FI for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) on the drawdown date of Tranche 2 CPNV, the New Financing Tranche 2 Senior Lenders;

(4) the granting by Center Parcs Europe NV of a first-ranking pledge under Dutch law over the securities of CP Participations BV, Center Parcs Development BV, Sunparks BV, Center Parcs NL Holding BV and Center Parcs Germany Holding BV held by Center Parcs Europe NV for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) on the drawdown date of CPNV Tranche 2, the New Financing Tranche 2 Senior Lenders;

(5) the granting by Center Parcs Europe NV of a pledge of an account of first-ranking financial securities under Swiss law relating to the securities of Pierre & Vacances-Center Parcs Suisse GmbH held by Center Parcs Europe NV for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) on the drawdown date of Tranche 2 CPNV, the New Financing Tranche 2 Senior Lenders;

(6) the granting by Center Parcs Europe NV of a pledge of an account of first-ranking financial securities under French law relating to the securities of Center Parcs Holding Belgique SAS held by Center Parcs Europe NV for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) on the drawdown date of Tranche 2 CPNV, the New Financing Tranche 2 Senior Lenders;

(7) the granting by Center Parcs Europe NV of a first-ranking pledge under Dutch law over the "Center Parcs" brands and their derivatives for the benefit of Center Parcs Europe NV (i) at the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) at the drawdown date of Tranche 2 CPNV, the New Financing Tranche 2 Senior Lenders;

(8) the granting by Center Parcs Europe NV of a first-ranking pledge under Dutch law over the receivables held by Center Parcs Europe NV against Center Parcs NL Holding BV, Center Parcs Germany Holding BV and Center Parcs Holding Belgique SAS and their direct and indirect subsidiaries for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the non-Senior New Financing Lenders and the New Financing Tranche 1 Senior Lenders and (ii) on the drawdown date of Tranche 2 CPNV, the New Financing Tranche 2 Senior Lenders;

(9) the granting by Center Parcs Europe NV of a first-ranking pledge under French law over the "Center Parcs" brands and their derivatives held by Center Parcs Europe NV in France for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the Tranche 1 non-Senior and Senior Lenders and (ii) on the drawdown date of Tranche 2 CPNV, the New Financing Tranche 2 Senior Lenders;

(10) the granting by Center Parcs Europe NV of a first-ranking pledge under German law over the "Center Parcs" brands and their derivatives held by Center Parcs Europe NV in Germany for the benefit of (i) on the drawdown date of Tranche 1 CPNV, the Tranche 1 non-Senior and Senior Lenders and (ii) on the drawdown date of Tranche 2 CPNV, the Tranche 2 Senior Lenders;

(11) the granting by Center Parcs Europe NV of a first-ranking pledge under French law over the bank account balance opened in the name of Center Parcs Europe NV with Natixis for the benefit of the non-Senior and Senior Lenders;

(12) the establishment by the Borrower of a senior collateral trust over the securities of CP Holding (less one share, which will be pledged) as at the date of drawdown of Tranche 2 CPNV for the benefit of the non-Senior and Senior New Financing Lenders; As indicated in Note 35 "Off-statement of financial position commitments", this collateral trust has no impact on the Group's scope of consolidation or on the treasury and tax consolidation agreements.

Note 19 Financial Instruments

The table below shows the carrying amount and the fair value of the financial instruments recognised on the statement of financial position: Financial instruments are classed according to methods defined by IFRS 9.

		30/09/2021	30/09/2020
(in € thousands)	**IFRS 9 category**	**Carrying amount**	**Carrying amount**
Assets			
Non-consolidated investments in associates and other long-term equity investments	*Assets at fair value through other comprehensive income*	*804*	*804*
Related receivables	*Assets at amortised cost*	*2*	*2*
Loans and other financial assets	*Assets at amortised cost*	*48,291*	*35,864*
Non-current financial assets		**49,097**	**36,669**
Trade receivables	Assets at amortised cost	221,281	280,498
Other current assets(1)	Assets at amortised cost	68,508	86,310
Current financial assets	Assets at amortised cost	94,807	112,485
Cash and cash equivalents	Assets at fair value through profit or loss	446,685	205,324
Derivative financial instruments assets	See Note 20 – Hedging instruments	-	-
Liabilities			
Amounts due to credit institutions	*Liabilities at amortised cost*	*480,187*	*257,617*
Bond issue	*Liabilities at amortised cost*	*236,007*	*233,314*
ORNANE monetisation option	*Financial liabilities at fair value through profit or loss*	-	-
Finance leases	*Liabilities at amortised cost*	-	-
Bank credit balances	*Liabilities at amortised cost*	*225,728*	*7,051*
Bridging loans	*Liabilities at amortised cost*	*32,887*	*36,586*
Other financial liabilities	*Liabilities at amortised cost*	*1,713*	*1,320*
Financial liabilities (including short-term portion)		**976,522**	**535,888**
Other non-current liabilities	Liabilities at amortised cost	-	9
Trade payables	Liabilities at amortised cost	342,730	265,998
Other current liabilities(1)	Liabilities at amortised cost	249,768	204,835
Financial instruments	Financial liabilities at fair value	-	-
Other current financial liabilities	Liabilities at amortised cost	4,776	16,432

(1) Other current assets and liabilities are restated for items not considered to be "financial instruments" within the meaning of IFRS 9, that is to say, advances and prepayments made and received, receivables and liabilities due to the State and prepaid expenses and deferred income.

Note 20 Market risks

Cash flow management

Cash flow is managed centrally by the specialist staff of the Pierre & Vacances-Center Parcs Group's Finance Department. The surplus cash of subsidiaries is paid into the Group's centralising entity (Pierre & Vacances FI) which redistributes them to the entities that need them and may, depending on projected market trends, invest the balance in "Euro Money Market" instruments to maximise liquidity and comply with the counterparty risk management policy. This centralisation means that financial resources are optimised and the main Group entities' cash flow trends are closely monitored.

Counterparty risk

These operations are carried out with banks authorised by Executive Management in line with the counterparty risk management policy. Because of the diversity of counterparties, selected from leading banks according to their rating and the Group's knowledge, Pierre & Vacances-Center Parcs considers that it is not exposed to a concentration of credit risk. Since Pierre & Vacances-Center Parcs Group Executive Management would like to be able to access, at any moment, any available cash equivalents consisting of unit trusts and mutual investment funds, these investments are short-term (less than three months) and liquid.

Credit risk

Because of the Group's marketing rules concerning the sale of property (selling off-plan), this activity does not pose any significant risks relating to these trade receivables.

In the Tourism business, risk of non-payment by customers is low, with over 83% of revenue achieved by direct sale, whereby the payment for services occurs before these services are provided.

Group policy for indirect sales is to work with major market players, diversify its portfolio of tour operators and travel agencies, use agreements drawn up by the Legal Department assisted by its counsels, and check the solvency of the counterparties.

Capital management

The Group capital management objective is to ensure operational continuity, the profitability of shareholders' capital, and the reliability of partner relationships and to maintain an optimal capital structure in order to limit the cost of committed funds.

To maintain or adjust the committed funds structure, the Group can issue new debt or repay existing debt, adjust the amount of dividends paid to shareholders, make a capital repayment to shareholders, issue new shares, repurchase existing shares or dispose of assets in order to reduce its debt.

The Group communicates on its debt ratio (net debt/equity), a capital control indicator.

Due to its low capital-intensive activity, the Group's objective is not to be or remain the owner of the residences or villages that it develops and then operates, so exposure to this risk is limited for the Pierre & Vacances-Center Parcs Group.

Liquidity risk

At 30 September 2021, the Pierre & Vacances-Center Parcs Group's net cash and cash equivalents balance stood at €220,956 thousand. This amount corresponds to the gross cash (€446,661 thousand) less bank overdrafts (€225,705 thousand including the revolving credit line in the amount of €200 million).

In addition, as indicated in Note 1.4 on the Group's going concern accounting principle, the 12-month cash flow forecasts confirm the absence of liquidity risk over this period.

The maturity schedule of assets and liabilities related to financing activities at 30 September 2021 (before the impact of Transactions related to the back-to-back procedure – see Note 39 "Events after the 2021/2022 reporting period") breaks down as follows:

		Maturities		
(in € thousands)	**30/09/2021**	**< 1 year**	**1 to 5 years**	**> 5 years**
Amounts due to credit institutions	480,187	222,252	133,251	124,684
Bond issue	236,007	-	236,007	-
Other financial liabilities	34,600	3,505	29,381	1,714
Bank credit balances	225,728	225,728	-	-
Gross financial liabilities	**976,522**	**451,485**	**398,639**	**126,398**
Cash equivalents	-24	-24	-	-
Cash assets	-446,661	-446,661	-	-
NET FINANCIAL DEBT	**529,837**	**4,799**	**398,639**	**126,398**

As a reminder, the detail of financial debt and the maturity schedule of each liability is shown in Note 19.

The Pierre & Vacances-Center Parcs Group's bank borrowings are not based on its debt rating. Contracts governing the Corporate loan and the credit lines contain standard clauses referring to the consolidated financial position of the Group.

In addition, as part of the negotiation of the New Financing, all of the Group's financing at 30 September 2021 benefited from a certain number of financing arrangements, in particular the exemption from compliance with the Financial Ratio covenant, a ratio historically followed in the context of the refinancing of the Corporate debt carried out in March 2016, at 30 September 2021.

At 30 September 2021, contractual interest payments not discounted on financial liabilities outstanding, by maturity date, were as follows:

		Maturities		
	30/09/2021	**< 1 year**	**1 to 5 years**	**> 5 years**
Contractual interest payments not discounted on outstanding financial liabilities	36,510	12,728	23,782	-

Interest rate risk

The management of market risk relating to interest rate fluctuations is handled centrally by the Group's Finance Department.

The Group's policy is to reduce its exposure to interest rate fluctuations when these are highly volatile or are expected to rise sharply. To this end, the Group may use derivative hedging instruments such as interest rate swaps or interest rate caps.

The Pierre & Vacances-Center Parcs Group's net financial income (expenses) thus has little sensitivity to interest rate changes. Bridging loans backing property transactions are generally not hedged against expected interest rate changes due to their usually limited duration.

The maturity of financial assets and liabilities at 30 September 2021 break down as follows:

		Maturities		
(in € thousands)	**30/09/2021**	**< 1 year**	**1 to 5 years**	**> to 5 years**
Borrowings – fixed rate(1)	668,399	174,458	369,258	124,683
Borrowings – variable rate	76,537	47,155	29,382	-
Other liabilities	1,714	-	-	1,714
Accrued interest expense	4,317	4,317	-	-
FINANCIAL LIABILITIES	**750,967**	**225,930**	**398,640**	**126,397**
Loans – fixed rate	19,230	19,230	-	-
Loans – variable rate	2,996	231	1,365	1,400
Cash equivalents – variable rate	30	30	-	-
FINANCIAL ASSETS	**22,256**	**19,491**	**1,365**	**1,400**
NET POSITION	**728,711**	**206,438**	**397,275**	**124,997**

(1) The State-guaranteed loan is considered as a fixed-rate borrowing and is included in this line item.

Foreign exchange risk

The majority of the Group's assets and liabilities are denominated in euros. Only some subsidiaries have cash flows denominated in other currencies. As these subsidiaries are only small, the Group is not exposed to changes in foreign currency rates.

Note 21 Lease obligations

As at 30 September 2021, the change in lease obligations breaks down as follows:

(in € thousands)	
At 1 October 2020	**2,884,205**
Scope effect of contracts and increase in the duration of leases	340,324
Loan repayment over the period	-146,976
Changes in discount rate	-331,030
Change in the value of rents	-28,706
AT 30 SEPTEMBER 2021	**2,717,817**
of which current portion	*174,565*
of which non-current portion	2,543,252

The main changes in lease liabilities are:

- a scope effect of leases and extension of leases for an amount of €+340 million, including both the impact of the new leases signed over the period and the review of the reasonably certain site operating terms. Thus, as part of the implementation of the "ReInvention" plan, the Group has identified certain sites whose current and expected operational and commercial performance at the end of the strategic plan, provide a strong economic incentive to extend the lease in accordance with IFRS 16. Consequently, in application of the IFRIC decision of November 2019, the Group has re-estimated the term of certain leases in order to better reflect the operating period of the sites;
- repayments for the period for €-147 million;
- a change in the value of rents of €-29 million, including both the contractual indexation of rents, and the savings recorded by the Group in respect of periods of administrative closure or partial operation of sites and rent improvements contracted with the lessors as part of the reconciliation procedure (for an amount of €44.6 million);
- the impact of the change in the discount rate applying to all contracts amended during the year (€-331 million).

Rental savings obtained from the lessors are not recognised in the income statement, but are deducted from the value of the right of use and the lease liability, thus reducing the depreciation and financial expenses to be recognised over the remaining term of the leases.

Lease obligations amounted to €2,717,817 thousand at 30 September 2021, down by €166,388 thousand compared to 30 September 2020. This amount corresponds to the present value of future payments of leased assets, mainly to individual and institutional investors at the Pierre & Vacances and Center Parcs sites. The net reduction in the period reflects both contractual changes (taking into account of amendments when they are signed with investors, if applicable, extension of leases, etc.), but also the interest expense generated by these lease obligations.

Following the legal analysis carried out by the Company and in accordance with the position of its Boards, the Group notes that the lease liability relating to the periods of administrative closure of the parks (from 1 November 2020 to 15 December 2020) must be considered as extinguished based on its assessment on the legal basis of the exception of non-performance or on that of the provisions of Article 1722 of the French Civil Code. As a result, for the 2020/2021 financial year, the Group cancelled the liability of €7 million in rents due during the aforementioned period, and reduced the value of the rights of use, reducing the depreciation, amortisation and financial expenses remaining to be recognised over the residual term of the leases. This treatment therefore has no material impact on the Group's profit (loss) for the year. As a reminder, the Group had cancelled, using the same accounting treatment, in the financial statements for the year ended 30 September 2020, the liability for the first period of administrative closure (March 2020 to June 2020) (€15 million for individual lessors who were non-signatories of the amendment at 30 September 2021).

In addition, the first half of the year 2021 (from January to June 2021) was marked by a deterioration in the operation of the Group's sites and villages (closure of aquatic areas, ski lifts, etc.). The Group approached these individual lessors and offered them a rent waiver of 7.5 months for all the periods when tourism operations at the sites could not be conducted normally (including including the four-month administrative closure in 2019/2020 and 2020/2021). This agreement was accepted by 59% of owners as of 30 September 2021. For the latter, the Group cancelled the lease liability of €29 million. At the same time, the issuance of holiday vouchers with a face value of €2,700 including VAT led the Group to record an operating liability of €28 million among other current liabilities (see Note 22).

Similarly, rent reductions granted by institutional owners in the 2020/2021 financial year (€39 million) were treated similarly (cancellation of the lease liability offset by the reduction in the right of use, in accordance with IFRS 16).

The maturity schedule of the lease obligation is broken down as follows:

	By year of maturity					
(in € thousands)	**< 1 year**	**< 2 years**	**< 3 years**	**< 4 years**	**5 years and more**	**Total**
Lease obligation	174,565	177,332	163,908	167,642	2,034,371	**2,717,817**

Note 22 Trade payables and other current and non-current liabilities

22.1 Trade payables and other current and non-current liabilities

(in € thousands)	**30/09/2021**	**30/09/2020**
TRADE PAYABLES	**342,730**	**265,998**
Advances and deposits on orders in progress	200,336	168,519
VAT and other tax liabilities	80,752	63,293
Employee and social security liabilities	101,061	70,853
Lease liabilities	-	9
Other liabilities	148,707	133,982
OTHER OPERATING LIABILITIES	**530,856**	**436,656**
Property sales and support funds	92,213	142,692
Other deferred income	35,051	29,565
DEFERRED INCOME	**127,264**	**172,257**
TOTAL OTHER LIABILITIES	**658,120**	**608,913**
Other current liabilities	658,120	608,904
Other non-current liabilities	-	9

Trade payables increased by €76,732 thousand, mainly due to the extension of supplier payment deadlines as part of the implementation of reconciliation from 2 February 2021.

The increase of €49,207 thousand in "Other current and non-current liabilities" is explained by an increase of €31,817 thousand in advances and deposits received from customers, €17,459 thousand in tax liabilities (mainly relating to VAT), €30,208 thousand in social security liabilities, as a result of the moratorium obtained from URSSAF, and by an increase of €14,725 thousand in other liabilities, mainly external current accounts.

With regard to social security liabilities and as explained in the note on significant events, a moratorium has been obtained from the URSSAFs and other organizations for a period of spreading of social liabilities over 36 months from 1 October 2021.

This increase is partly offset by the decrease in deferred income related to the Group's property development activity (€44,993 thousand), in connection with the progress of property development programme under construction, in particular Center Parcs Sud-Ouest for €36,657 thousand, as well as the delivery of the Deauville, Presqu'Île de la Touques programme, for €10,108 thousand.

In addition, other liabilities also include €28 million corresponding to the face value of holiday vouchers granted to owner-lessors who have signed the reconciliation amendment. They correspond to liabilities on contracts within the meaning of IFRS 15, in the same way as advances and deposits received, and will be reversed as and when they are used by the owners, against revenue. These vouchers are valid until 31 March 2024.

22.2 Current financial liabilities

(in € thousands)	**30/09/2021**	**30/09/2020**
External current accounts	4,776	16,432
	4,776	**16,432**

"Current financial liabilities" mainly relate to current accounts with third parties linked to the Group or partners.

The change in this item is mainly due to the repayment of the Loan Agreement between Pierres et Vacances SA and its controlling shareholder, S.I.T.I. SA, in accordance with the Banking Documentation.

Note 23 Change in working capital requirements

Change in working capital requirements for the 2020/2021 financial year was as follows:

		30/09/2020	Cash variation	Other changes	30/09/2021
Gross inventories		174,116	-5,070	-3,574	165,473
Inventory write-down		-23,194	-134	-	-23,328
NET INVENTORY VALUE		**150,922**	**-5,204**	**-3,574**	**142,145**
Trade receivables		280,498	-72,478	13,261	221,281
Other current assets and current financial assets		320,329	63,707	-20,520	363,517
TOTAL WCR ASSETS	**A**	**751,750**	**-13,974**	**-10,833**	**726,942**
Trade payables		265,997	81,510	-4,777	342,730
Other current liabilities and current financial liabilities		625,336	22,154	15,521	663,011
TOTAL WCR LIABILITIES	**B**	**891,332**	**103,664**	**10,744**	**1,005,741**
WORKING CAPITAL REQUIREMENTS	**A-B**	**-139,583**	**-117,639**	**-21,577**	**-278,799**
including change in non-operating receivables and payables		-	*-3,393*	-	-
including change in operating receivables and payables		-	-114,246	-	-

The change in working capital during the 2020/2021 financial year is mainly due to the increase in operating liabilities (suspension of rents and URSSAF social security contributions as part of the conciliation).

Other changes mainly include reclassifications of statement of financial position items, as well as the impact of fluctuations in exchange rates and changes in Group's scope.

Note 24 Maturity of receivables and liabilities

(in € thousands)	30/09/2021	Amounts not yet due or due for <1 year	Amounts due between 1 and 5 years	Amounts due in >5 years
Other non-current financial assets	48,293	46,281	2,012	-
Trade receivables (net)	221,281	221,281	-	-
Other current assets and current financial assets	363,517	363,517	-	-
TOTAL ASSETS	**633,091**	**631,079**	**2,012**	**-**
Other non-current liabilities	-	-	-	-
Trade payables	342,730	342,730	-	-
Other current liabilities and current financial liabilities	662,896	662,896	-	-
TOTAL LIABILITIES	**1,005,626**	**1,005,626**	**-**	**-**

Note 25 Revenue

(in € thousands)	FY 2020/2021	FY 2019/2020
Tourism	772,951	982,403
including accommodation revenue	*532,702*	*685,654*
including revenue from services activities(1)	*240,249*	*296,749*
Property development	164,245	189,115
TOTAL	**937,196**	**1,171,518**

(1) Catering, events, mini market, stores, marketing, etc.

Revenue for the 2020/2021 financial year was negatively impacted by the effects of the COVID-19 health crisis, which led to the closure of almost all our sites during the lockdown period.

Property development revenue was also negatively impacted by €76,377 thousand by the adoption of IFRS 16, as the Group's property development sales are treated as sale and leaseback transactions within the meaning of this new standard (see Note 1.15 "Rights of use and lease obligations").

Revenue by country

(in € thousands)	FY 2020/2021	FY 2019/2020
France	380,813	530,410
The Netherlands	166,135	185,096
Germany	105,644	93,842
Belgium	89,795	144,390
Spain	30,564	28,665
TOURISM	**772,951**	**982,403**
France	98,665	84,678
Germany	10,546	12,535
Spain	4,050	6,078
The Netherlands	38,220	58,116
Belgium	11,044	24,979
China	1,669	2,729
Italy	51	-
PROPERTY DEVELOPMENT	**164,245**	**189,115**
TOTAL	**937,196**	**1,171,518**

Revenue in France, where the registered office is located, amounted to €479,478 thousand.

At 30 September 2021, the Group's order book stood at €225.7 million for its property development business, reflecting the amount of revenue still to be recognised for performance obligations not yet satisfied or partially satisfied on the reporting date.

(in € millions)	2020/2021	2019/2020
Property reservations	225.7	297.4
Number of apartments	1,269	1,157
Average price	177.9	257.0

Note 26 Purchases and external services

(in € thousands)	FY 2020/2021	FY 2019/2020
Cost of goods sold – Tourism	-29,742	-35,590
Cost of inventories sold – Property development	-112,647	-113,084
Rent and other co-ownership expenses(1)	-95,969	-102,987
Subcontracting of services(2)	-60,599	-77,679
Advertising and fees	-85,288	-109,413
Other (including holiday purchases)	-141,270	-183,172
TOTAL	**-525,515**	**-621,925**

(1) Following the application of IFRS 16 as of 1 October 2019, the item "Rent and other co-ownership expenses" for the 2019/2020 financial year includes variable rents, rents on low-value assets and co-ownership expenses. It does not include the amount of fixed rents paid by the Group to its institutional or individual investors.
At 30 September 2021, this line item includes the following:
- Miscellaneous rental expenses: €36,108 thousand;
- Co-ownership and other rent expenses: €59,861 thousand.
(2) Mainly includes catering, cleaning and laundry services.

Purchases and external services amounted to an expense of €525,515 thousand in the 2020/2021 financial year, down €96,410 thousand compared with the 2019/2020 financial year.

This change is to be compared mainly with the impact of the COVID-19 health crisis, which had a downward impact on holiday purchases for €41,902 thousand, and subcontracting costs for services for €17,080 thousand, as well as advertising costs and management fees of €24,125 thousand.

Note 27 Employee expenses

(in € thousands)	FY 2020/2021	FY 2019/2020
Salaries and wages	-206,381	-254,281
Social security expenses	-63,807	-66,107
Defined-contribution and defined-benefit plan expenses	-981	1,517
Share-based payment expenses	-	-
TOTAL	**-271,169**	**-318,870**

Personnel expenses (€271.2 million) were down by €47.7 million over the 2020/2021 financial year, due in part to the savings generated by the employment protection plan in the last financial year, and secondly the use of partial activity measures put in place by the administrative authorities during the period of lockdown and site closure.

Expenses related to stock option plans are presented in Note 32, as the new plan relates to the Group's Change Up restructuring plan.

Note 28 Depreciation, amortisation and impairment

(in € thousands)	FY 2020/2021	FY 2019/2020
Depreciation	-38,778	-40,573
Depreciation of rights of use	-222,919	-258,960
Additions to provisions	-9,801	-10,451
TOTAL	**-271,498**	**-309,984**

For the 2020/2021 financial year, the Group's net provisions decreased by €38,486 thousand compared to the 2019/2020 financial year, including €36,041 thousand relating to the amortisation of rights of use (particularly related to the extension of the amortisation period used).

Note 29 Other operating profit (loss) from ordinary activities

(in € thousands)	FY 2020/2021	FY 2019/2020
Taxes and duties	-13,492	-14,631
Other operating expenses from ordinary activities	-16,210	-13,528
Other operating income from ordinary activities	35,744	13,758
TOTAL	**6,042**	**-14,401**

"Taxes and duties" comprise tax expense and operational taxes, such as payroll taxes (learning tax, training tax), real estate taxes and television licence fees.

Generally speaking "Other operating income from ordinary activities" and "Other operating expenses from ordinary activities" comprise subsidies and insurance reimbursements, as well as some registered office expenses.

Other operating income and expenses saw a net improvement of €19,304 thousand, following the government compensation received for the loss of business caused by the COVID-19 health crisis. In this respect, the Group benefited from the "fixed-cost" aid scheme and the solidarity fund for companies in France, as well as public financial aid in Germany of around €25 million.

Note 30 Other operating income and expenses

(in € thousands)	FY 2020/2021	FY 2019/2020
Impact of discontinuation of the Center Parcs Roybon project	-	-41,057
Restructuring costs and site closures	-28,037	-20,954
Net allocations to restructuring provisions	4,087	-15,648
Impairment of assets (including goodwill and securities)	-5,804	-27,475
Results of disposals and scrapping	-1,806	-2,661
Impairment of inventories of miscellaneous real estate projects	-2,194	-20,312
Results of disposals and scrapping	-1,806	-2,661
Other	-583	-5,340
TOTAL	**-34,337**	**-133,447**

"Other operating income and expenses" amounted to an expense of €34,337 thousand, including the following items:

- €-28,037 thousand in costs incurred as part of the reconciliation (€5.9 million), the Group's legal reorganisation and site closures. This item also includes the IFRS 2 expense relating to the bonus share plan set up as part of the Change Up plan;
- a net reversal of restructuring provisions of €4,087 thousand related to finalising the Employment Protection Plan undertaken as part of the Change Up;
- €-5,804 thousand in goodwill impairment on the Group's property development activity as well as asset impairments on the Guadeloupe site;
- €-2,194 thousand related to the impairment of property development inventories;
- €-1,806 thousand in income from disposals and scrapping;
- €-583 thousand in other items including the impairment of the shares of the Chinese JV.

During the 2019/2020 financial year, this item represented an expense of €133,447 thousand including the following items:

- €-27,475 thousand of assets impairment, essentially the goodwill relating to Senioriales, as well as the Senioriales and Sunparks brands;
- €-36,602 thousand related to the reorganisation of the Group, including the implementation of a restructuring plan and costs for the withdrawal of sites;
- €-61,369 thousand related to the discontinuation of the project to set up a Domaine Center Parcs in Roybon, in Isère (€41,057 thousand) and the ensuing review of other development projects in France for €20,312 thousand (aimed at defining alternative projects in order to make them more acceptable). These impairments come as part of the change in strategy in the Group's property development business and are presented under the "Other operating income and expense" line due to their amount and their non-recurring nature.

Expenses related to bonus share plans recorded in "Other operating income and expenses"

The features of the plans reported are as follows:

Date of grant by the Board of Directors *(in € thousands)*	Type[1]	Number of options granted	End date of the vesting period	Share-based payment expenses FY 2020/2021	FY 2019/2020
19/12/2019	AGA	180,312	13/12/2020	-619	-2,441
TOTAL		**180,312**		**-619**	**-2,441**

(1) AGA: Bonus share grant.

The employee expense recognised corresponds to the fair value of the options granted calculated on the date they are granted by the Board of Directors.

Note 31 Net financial income (expense)

(in € thousands)	FY 2020/2021	FY 2019/2020
Gross borrowing costs	-33,839	-14,389
Expenses related to IFRS 16	-190,049	-156,354
Income from cash and cash equivalents	27	304
Costs of net financial debt	**-223,861**	**-170,439**
Income from loans	-649	880
Other financial income	498	527
Other financial expenses	-720	-1,155
Other financial income and expenses	**-871**	**252**
TOTAL	**-224,732**	**-170,187**
Total financial expenses	*-225,804*	*-171,906*
Total financial income	*1,072*	*1,719*

Financial income for the 2020/2021 financial year amounted to €-224.7 million, up by €54.5 million compared to the previous financial year. This change is due to the following impacts:

- financial expenses on leases, up €34 million, reflecting the increase in the discount rate used for contracts that were modified during the period;
- financial interest of €6.7 million on the new loan ("New Financing") taken out in June 2021;
- an increase of €3.5 million in commissions for the use of the revolving credit line, due to a greater drawdown during the year;
- non-recurring financial expenses of €5.8 million, recognized in respect of the catch-up method defined by IFRS 9.

Indeed, the subscription of the new loan changed the financing conditions of the pre-existing loans. The maturity and interest rate of the State-guaranteed loan has changed. Similarly, the payment frequencies for EuroPP 2025 and ORNANE have been reviewed. These changes are classified as non-substantial changes within the meaning of IFRS 9 and led the Group to recalculate the carrying amount of the borrowings at the date of the change, as being the value of the new cash flows discounted at the initial effective interest rate. The offsetting entry for the change in the carrying amount of existing debts is a loss of €5.8 million recognized immediately in profit or loss, including €3.7 million in respect of the State-guaranteed loan, and €1.9 million in respect of the ORNANE bonds and €0.2 million in respect of the Euro PP 2025.

Note 32 Income tax and deferred tax

Breakdown of the tax expense

(in € thousands)	FY 2020/2021	FY 2019/2020
Consolidated profit (loss) before tax	**-384,013**	**-397,293**
Untaxed income:		
Impact of losses carried forward and other temporary differences not recognised or exceeding thresholds	261,606	244,467
Use of tax losses not previously capitalized	-	-
Intra-group transactions having a tax impact	3,293	396
Other untaxed income	70,207	113,955
Consolidated taxable income	**-48,907**	**-38,475**
Group tax rate	28.92%	28.92%
Theoretical tax benefit at corporate tax rate applicable in France	**14,144**	**11,127**
Differences on tax rates abroad	324	-788
CVAE	-1,460	-1,959
Other	-30,538	-11,007
GROUP TAX INCOME (EXPENSE)	**-17,530**	**-2,627**
of which tax payable (including CVAE)	*-2,236*	*-584*
of which deferred taxes	*-15,294*	*-2,043*

Tax losses for the year that were not activated due to their unlikely recovery within a reasonable time frame primarily relate to the tax group in France, Spain and certain Belgian entities.

Intra-group transactions with a tax impact essentially correspond to the taxation of internal Group loan write-offs, which have no effect on the consolidated pre-tax profit (loss).

Other non-taxable items amounted to €70,207 thousand for the 2020/2021 financial year and mainly correspond to the restatement of rent expenses under IFRS 16 and to non-deductible financial expenses.

The other items in the deferred tax charge mainly relate to the impairment of tax receivables in France for an amount of €27.5 million, the tax rate adjustment for €0.9 million and the increasing internationalisation of the Group's activity reducing the capacity to use domestic deficits in the medium term (the Group has a time horizon of 5 years for France and 6 years for Belgium and Germany, even if the tax deficits can be carried forward indefinitely).

It should also be noted that a two-year delay in the financial objectives of the ReInvention strategic plan would have an impact of nearly €6 million on the valuation of deferred tax receivables in France. Conversely, a one-year delay would have no impact on the value of these tax receivables.

COVID-19 provision in the Netherlands

Under Dutch law, and in application of the health crisis contingency plan for the 2019/2020 financial year, it was possible to set up a COVID-19 provision chargeable against the taxable income of the previous financial year 2018/2019. This provision is equal to the amount of losses related to the crisis that materialised during 2020. The Group made use of this option and therefore requested a refund of €1.5 million from the Dutch tax authorities, which it obtained in November 2020.

Analysis of deferred tax assets and liabilities by type and by country

Within the same country, the majority of the Group's entities consolidate their tax income (expenses). The breakdown of the Group's deferred tax position by country therefore reflects the position of each tax consolidation subgroup.

(in € thousands)	30/09/2020	Change through profit or loss	Change through other comprehensive income or loss	30/09/2021
France	6,311	2,099	-235	8,175
The Netherlands	18,923	6,360	-73	25,209
Belgium	-1,133	109	32	-992
Germany	-122	1,272	-	1,150
Spain	-72	-	-	-72
Italy	169	-	-	169
China	-	-	-	-
Deferred taxes on temporary differences	**24,074**	**9,840**	**-276**	**33,639**
France	44,068	-27,500	-	16,568
The Netherlands	-	1,714	-	1,714
Belgium	3,345	666	-	4,011
Germany	5,967	-14	-	5,954
Spain	48		-	48
Deferred tax on losses carried forward	**53,429**	**-25,134**	**-**	**28,295**
TOTAL	**77,503**	**-15,294**	**-276**	**61,934**
of which deferred tax assets	*87,598*	-	-	*73,351*
of which deferred tax liabilities	*-10,094*	-	-	*-11,417*

At 30 September 2021, the Group's net deferred tax position amounted to €61,934 thousand, including €-33,639 thousand representing temporary differences. This amount includes a €21,468 thousand deferred tax liability recognised in the Netherlands for the Center Parcs brand (estimated at €85,870 thousand).

Deferred taxes recognised with respect to tax losses amounted to €28.3 million, including €16.6 million in respect of tourism and property development activities carried out by the Group in France.

These tax loss carryforwards are only recognised as deferred tax assets to the extent that the Group believes, on the basis of business plans relating to Tourism and Property development programme forecasts, that it is likely to have future taxable income against which the tax losses can be charged within a reasonable time frame. At 30 September 2021, this time horizon was five years in France and six years in Belgium and Germany.

The tax rules applicable at the reporting date, namely those approved at 30 September 2021, were used to calculate the amount of deferred taxes.

In addition, it should be noted that the amount of tax losses which may be used in France is subject to a ruling limiting the crediting of taxable losses to 50% of the profit beyond the first €1 million and in Germany, up to 60% of the profit beyond the first €1 million and in Spain, up to 50% of the tax income.

Unused losses carried forward totalled €1077.1 million. This relates to the French tax consolidation group for an amount of €865.6 million.

Note 33 Earnings per share

Average number of shares

	FY 2020/2021	FY 2019/2020
Number of shares issued at 1 October	9,893,463	9,805,232
Number of shares issued during the financial year (prorata temporis)	-	17,283
Number of shares issued at the end of the period (pro rata temporis)	**9,893,463**	**9,822,515**
Weighted average number of shares	9,764,509	9,555,007
Weighted average number of shares used to calculate diluted EPS	**10,012,887**	**10,030,717**

The various dilutive instruments included in calculating the weighted average number of shares after dilution are presented below:

Number of bonus shares granted by the Board of Directors:	Type	FY 2020/2021	FY 2019/2020
of 02/12/2014 and still valid	AGA	-	-
of 02/02/2016	AGA	136,600	258,750
of 18/04/2017	AGA	66,700	66,700
of 13/12/2019	AGA	45,078	150,260
		248,378	**475,710**

Earnings per share

	FY 2020/2021	FY 2019/2020
Profit (loss) attributable to owners of the Company *(in € thousands)*	-426,443	-425,249
Weighted basic earnings (loss) per share, attributable to owners of the Company *(in €)*	-43.67	-44.51
Weighted diluted earnings (loss) per share, attributable to owners of the Company *(in €)*[1]	-43.67	-44.51

(1) The conversion of potential ordinary shares into ordinary shares would decrease the net loss per share. Therefore, in accordance with IAS 33, diluted earnings (loss) per share is equal to basic earnings (loss) per share.

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Other financial information

Note 34 Number of employees

For the last two financial years, the average annual number of employees (full-time equivalent) of the Pierre & Vacances-Center Parcs Group companies that are fully consolidated stood as follows:

	FY 2020/2021	FY 2019/2020
Managers	1,467	1,458
Supervisory staff and other employees	5,848	6,339
TOTAL	**7,315**	**7,797**

Note 35 Off-statement of financial position commitments

The collateral granted by the Group to secure its bank loans and reciprocal commitments is detailed in Note 19 "Financial liabilities". It is therefore not included in the table below:

	Maturities				
(in € thousands)	< 1 year	1 to 5 years	> 5 years	30/09/2021	30/09/2020
Rental commitments					
Other commitments given	3,423	18,000	147,655	169,078	61,377
COMMITMENTS GIVEN	**3,423**	**18,000**	**147,655**	**169,078**	**61,377**
Completion guarantees	8,950	73,689	-	82,639	83,573
Other commitments received	921	1,701	52,465	55,087	48,987
COMMITMENTS RECEIVED	**9,871**	**75,390**	**52,465**	**137,726**	**132,560**

Commitments given

At 30 September 2021, the other commitments given were mainly as follows:

- the New Financing taken out by the Group in June 2021 is guaranteed by a collateral trust covering the shares of the French subsidiary Center Parcs Holding.

  This collateral trust represents a contract under which the Pierre & Vacances-Center Parcs Group transfers legal ownership of the shares in the Center Parcs Holding subsidiary to a trustee. The trustee holds them in a separate account created for this purpose until the obligations under the underlying financing agreement are discharged. The trustee acts on behalf of the beneficiary, which in the normal course of business is the Pierre & Vacances-Center Parcs Group, and only in the event of default, the collateral agent on behalf of the lenders.

  The governance rules put in place under this collateral trust have no impact on the control exercised by the Group over the Center Parcs Holding subsidiary (and, through this entity, over the entire Center Parcs Business Line), in line with the analysis carried out according to the criteria defined by IFRS 10 – Consolidated Financial Statements.

  Similarly, the cash pooling and tax consolidation arrangements remain unchanged and continue to operate in accordance with past practice within the Group.

  This collateral trust will be released and terminated as soon as the equity strengthening transaction is completed, subject to the full repayment of the New Financing;
- reiteration of the Guarantees issued on 19 September 2016 by Pierre & Vacances in favour of Lagune Allgau SARL as a guarantee of compliance by Center Parcs Bungalowpark Allgau GmbH with its obligations under the Hochsauerland Lease. A stand-alone first-demand guarantee under French law up to the maximum guaranteed amount of €27,890 thousand;
- reiteration of the Guarantees issued on 19 September 2016 by Pierre & Vacances in favour of Lagune Allgau SARL as a guarantee of compliance by Center Parcs Bungalowpark Allgau GmbH with its obligations under the Hochsauerland Lease. A stand-alone first-demand guarantee under French law up to the maximum guaranteed amount of €17,971 thousand;
- reiteration of the Guarantees issued on 25 September 2017 by Pierre & Vacances in favour of Lagune Hochsauerland SARL as a guarantee of compliance by Center Parcs Bungalowpark Hochsauerland GmbH with its obligations under the Hochsauerland Lease. A stand-alone first-demand guarantee under French law up to the maximum guaranteed amount of €15,679 thousand;
- the first demand guarantee in the amount of €14,000 thousand given by Pierre et Vacances SA on behalf of Center Parcs Europe NV, in favor of Paypal;
- first-demand guarantee + guarantee issued by Pierre & Vacances to Palcina SPV 2019 SLU for €8,844 thousand. Guaranteed debtor: Sociedad de Exploitacion Turistica Pierre & Vacances España, SLU;
- a first-demand pledge of 2,068,704 shares of Pierre & Vacances Marques, representing 33,1/3% of the share capital and voting rights granted to URSSAF under the agreement reached with this organisation providing for a refund of social security contributions suspended as part of the reconciliation in 36 straight-line monthly installments.

The New Financing (with the exception of the 2021 PGE) was also secured by the implementation of the guarantees presented in Note 18.

Commitments received

Completion guarantees are issued by banks with respect to property development programmes. The change in completion guarantees at 30 September 2021 resulted from:

- an increase of €19,594 thousand related to the issuance of a new guarantee for the Seniorales en Ville de Mante la Jolie programme (€11,594 thousand);
- a decrease of €14,428 thousand resulting from the partial reduction and the end of several guarantees during the financial year mainly concerning Senioriales in the city of Pessac (€-9,632 thousand), and Senioriales de Pourrières (€-2,875 thousand).

Other commitments received mainly correspond to commitments given by banks on behalf of the property development and tourism companies. These commitments enable the latter to obtain the relevant professional licences in property management, property trading and business goodwill so that they can carry out their regulated business. At 30 September 2021, these commitments totalled €52,465 thousand.

Note 36 Remuneration of executive management and Board directors

Directors fees allocated to members of the Board of Directors in respect of the 2020/2021 financial year amounted to €289 thousand compared to €280 thousand for 2019/2020.

For the financial years ended 30 September 2021 and 30 September 2020, no salary (including benefits of any kind) was paid to a corporate officer directly by Pierre et Vacances SA or by any of the Pierre & Vacances-Center Parcs Group companies controlled as defined in Article L.233-16 of the French Commercial Code.

On the other hand, Société d'Investissement Touristique et Immobilier (a company indirectly held by the Chairman, founder and majority shareholder of Pierre et Vacances SA), as a management company, invoiced fees for services provided by the executive directors (Gérard Brémond, Franck Gervais and Yann Caillère for the financial years in question). The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + related employer's expenses + other direct costs: travel expenses, cost of premises, secretarial expenses) plus a 5% margin and calculated prorata for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

The table below shows the gross compensation paid to these executive corporate officers.

(in €)	**2020/2021**	**2019/2020***
Fixed remuneration(1)	947,968	974,336
Variable remuneration(2)	240,000	0
Post-employment benefits(3)	3,668	5,892
Share-based remuneration(4)	-	-
TOTAL	**1,191,635**	**980,228**

* *Financial year restated for the salaries of the members of the General Management Committee who are not executive corporate officers (the Executive Management Committee no longer exists as of the 2020/2021 financial year).*

(1) *Amount paid including reinstatement of the benefit in kind involving the availability of a company car.*

(2) *Paid in the financial year following the financial year for which it is granted.*

(3) *This amount corresponds to the expense recognised during the financial year.*

(4) *This amount represents the annual share-based remuneration expense on grants of share options and bonus shares (theoretical measurement on the basis of the of Pierre & Vacances shares at the date of grant).*

For each of them, the variable bonus is determined based on the financial performance of the Pierre & Vacances-Center Parcs Group and the achievement of personal objectives.

Note 37 Parent company

The Pierre & Vacances-Center Parcs Group's financial statements are fully consolidated into those of Société d'Investissement Touristique et Immobilier (S.I.T.I.).

Note 38 Related party transactions

The Group's related parties consist of:

- members of the administrative and management bodies: their remuneration and similar benefits are presented in Note 36;
- the parent company of Pierre et Vacances (Société d'Investissement Touristique et Immobilier) and its subsidiaries which are not included in the Group's scope of consolidation;

joint ventures consolidated using the equity method:

Group	Legal name of the entity	% holding
Adagio	Adagio Deutschland Gmbh	50%
Adagio	Adagio Formations & Prestation de Services	50%
Adagio	Adagio Hotels UK Ltd	50%
Adagio	Adagio Italia	50%
Adagio	Adagio SAS	50%
Adagio	New City Aparthotels Betriebs gmbh	50%
Adagio	New City Suisse SARL	50%
Villages Nature®	Les Villages Nature® de Val d'Europe	50%
Villages Nature®	SNC Nature Hébergements I	37,50%
Villages Nature®	SNC Villages Nature® Hébergements II	50%
Villages Nature®	SNC Villages Nature® Hébergements	50%
Villages Nature®	Villages Nature® Management	50%
Villages Nature®	Villages Nature Tourisme SAS	50%
Villages Nature®	SNC Villages Nature® Équipements I	50%
Villages Nature®	SNC Villages Nature® Équipements II	50%
PROPERTY DEVELOPMENT	SAS Foncière Presqu'île de La Touques	50%
PROPERTY DEVELOPMENT	SCCV Nantes Russeil	50%
PROPERTY DEVELOPMENT	SCCV Palaiseau RT	50%
PROPERTY DEVELOPMENT	SNC Caen Meslin Loisirs	40%
PROPERTY DEVELOPMENT	Beau Village limited	44%
Senioriales	Senioriales de Cholet	50%
Senioriales	Senioriales en Ville de Saint Avertin	50%
Senioriales	SAS Les Cordeliers	50%
Senioriales	SCCV Senioriales d'Angers	50%
Senioriales	SCCV Senioriales de Gévezé	50%
Senioriales	SCCV Senioriales en Ville de Fontenay-aux Roses	50%
Senioriales	SCCV Senioriales en Ville de Schiltigheim	50%
Senioriales	SCCV Senioriales de Brest	50%
Senioriales	SCCV Toulouse Ponts Jumeaux A1	50%
Senioriales	SCI Senioriales Ville de Castanet	50%
Senioriales	SNC Senioriales en Ville de Cesson-Sevigné	50%
Senioriales	SNC Senioriales Ville de Tourcoing	50%
Senioriales	SNC Senioriales de Lorient	50%
Center Parcs	Foncière Loisirs Vielsalm	19,64%
PORTFOLIO	La Financière de Saint-Hubert SARL	55%

The main transactions with related companies include:

- rent and administrative staff invoicing;
- the purchase of support and consulting services under the management agreement.

Related party transactions break down as follows:

These transactions are completed under normal market conditions.

(in € thousands)	FY 2020/2021	FY 2019/2020
Revenue	6,095	7,222
Purchases and external services	-38,898	-37,096
Other operating income and expenses	-630	2,892
Net financial income (expense)	414	362

Receivables and liabilities included in the statement of financial position linked to related parties are as follows:

(in € thousands)	30/09/2021	30/09/2020
Trade receivables	11,403	19,123
Other current assets	86,892	103,764
Trade payables	4,523	8,052
Other current liabilities	21,821	28,429

Off-statement of financial position commitments linked to related parties are as follows:

(in € thousands)	30/09/2021	30/09/2020
Rental commitments	9,348	12,077
Other commitments given	-	-
Commitments given	**9,348**	**12,077**
Completion guarantees	600	600
Other commitments received	0	3
Commitments received	**600**	**603**

Note 39 Events after the 2020/2021 reporting period

Homologation of the reconciliation protocols of Adagio and Pierre et Vacances SA

As part of the implementation of the agreements relating to the implementation of the New Financing signed on 19 June 2021, two conciliation protocols were signed under the aegis of the conciliators and the Interministerial Committee for Industrial Restructuring (CIRI):

- on 4 November 2021 between Adagio, its partners and seven banking institutions;
- on 10 November 2021 between Pierre et Vacances SA, seven banks, holders of Euro PP and certain holders of Ornane.

The main purpose of these conciliation protocols is to formalise the respective and reciprocal commitments of:

- Adagio, its partners and its lenders, and in particular the grant of State-guaranteed loans of approximately €23 million;
- Pierre et Vacances SA, lenders in respect of the State-guaranteed loan of €34.5 million (the "New Group PGE"), holders of Euro PP and certain holders of Ornane, and in particular the implementation of the New Group PGE and the increase in the portion of Senior Debt held by Euro PP holders participating in the drawdown of the second tranche of the New Financing.

The homologation hearings were held before the Paris Commercial Court on 15 November 2021 and judgments were respectively rendered (i) on 24 November 2021 for Pierre et Vacances SA and (ii) on 30 November 2021 for Adagio.

As a result, (i) the New Group PGE of €34.5 million was made available to Pierre et Vacances SA on 1 December 2021 and (ii) State-guaranteed loans for approximately €23 million were made available to Adagio SAS on 7 December 2021.

Availability of the second tranche of the New Financing

In accordance with the terms of the New Financing entered into on 19 June 2021 between Pierre et Vacances SA and certain financial creditors of the Group, the second tranche of the New Financing, in the principal amount of €125 million (including the New Group PGE) was made available to Center Parcs Europe NV and Pierre et Vacances SA (in the case of the New Group PGE) on 1 December 2021.

The drawdown of the second tranche was accompanied, in accordance with the New Financing documentation, by a second-ranking pledge on the shares of Center Parcs Holding Belgium held by Center Parcs Europe NV.

Comment on negotiations with individual lessors

As announced in the press release of 10 November 2021, a new alternative proposal for an amendment to the lease agreement was sent by the Group to its individual lessors providing for the payment of an amount equivalent to 11 months' rent over the 16-month period impacted by the health crisis (between March 2020 and June 2021), i.e. almost 70% of the contractual rent.

This proposal is a new option offered by the Group to its individual owners, with the September proposal remaining valid for those owners who wish to join.

As at 6 December 2021, the Group has confirmed that the number of individual lessors in the Group who have signed the September amendment and this new proposal represent almost 80% of the units in all residences.

As a result of this high take-up threshold, the Group has decided to immediately apply its new proposal for the benefit of its individual owners and to already waive the initial condition of obtaining signatures representing at least 85% of the units, in accordance with the terms of the rider.

The new proposal is therefore effective from 6 December 2021 and the Group will continue to gather additional subscriptions from its owners to the various endorsements.

The opt-in period for signatories of the September rider who would like to take up the new proposal has also been opened since 3 December 2021. Without a signature of the new proposal by a signatory of the September amendment, the latter will remain in force and will remain effective with regard to the lessor concerned. The use of travel vouchers will be suspended for lessors who signed the first amendment during the subscription period of the new proposal. The travel vouchers will either be cancelled for lessors opting for the new proposal or reactivated from the end of the subscription period for owners who preferred to keep the September proposal. To take account of this suspension period, the Group has agreed to extend the validity of the travel vouchers until 31 March 2024.

At the reporting date:

- the overall take-up rate (all amendments combined) was 81%;
- all rents unpaid to non-signatory individual landlords over the period of administrative closure (mid-March to the end of May and mid-December 2020) represented nearly €11 million. It should be recalled that for these periods, the Group considers that the lease liability is extinguished, basing its assessment on the legal basis of the exception of non-performance or on that of the provisions of Article 1722 of the French Civil Code;
- the claims brought by owners to the Group for non-payment of rent amounted to €25 million and were issued by nearly 2,900 claimants. However, this amount includes requests made by lessors who have signed the amendments proposed in the conciliation framework.

The Group also endeavours to manage proceedings brought by non-signatory individual lessors by asserting various legal grounds or, as the case may be, by requesting grace periods.

Obtaining the "closure" aid from the State

The Group requested from the public authorities the so-called "closure" aid aimed at compensating the uncovered fixed costs of companies whose activity is particularly affected by the COVID-19 epidemic and which meet the conditions laid down. The amount of aid requested is around €24 million. Subject to the finalised investigation by the relevant departments, the Group has obtained a preliminary agreement to this aid grant. The Group will pay a portion of this aid to certain individual lessors, in accordance with the amendments signed with them as part of the conciliation procedure opened in 2021.

Conclusion of binding agreements on the capital strengthening transaction

In a back-to-back procedure, the Group has entered into binding agreements dated 9 March 2022, subject to final approval by the bank creditors' committees, with the investors (Alcentra-Fidera-Atream) as well as the bank creditors, Euro PP and an Ornane holder group.

These binding agreements meet the Company's objectives of preserving the integrity of the Group and achieving a balanced financial structure by reducing the Group's indebtedness and securing the necessary liquidity to enable it to deploy its ReInvention 2025 strategic plan.

Completion of the capital strengthening transaction is subject to the approval of a conciliation protocol on the Villages Nature project during May 2022. This protocol is itself subject to purely technical or documentary conditions precedent defined in the agreement term sheet concluded on 9 March 2022 under the aegis of the ad hoc agents and the Interministerial Committee for Industrial Restructuring (CIRI) concerning the Villages Nature project.

In addition, the capital strengthening transaction is also subject to implementation constraints such as:

- the agreement between the parties concerned on the terms of the final contractual documentation;
- the approval of the accelerated safeguard plan by the Paris Commercial Court;
- the voting of the classes of parties affected in accordance with the regulations in force;
- the submission by the independent expert of his report concluding that the price proposed in the planned capital increases is fair;
- the holding of the General Meeting on the back-to-back procedure;

as well as obtaining:

- agreements waiving the exercise of guarantees held by the Group's main co-contractors or institutional lessors;
- the authorisations required under the applicable merger control regulations in Germany;
- the exemption from a takeover bid, if necessary, by the Autorité des Marchés Financiers and its approval of the Company's prospectus.

It is specified that the employee representative bodies of the various Group entities were consulted and all gave a favourable opinion on the Restructuring Transactions. These transactions should be completed by 16 September 2022, unless specifically extended. After this date, the Group's creditors who signed the Binding Agreement will no longer be bound by the undertaking to retain their claims under the terms of this agreement.

5.2.7 Statutory Auditors' report on the consolidated financial statements

This is a free translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ending 30 September 2021

To the General Meeting of Pierre et Vacances,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of Pierre et Vacances for the year ended 30 September 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at 30 September 2020 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of this report.

Independence

We conducted our audit in accordance with the independence rules set out in the French Commercial Code and in the French Code of Ethics for Statutory Auditors for the period from 1 October 2020 to the date of issue of our report, and in particular we did not provide any services prohibited by Article 5[(1)] of regulation (EU) No. 537/2014.

Justification of Assessments – Key Audit Matters

The global crisis linked to the COVID-19 pandemic creates special conditions for the preparation and audit of the financial statements for this financial year. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency are having multiple consequences for businesses, particularly on their activity and financing, as well as increasing uncertainty about their future prospects. Some of these measures, such as travel restrictions and teleworking, have also had an impact on the internal organisation of companies and on the way audits are carried out.

It is in this complex and evolving context that, in accordance with the provisions of Articles L.823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements of the year, as well as our responses to those risks.

These assessments were made in the context of the audit of the consolidated financial statements taken as a whole and the formation of our opinion expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

The Group's liquidity

Risk identified

As described in Notes 2.1 "Highlights of the 2020/2021 financial year" and 1.4 "Going concern principle used to prepare the consolidated financial statements of the Pierre & Vacances Center Parcs Group, the financial year ended 30 September 2021" to the consolidated financial statements, the Group is faced with financial difficulties, following the COVID-19 health crisis, which have justified the opening of a conciliation procedure on 2 February 2021 by the President of the Paris Commercial Court. This prevention procedure, at the initiative of Pierre et Vacances SA, aimed to reach amicable solutions with the Group's main partners, under the aegis of the conciliator, who became the ad hoc agent since 14 December 2021, and the Interministerial Committee for Industrial Restructuring (the "CIRI").

Discussions between the Group and its various financial partners resulted in the acceptance, on 10 May 2021, of a new debt financing offer of €300 million, the terms of which are described in the aforementioned Note 1.4 to the consolidated financial statements. Its main purpose is to meet the Group's short-term financing needs related to its activities and operational constraints pending completion of a transaction to strengthen its equity.

Indeed, in view of its financial position, the Group considered it necessary to seek new equity investors in order to strengthen its equity capital on a long-term.

Thus, as indicated in Note 1. 4 of the notes to the consolidated financial statements, the Group has entered into binding agreements with a group of investors and bank creditors, Euro PP and a group of Ornane holders, subject to the final approval of the banks' creditors' committees, on 9 March 2022, under which capital increases allowing for an injection of €200 million in cash are planned, €551 million of unsecured debt and the repayment of €160 million, the establishment and/or maintenance of term loans of around €337.5 million, an additional €25 million increase in existing unsecured debt and the maintenance of a fraction of the Pierre et Vacances SA June 2020 EMP for €25 million. The effective completion of the equity strengthening transaction is subject to several conditions, which are described in Note 39 "Events after the 2021/2022 reporting period" to the consolidated financial statements.

We therefore considered the Group's liquidity to be a key audit matter, given that, as indicated in Notes 1.4 above and 1.6 "Use of estimates" to the consolidated financial statements, the going concern principle was selected for the reporting date of the financial statements for the financial year ended 30 September 2021 on the basis of cash flow forecasts established at twelve months.

Our response

Within the scope of our audit, we:

- familiarised ourselves with the internal processes for the monitoring of the Group's liquidity and net financial debt, including the processes for preparing cash flow forecasts and monitoring net financial debt;
- examined the maturities of bonds and debts with credit institutions, before the implementation of the agreements of 9 March 2022, on the basis of the signed contracts, analysed the documentation relating to the available credit lines and verified the correct positioning of the maturities of these debts in the cash flow forecasts;
- assessed, with the assistance of our cash flow forecasting specialists, the consistency of the operating assumptions used in relation to the budget presented by Management to the members of the Board of Directors on 30 November 2021, in particular with regard to our knowledge of the Group's business, and questioned Management regarding its knowledge of circumstances or events, whether actual or potential, that could modify these assumptions;
- verified the arithmetical accuracy of the cash flow forecasts;
- analysed the documentation relating to the agreements entered into by the Group on 9 March 2022, subject to the final approval of the bank creditors' committees, with the group of investors, the bank creditors, Euro PP and a group of Ornane holders, in the context of the reinforcement of the shareholders' equity and assessed the consequences of these agreements on the Group' liquidity;
- reviewed the Group's updated cash flow forecast as at the date of our report.

Lastly, we assessed the appropriateness of the information provided in the notes to the consolidated financial statements, in particular that relating to the going concern principle used to prepare the consolidated financial statements for the financial year ended 30 September 2021.

Valuation of goodwill and brands

Risk identified

At 30 September 2021, goodwill and brands are recognised in the consolidated statement of financial position at a net carrying amount of €235 million, or 6% of total assets. These intangible assets are not amortised and are subject to impairment testing whenever there is an indication that they may be impaired and at least once a year at the end of the reporting period, as mentioned in Notes 1.11 and 1.12 to the consolidated financial statements.

As indicated in Note 6 to the consolidated financial statements, the annual impairment test is based on the recoverable amount of each group of assets tested, determined on the basis of discounted future cash flows.

We considered the valuation of the recoverable amount of goodwill and brands to be a key audit matter, given the relative significance of these assets in the Group's consolidated statement of financial position and the sensitivity of the recoverable amount to changes in the data and assumptions, particularly the cash flow forecasts, discount rates and perpetual growth rate used. The context of the crisis related to COVID-19 and the uncertainties surrounding the trend in the business further increase the sensitivity of the valuation of these intangible assets in the financial statements as at 30 September 2021.

Our response

We examined the methods used to implement the impairment tests performed by Management.

Our work notably consisted in the following:

- familiarising ourselves with the process implemented by Management to measure intangible assets, and assessing the principles and methods used to determine the recoverable amounts of the CGUs or groups of CGUs to which the intangible assets are attached;
- assessing, with the assistance of our valuation experts where necessary, the relevance of the valuation models used, the long-term growth rates, discount rates and brand royalty rates applied in the light of market practices, and verifying, through sampling, the arithmetical accuracy of the valuations used by Management;

- confirming, through discussion with Management, the main assumptions taken as a basis for the budget estimates underlying the cash flows used in the valuation models, in particular the assumptions concerning the recovery of the tourism industry in the current health context, in line with the trends in business observed over the last few months;
- assessing, for goodwill and brands whose recoverable amount is close to their net carrying amount, the results of the sensitivity analyses performed by Management, comparing them with our own analyses.

We also assessed the appropriateness of the information disclosed in Note 6 to the consolidated financial statements.

Recoverability of deferred tax assets related to tax loss carryforwards

Risk identified

At 30 September 2021, deferred tax assets relating to tax loss carryforwards amounted to €28.3 million. They concern tourism and property development activities.

As indicated in Note 1.26 to the consolidated financial statements, these deferred tax assets are only recognised if Management considers it likely that the Group will have sufficient future taxable income against which to set such losses within a reasonable period of time.

The capacity to recover its deferred tax assets within a reasonable time frame is assessed by Management at the end of each financial year.

We therefore considered the measurement of the recoverable amount of deferred tax assets relating to tax loss carryforwards as a key audit matter due to the importance of management's judgement in the recognition of these assets, particularly in the context of the health crisis whose restrictions impact the Group, and their significant amount.

Our response

Our approach consisted in comparing the business plans underlying the future taxable results allowing the use of deferred tax assets on tax loss carryforwards with the future cash flow forecasts used in the annual goodwill and brands' impairment tests.

For the property development activities excluded from the annual goodwill and brand impairment tests, our work consisted in confirming based on discussion with Management and assessing the main assumptions used as a basis for the budget estimates underlying the future taxable income.

We analysed the consistency of the methodology used to recognise deferred tax amounts with the tax rules in force on the reporting date, in particular with the tax rates adopted and with the rules limiting the amount of tax losses that can be set off against taxable income, specific to each jurisdiction.

Property development programmes: Evaluation of the results of the property development activity and real estate inventories

Risk identified

At 30 September 2021, property development inventories are recognised in the statement of financial position at €142 million and the property development operating profit (loss) from ordinary activities (including equity-accounted investments) amounts to €-17.3 million.

The accounting methods used to establish revenue, the property development margin and the main estimates made by Management on the basis of this evidence, are set out in Notes 1.27 and 1.28 to the consolidated financial statements.

The Group's property development business is mainly carried out in France based on off-plan sales contracts, and in other countries, through contracts with similar characteristics, through which the Group transfers ownership of future works as work is completed. For these programmes, revenue of notarised sales is recorded in accordance with IFRS 15 "Revenue from contracts with customers" and accounted for in the income statement using the percentage of completion method. In order to apply the percentage of completion method, the Group has defined the rate of completion by multiplying the percentage of construction progress ("technical progress rate"), i.e. the cost of the work completed in relation to the cost of the work budgeted, by the percentage of revenue from property development sales signed before a notary ("commercial progress rate").

This method requires estimates on the part of Management and, in particular, the assessment of the technical progress rate and total sales for each operation, and the measurement of margins at completion. In the case of loss-making contracts, a provision is recorded the year that the loss on completion is identified.

In addition, as stated in Note 1.17 to the consolidated financial statements, inventories mainly include inventories and work-in-progress for the property development business.

The Group applies the percentage of completion method in order to account for the margins related to its property development business. All direct costs pertaining to property development programs in progress are accrued, including marketing fees. When the work is completed, expenses incurred but not yet billed are covered by provisions and included in inventories.

These inventories are valued at the lower of their purchase price or production cost and their probable net realisable amount. If the realisable amount of the inventories (price net of marketing costs) is less than their net carrying amount, a provision for impairment is recorded accordingly.

Given the significance of the property development inventories in the Group's consolidated financial statements, we considered the valuation of these items to be a key audit matter.

Our response

Our audit approach consisted in reviewing the assumptions used by Management to assess the operating result of the property development business and, in particular, the assumptions relating to selling prices and construction costs.

The technical progress rates of the programs with a significant property development margin were confirmed to us by the project managers responsible for the developments and we reconciled the commercial rates with the notarial deeds by performing tests of detail on sales for the financial year ended 30 September 2021.

We also examined the costs incurred and still outstanding on the most significant projects in order to confirm the reality of the inventories recognised and identify onerous contracts. If applicable, we reconciled these costs to the loss at completion on these contracts.

We paid particular attention to the assessment of inventories for projects not yet commercially launched as well as for projects delivered. For projects not yet commercially launched, we reviewed the existence of prospective profits, through interviews with Management and analysis of the budgets and administrative authorisations. For projects already delivered, we reviewed the anticipated disposal prices of unsold property assets with the disposal prices recorded in notarial deeds.

Treatment of leases under IFRS 16

Risk identified

The Group has applied IFRS 16 "Leases" as from 1 October 2019. The terms of this application are detailed in Note 1.15 "Rights of use and lease obligations" to the consolidated financial statements.

Under this standard, leases are recognised in the statement of financial position without distinction between operating leases and finance leases, and with the recognition of a right-of-use asset as of lease commencement and a lease liability representing the present value of remaining lease payments payable over the lease term, calculated at the incremental borrowing rate determined at the contract date or the date of first-time application of IFRS 16.

Rights of use are recognised in the consolidated financial statements for a net value of €2,091 million at 30 September 2021. At the same date, lease liabilities amount to €2,718 million after discounting.

In addition, IFRS 16 requires the partial recognition, to the extent of the rights transferred, of the gain or loss made on sale and leaseback transactions, when such transactions are sales in respect of IFRS 15.

We considered the application of IFRS 16 – Leases to be a key audit matter given the significance of its impacts on the consolidated financial statements, the high volume of leases concerned, the impacts on the recognition of revenue from the real estate sector and the high degree of judgement made by Management in determining their value, in particular with regard to the assumptions concerning the probable terms of these leases and the related discount rates.

Our response

The following work was carried out as part of our audit:

- familiarising ourselves with the procedure and key controls relating to the process and information system put in place by Management for the application of IFRS 16;
- testing, in collaboration with our IT specialists, the application controls integrated into the information system dedicated to the Group's IFRS 16 restatements, in order to verify the arithmetical accuracy of the value of the right-of-use assets and the lease liabilities, given the assumptions adopted;
- reconciliation, by sampling, of the data used to determine the assets and liabilities relating to leases signed or modified during the financial year with the underlying contractual documents, such as rental leases;
- reviewing the assumptions on lease terms used by Management to determine the lease liabilities and rights of use for the properties concerned, in view of the Group's property development strategy;
- analysis with the help of our valuation experts of the methodology used to determine the discount rates used to calculate the lease obligations related to new contracts or contracts modified during the financial year and review of the rates applied for a selection contracts;
- review of the most significant sale and leaseback transactions carried out during the 2020/2021 financial year, and the treatment of these transactions under IFRS 16.

In addition, we assessed the appropriateness of the information disclosed in Note 1.15, 8 and 21 to the consolidated financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information given in the Board of Directors' Group management report.

We certify that the consolidated statement of non-financial performance required by Article L.225-102-1 of the French Commercial Code is included in the Group's management report, it being specified that, in accordance with the provisions of Article L.823-10 of this Code, the information contained in this statement has not been verified by us as fair or consistent with the consolidated financial statements and must be reported by an independent third party.

In accordance with the law, we inform you that the consolidated statement of non-financial performance does not include the information required by paragraph 2 of Article 8 of regulation (EU) 2020/852.

Other verifications or information required by law and regulations

Presentation format of the consolidated financial statements intended to be included in the Annual Financial Report

In accordance with Article 222-3, III of the AMF General Regulation, the management of your Company has informed us of its decision to postpone the application of the single electronic information format as defined by Delegated European regulation No. 2019/815 from 17 December 2018 to financial years beginning on 1 January 2021.

Consequently, this report does not include a conclusion on compliance with this format in the presentation of the consolidated financial statements intended to be included in the Annual Financial Report mentioned in I of Article L.451-1-2 of the French Monetary and Financial Code.

Appointment of Statutory Auditors

We were appointed as Statutory Auditors of Pierre et Vacances by your General Meeting of Shareholders held on 3 October 1988 for GRANT THORNTON and on 29 May 1990 for ERNST & YOUNG et Autres.

As at 30 September 2021, GRANT THORNTON was in its thirty-third year and ERNST & YOUNG et Autres in its thirty-first year of total uninterrupted engagement, including twenty-two years since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

In the context of an audit carried out in accordance with professional standards applicable in France, the auditor exercises professional judgement throughout the audit. Furthermore it:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the consolidated financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L.822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine et Paris-La Défense, 10 March 2022

GRANT THORNTON	ERNST & YOUNG et Autres
(French member of Grant Thornton International)	
Laurent BOUBY	Anne HERBEIN

5.3 Analysis of the Company's results

5.3.1 The Company's business activities

Pierre et Vacances SA, the Group holding company, holds:

- interests in all the subholding companies;
- the lease and fittings at the administrative premises of the registered office situated in the 19th arrondissement of Paris (Espace Pont de Flandre).

At 30 September 2021, there were two types of agreements binding Pierre et Vacances SA and its subsidiaries:

- an agreement on the reinvoicing of head office expenses (rental expenses, depreciation of fittings and furniture);
- sub-leases within the framework of reinvoicing for rent.

5.3.2 Changes in business

Revenue for the 2020/2021 financial year totalled €15.3 million, versus €7.7 million for the previous financial year, i.e. a fall of €7.7 million.

The breakdown of revenue generated in the 2020/2021 financial year is primarily as follows:

- €9.4 million in re-invoicing to subsidiary entities for their share of rent expenses in respect of the occupancy of the Group's registered office premises;
- €5.9 million in invoicing for various services, including €4.6 million in re-invoicing of management fees.

Operating income€26 thousand compared to a loss of €6.5 million for the financial year 2019/2020.

It includes:

- operating income of €49.6 million (vs €31.2 million in 2019/2020), of which €30.1 million relating to the transfer of expenses related to non-recurring expenses from the reorganisation of the Group (advisory, legal and restructuring costs) and the conciliation procedure;
- operating expenses of €49.6 million, an increase compared to the previous financial year (€37.7 million in 2019/2020), mainly due to fees and commissions generated by the financial restructuring.

Net financial income was negative at €-118.6 million for 2020/2021, compared with net loss of €-126.7 million for the previous financial year.

Net financial income for the year is mainly composed of the following items:

- reversals of provisions and transfers of expenses for €54.7 million, including €44.6 million in reversals of provisions for negative net positions of various subsidiaries (Set PV Guadeloupe, Set PV Martinique, PV SRL, PV Holding and Set PV Espana) and €9.8 million in reversals of provisions for depreciation of the current account of Villages Nature Val d'Europe;
- other interest income of €7.2 million, mainly interest on the current account held on behalf of Pierre & Vacances FI SNC, a subsidiary that provides centralised cash management for the Group;
- interest expenses in the amount of €39.2 million, notably including:
  - write-offs of €19.0 million (Set PV Espana and Set PV Italia),
  - Interest on bank loans for €11.2 million, of which (i) €2.3 million related to the "ORNANE" bond maturing in 2023 subscribed on 6 December 2017, (ii) €2.7 million related to the unlisted "Euro PP" private placement bond issued on 19 July 2016, (iii) €3.2 million related to the unlisted "Euro PP" private placement bond issued on 14 February 2018,
  - interest expense and commissions on bank loans of €7.9 million;
- amortisation and provisions on financial assets of €141.5 million, including:
  - €71.3 million in provisions for negative net position on PVCP Immobilier Holding (€56 million), PVCP China (€11.2 million), GIE PVCP Services (€3.4 million), PV Maroc (€0.6 million) and BNG Multi Resort Val d'Europe (€0.1 million),
  - €69.5 million in provisions for impairment of securities (including €32.1 million for PV Holding, €25.2 million for Villages Nature Val d'Europe, €5.8 million for PV Brands, €3.7 million for PVCP GE and €2.7 million for PVCP China),
- €0.4 million in provisions for the impairment of treasury shares.

Non-recurring income was a loss of €19.6 million for the 2020/2021 financial year compared with a loss of €7.1 million recognised the previous year. This result mainly consists of restructuring costs for an amount of €19.5 million.

Pierre et Vacances SA, as the parent company in the tax consolidation group, has recorded a **tax saving** of €2.8 million in the 2020/2021 financial year resulting from tax consolidation.

Consequently, the **profit (loss)** for the financial year was a loss of €-135.4 million (identical to the previous financial year).

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5.3.3 Changes in the structure of the statement of financial position

The **statement of financial position total** stood at €1,442.9 million at 30 September 2021, compared with €1,191.8 million at 30 September 2020, up €251,1 million.

The **net carrying amount of equity investments** at 30 September 2021 amounted to €1,038.6 million, compared to €486.2 million at 30 September 2020. This increase of €552.4 million is mainly related to the legal restructuring transactions carried out as part of the implementation of the Change Up plan, net of the impact of the creation of the New Financing trust.

The value of equity investments at 30 September 2021 consists of the following main investments (in € millions):

CP Holding	794.6
◆ PV Holding	71.7
◆ PV Fi	80.4
◆ City Holding	29.6
◆ PV Brands	54.9
◆ PV-CP Gestion Exploitation	6.7

In 2020/2021, Pierre et Vacances SA **equity** fell by €135.4 million to €500.2 million at 30 September 2021. This change corresponds to the loss of €135.4 million generated during the financial year.

Provisions for risks and expenses at 30 September 2021 amounted to €126.2 million (compared with €32.4 million at 30 September 2020).

Provisions for risks and charges at 30 September 2021 correspond mainly to provisions covering the negative net positions of subsidiaries (in particular PVCP Immobilier Holding SAS for €80.2 million, Set PV Espana for €26 million, PVCP China for €11.2 million, Orion SAS for €4.2 million).

Regarding the structure of **financial liabilities** (€792.4 million), in addition to the €97.6 million in borrowings and miscellaneous financial liabilities, there are mainly:

- the State-guaranteed loan obtained on 10 June 2020 for €240 million;
- the €200 million syndicated credit facility maturing in September 2022;
- the ORNANE-type bond issued on 6 December 2017 with a principal amount of €100 million and comprising 1,648,261 bonds with a value of €60.67 redeemable at maturity on 1 April 2023;
- the bond issued in the form of an unlisted "EURO PP" private placement on 19 July 2016 with a principal amount of €60 million and maturing in December 2022;
- the bond issued in the form of an unlisted "EURO PP" private placement on 14 February 2018 with a principal amount of €76 million and maturing in February 2025.

5.3.4 Outlook

In 2021/2022, Pierre et Vacances SA will continue to act as the Group holding company under conditions equivalent to those of the past financial year.

5.3.5 Subsidiaries, associates and other long-term equity investments

The activities of the main subsidiaries in the 2020/2021 financial year are presented below:

- The holding companies of the Pierre & Vacances, Center Parcs, Maeva and Adagio brands (PV Holding, CP Holding, Maeva Holding and City Holding) are responsible for the management and support teams of each business line. For the 2020/2021 financial year, these entities recorded profit (loss) of €-0.2 million, €-33.5 million, €+2.2 million and €-4 thousand, respectively;
- Center Parcs Resorts France SAS which groups together all Bois Francs, Hauts de Bruyères, Les Trois Forêts and Domaine du Bois aux Daims operating activities, and which itself controls Domaine du Lac d'Ailette SNC, a subsidiary responsible for operating the Domaine du Lac d'Ailette holiday village in France;
- Sociedad de Explotación Turística Pierre & Vacances España SL manages Pierre & Vacances tourism operations in Spain. This entity recorded a loss of €11 million for the 2020/2021 financial year;
- PV-CP Gestion Exploitation is the holding company for the business segment involved in portfolio management activities and relations with owners. It provides services on behalf of these companies through agreements. Its net loss was €0.6 million for the 2020/2021 financial year;
- Pierre & Vacances Marques SAS

  The activity of this company consists of collecting royalties from the granting of rights to use its brands. Over this reporting period, the profit (loss) of Pierre & Vacances Marques was €4.2 million;
- Pierre & Vacances FI SNC

  In 2019/2020, SNC Pierre & Vacances FI continued to exercise its responsibilities for central cash management for the various Pierre & Vacances-Center Parcs Group entities. Over this financial year, the loss of SNC Pierre & Vacances FI amounted to €2.7 million;
- PV-CP Immobilier Holding

  This sub-holding company for property development reported a loss of €20.8 million in the 2020/2021 financial year.

With regard to these subsidiaries, asspciates and long-term equity investments, we present the following information:

- The increases in the securities portfolio are solely due to capital increases:
  - CP Holding: capital increase of €640.3 million in consideration for the contribution by PVSA of the shares of CP Europe, PVCP Support Services BV;
  - PV Holding: capital increase of €103.8 million in consideration for the contribution by PVSA of shares in PV-CP Distribution, SNC Société Hotellière de L'Anse de la Barque;
  - CITY Holding: capital increase of €29.6 million in consideration for the contribution by PV SA of the shares PVCP CITY and PV Exploitation Belgium;
  - VNVE: capital increase of €25.2 million through current account incorporation (recapitalisation);
- The decrease of €2,009.2 million corresponds to contributions or sales of shares as part of the Group's reorganisation for €1,214.5 million (of which €640 million for CP Europe, €422 million for PV Tourisme Europe, €104 million for PVCP Distribution, €19 million for PVCP City, €14 million for Set PV Guadeloupe, €10 million for PV Exploitation Belgique, €5 million for Set PV Martinique), and a reclassification of CP Holding shares as rights representing net assets placed in trust for €794.6 million.

5.3.6 Allocation of profit (loss)

We propose allocating the loss for the financial year as follows:

retained earnings for: -135,385,509.21	- €135,385,509.21

Following this allocation of loss, equity will break down as follows:

share capital (9,893,463 x €10):	€98,934,630.00
additional paid-in capital:	€20,357,131.39
merger premiums:	€55,912.36
statutory reserve:	€9,801,723.00
other reserves:	€2,308,431.46
retained earnings:	€368,756,964.53
Total:	**€500,214,792.74**

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5.3.7 Reminder of dividends paid

In accordance with Article 243 bis of the French General Tax Code (Code général des impôts), it is reminded that no dividend was paid over the last three financial years.

5.3.8 Non-tax deductible expenses

In accordance with Article 223 quater of the French General Tax Code, the financial statements for the last financial year do not include any expenses or charges that are not deductible from taxable income pursuant to Article 39-4 of the Code.

5.3.9 Table of the Company's results over the last five years

	Year ending 30 September				
Information type	**2017**	**2018**	**2019**	**2020**	**2021**
I - Company financial position					
a) Share capital	98,017	98,046	98,052	98,935	98,935
b) Number of shares issued	9,801,723	9,804,565	9,805,232	9,891,447	9,891,447
c) Nominal value *(in €)*	10.00	10.00	10.00	10.00	10.00
II - Results of transactions					
a) Revenue before taxes	17,051	14,712	7,936	7,675	15,330
b) Income before tax, depreciation, amortisation and impairment	8,797	-15,453	-2,574	-2,538	-72,205
c) Income tax	-8,431	-7,843	-16,753	-4,935	-2,768
d) Income after tax, depreciation, amortisation and impairment	53,127	-40,718	-61,870	-135,370	-135,386
e) Profits distributed	-	-	-	-	-
III - Earnings per share *(in €)*					
Income after tax, but before depreciation, amortisation and impairment	1.76	0.78	1.45	0.69	-7.02
b) Income after tax, depreciation, amortisation and impairment	5.42	-4.15	-6.31	-13.68	-13.68
c) Dividend per share	-	-	-	-	-
IV - Employees					
a) Number of employees					
b) Total payroll			None		
c) Employee benefit expenses					

5.3.10 Information on payment terms

Invoices received and issued, past due and not yet paid as of the end of the reporting period

Reporting date: 30 September 2021

	Article D. I.-1°: Invoices received, past due and not yet paid as of the end of the reporting period						Article D. I.-2°: Invoices issued, past due and not yet paid as of the end of the reporting period					
Amounts *(in € thousands)*	**0 days (call sign)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**90 days and more**	**Total (1 day or more)**	**0 days (call sign)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**90 days and more**	**Total (1 day or more)**
(A) Classified as late payment												
Number of invoices	28					94	60					65
Total amount of the invoices concerned including VAT	971	2,962	346	1,130	5,000	9,437	1,032		1,052	599	103	1,755
% of total purchases for the financial year (VAT excl.)	2%	7%	1%	3%	12%	23%						
% of total revenue for the financial year (VAT excl.)							0%	0%	7%	4%	1%	11%
(B) Invoices excluded from.(A) related to disputed or unrecognised receivables.												
Number of invoices excluded	none						none					
Total amount of invoices excluded VAT included	0						0					
(C) Reference payment terms used (contractual or legal payment terms – Article L.443-1 of the French Commercial Code).												
Reference payment used for the calculation of payment delays	Legal payment terms						Legal payment terms					

5.4 Parent company financial statements

5.4.1 Income statement

(in € thousands)	Notes	2020/2021	2019/2020
Sales of service		15,330	7,675
Net revenue		**15,330**	**7,675**
Capitalised production		-	-
Operating subsidy		-	-
Reinvoiced expenses and reversals of write-offs and provisions		34,410	19,420
Other income		-94	4,091
Operating profit		**49,645**	**31,186**
Other purchases and external expenses		42,813	29,689
Income and other taxes		327	317
Wages and salaries		-	-
Social security expenses		95	682
Depreciation and amortisation		925	1,255
Deferred expenses		1,217	1,213
Provisions for tangible and intangible assets		-	-
Provisions for current assets		-	-
Provisions for risks and charges		-	4,088
Other operating expenses		4,242	429
Operating expenses		**49,619**	**37,673**
OPERATING PROFIT (LOSS)	**12**	**26**	**-6,486**
Financial income from associates and other long-term equity investments		-	9,857
Income from other securities		228	-
Other interest income		7,219	8,459
Re-invoiced expenses and reversals of provisions		54,699	199
Positive exchange rate differences		2	-
Net gain on disposals of marketable securities		6	26
Financial income		**62,154**	**18,541**
Amortisation and provisions on financial assets		141,501	131,406
Interest expense		39,169	13,798
Net (loss) on disposals of marketable securities		54	7
Other financial expenses		-	1
Financial expenses		**180,724**	**145,212**
NET FINANCIAL INCOME (EXPENSE)	**13**	**-118,571**	**-126,671**
PROFIT (LOSS) FROM ORDINARY ACTIVITIES, BEFORE TAX		**-118,545**	**-133,157**

(in € thousands)	Notes	2020/2021	2019/2020
Non-recurring income from management transactions		-	-
Non-recurring income from capital transactions		773,631	3,048
Re-invoiced expenses and reversals of provisions		18,776	102
Transactions in trust collateral		794,638	-
Non-recurring income		**1,587,046**	**3,150**
Non-recurring expenses on management transactions		19,608	7,250
Non-recurring expenses on capital transactions		792,408	3,048
Exceptional allowances for depreciation, amortisation and impairment		-	-
Transactions in trust collateral		794,638	-
Non-recurring expenses		**1,606,654**	**10,298**
NON-RECURRING PROFIT (LOSS)	**14**	**-19,608**	**-7,148**
Employee profit-sharing		-	-
Income tax	15	-2,768	-4,935
TOTAL INCOME		**1,698,845**	**52,877**
TOTAL EXPENSES		**1,834,230**	**188,248**
PROFIT (LOSS) FOR THE YEAR		**-135,385**	**-135,371**

5.4.2 Statement of financial position

Assets

(in € thousands)	Notes	Gross Amount	Amort. & Prov.	Net 30/09/2021	Net 30/09/2020
Intangible assets	**1**	**26,374**	**23,583**	**2,791**	**2,608**
Property, plant and equipment	**1**	**-**	**-**	**-**	**-**
Other non-current assets		6,825	6,658	168	301
Assets in progress		-	-	-	-
Financial assets	**1,2,4**	**-**	**-**	**-**	**-**
Other long-term equity investments		1,660,343	621,746	1,038,597	486,193
Loans		-	-	-	2,747
Loans and other financial assets		19,821	-	19,821	20
NON-CURRENT ASSETS		**1,713,362**	**651,987**	**1,061,376**	**489,122**
Advances and prepayments to suppliers		1,076	-	1,076	703
Trade receivables	4 & 5	25,512	-	25,512	11,774
Other receivables	3,4,5	386,915	46,100	340,815	677,616
Marketable securities	6	1,556	691	865	5,232
Cash and cash equivalents	6	938	-	938	196
Prepaid expenses	4 & 10	6,474	-	6,474	4,261
CURRENT ASSETS		**422,471**	**46,791**	**375,679**	**699,782**
Deferred expenses	11	5,835	-	5,835	2,877
TOTAL		**2,141,668**	**698,778**	**1,442,890**	**1,191,781**

Liabilities

(in € thousands)	Notes	Net 30/09/2021	Net 30/09/2020
Issued capital		98,935	98,935
Additional paid-in capital		20,413	20,413
Statutory reserve		9,802	9,802
Regulated reserves		-	-
Other reserves		2,308	2,308
Retained earnings		504,142	639,512
Profit (loss) for the financial year		**-135,386**	**-135,370**
EQUITY	**7**	**500,215**	**635,600**
Provisions for risks		-	-
Provisions for charges		126,183	32,435
PROVISIONS FOR RISKS AND CHARGES	**2**	**126,183**	**32,435**
Financial liabilities			
Bond issue	4	239,836	239,577
Amounts due to credit institutions	4	455,000	240,021
Sundry loans and other borrowings	4 & 8	97,560	12,650
Advances and deposits received on orders in progress		-	-
Operating liabilities			
Advances and deposits on orders in progress		-	6
Trade payables	4 & 5	14,079	9,917
Tax and social security liabilities	4	3,767	756
Sundry liabilities			
Amounts due to suppliers of non-current assets	4	-	-
Other liabilities	4 & 9	4,835	19,319
Accruals			
Deferred income	4 & 10	1,415	1,499
LIABILITIES		**816,492**	**523,746**
TOTAL		**1,442,890**	**1,191,781**

5.4.3 Notes to the parent company financial statements

Summary of the notes to the parent company financial statements

Total assets before allocation reported in the statement of financial position at 30 September 2021 *(in €)*:	1,442,890,222.67
Loss for the financial year reported in the income statement *(in €)*:	-135,385,509.21

The amounts presented in these notes are in € thousands.

The reporting period lasted 12 months, from 1 October 2020 to 30 September 2021.

These parent company financial statements were approved on 30 November 2021 and 9 March 2022 by the Board of Directors.

1. Highlights of the financial year

Governance

On 7 January 2021, Franck Gervais joined Pierre & Vacances-Center Parcs as Group Chief Executive Officer.

Franck Gervais, a 45 year-old graduate of École des Ponts, successfully managed the transformation of the Accor Group's Europe sector for three years. Previously, within the SNCF Group, he was Chief Executive Officer of Thalys, and then of Voyages-SNCF.com. This combination of operational-digital-marketing experience, strategic vision and recognised leadership will be fully applied in leading the Group into the future.

Finalisation of the Change Up strategic plan: legal reorganisation

As part of the "Change Up" strategic plan, the Group has defined a new operational organisation consisting of grouping each of the Group's activities within separate and autonomous Business Lines.

As some of the Group's activities are not grouped into separate legal sub-groups and some companies carry out several activities, the Group has carried out a legal reorganisation to serve this new operational organisation, with the aim in particular to:

- create, for each Business Line targeted by the Change Up plan, a subset of companies grouping the corresponding activities and staff functions, allowing each Business Line to operate autonomously;
- simplify and streamline the Group's general and legal organisation and its internal procedures;
- simplify performance monitoring and business line management;
- make the management of each Business Line accountable.

The legal completion of all transactions relating to the reorganisation will take place on 1 February 2021.

Conciliation procedure

The persistence of the pandemic and its restrictive measures severely impacted the Group's activities during the 1st half of the financial year. In particular, the ban on the operation of ski lifts during the winter season, as well as the ban on access to aquatic areas, restaurants and indoor sports and leisure activities, obliged the Group to close almost all of its sites during the first half of the year.

In this context, and with no visibility on the way out of the crisis, an amicable conciliation procedure was opened on 2 February 2021 by the President of the Paris Commercial Court. This preventive procedure, initiated by the Group, aimed to reach amicable solutions with its main partners, under the aegis of the Conciliators. For an initial period of 4 months, it was extended until 2 December 2021.

Conciliation with owners

The Group, having suspended the payment of rents to the partners of the companies concerned by the conciliation, held discussions with its lessors or their main representatives in order to develop common solutions on the treatment of rents.

Discussions with individual lessors

Negotiations with the Group's individual lessors were initiated, under the aegis of the Conciliators, within a structured framework, given the very large number of parties involved. After consultation with certain owner representatives, on 28 June 2021 the Group sent its lessors a proposed amendment to their lease agreements.

In summary, this amendment proposed:

- the payment of an amount representing 50% of the contractual rents for the period from 15 March 2020 to 30 June 2021 (i.e., for the 10 months impacted by administrative closures imposed by decree or by restrictive measures, a deduction of 7.5 months and the payment of 2.5 months of rents on average, and, for the 5.5 months of interim periods, the payment of all the unpaid rents);
- with regard to the payment of rents from 1July 2021, two options, at the owners' choice:

(i) the payment of a fixed rent of 72.5% of the contractual rent until 31 December 2021 and 100% thereafter, or

(ii) the payment of a variable rent, with a guaranteed minimum of 50% of the contractual rent over a period of 18 months, from 1 July 2021 to 31 December 2022.

In return, this amendment came with some offsets and commitments on the part of the Group (information commitments, most favoured nation clause, allocation of a share of any compensation obtained, over and above the current ceiling for compensation provided for by the so-called "fixed cost" decrees, etc.) and the delivery to each accepting lessor of three vouchers representing a total of €2,700 including tax.

This proposal was accepted by nearly 55% of individual lessors at the end of the summer.

Given the Group's good performance during the summer of 2021 and in a spirit of partnership with individual lessors, this proposal has been improved as follows at the beginning of September 2021:

- for the period 15 March 2020 to 30 June 2021, the original proposal remained unchanged, with the same guarantees offered and payment of 50% of the rents due; and
- from 1 July 2021, the resumption of 100% payment of rents due, for all owners having accepted the first or improved proposal.

At 30 September 2021, 59% of individual owners had accepted this second proposal, resulting in a reduced rent period of €29 million and granting €28 million of holiday vouchers to the signatories of the amendment. In addition, the lease liabilities of the lessors, who have not signed this amendment, relating to the periods of administrative closure during this financial year (€7 million), have been extinguished, the Group basing its assessment on the legal basis of the exception of non-performance or on that of the provisions of Article 1722 of the French Civil Code.

Discussions with institutional lessors

Following the administrative closure of some of its sites in France and Europe in the spring of 2020, the Group obtained changes to the terms of the leases concerned from some of its French and foreign institutional lessors.

In summary, these bilateral agreements generally provided for (i) the waiver of part of the rent during the period of administrative closure, (ii) the introduction of a variable rent indexed to the performance of the site in question, with a guaranteed minimum rent, and (iii) a return to better fortune clause if the site in question outperforms.

These bilateral agreements have been renegotiated to take into account the new health restrictions in place as of November 2020.

At 30 September 2021, almost all of the agreements have been concluded bilaterally between the Group and its institutional lessors. These agreements led to savings of €39 million for the 2020/2021 financial year for the Group.

New Financing implemented[1]

Discussions between the Group and its various financial partners led to the acceptance, on 10 May 2021, of a New Financing offer of €300 million in debt, mainly intended to meet the Group's short-term needs pending the completion of a transaction to strengthen its equity. This New Financing consists of a first tranche of €175 million, made available on 24 June 2021, and a second tranche of €125 million (of which €34.5 million in the form of a State-guaranteed loan), made available on 1 December 2021.

This loan is carried by the Dutch subsidiary Center Parcs Europe NV and therefore does not appear on the statement of financial position of Pierre et Vacances SA. As this debt is intended to finance the entire Group and not just the Center Parcs Business Line, the fees and set-up costs have been fully re-invoiced by Center Parcs Europe NV to Pierre et Vacances SA, as the Group's parent company.

In accordance with the terms of the New Financing, a collateral trust relating to the shares of the French subsidiary Center Parcs Holding was put in place on 22 September 2021.

This collateral trust represents a contract under which Pierre et Vacances SA transfers legal ownership of the shares in the Center Parcs Holding subsidiary to a trustee. The trustee holds them in a separate account created for this purpose until the obligations under the underlying financing agreement are discharged. The trustee acts on behalf of the beneficiary, which in the normal course of business is the Pierre & Vacances-Center Parcs Group, and only in the event of default, the collateral agent on behalf of the lenders.

The governance rules put in place under this collateral trust have no impact on the control exercised by the Group over the Center Parcs Holding subsidiary (and, through this entity, over the entire Center Parcs Business Line).

Similarly, the cash pooling and tax consolidation arrangements remain unchanged and continue to operate in accordance with past practice within the Group.

On the date of establishment of the trust, Pierre et Vacances SA:

- removed from its statement of financial position the securities transferred in exchange for an exceptional expense of €794,638 thousand;
- has recognised the rights representing the assets placed in trust on the asset side of its statement of financial position in exchange for an exceptional income of the same amount.

This collateral trust will be terminated as soon as the equity strengthening transaction is completed, subject to the full repayment of the New Financing, maturing in September 2022 (with the exception of the New Group PGE which has a maturity in accordance with usual conditions).

Discussions with the Group's public creditors and granting of public financial aid

As part of the conciliation, the Group suspended the payment of €38 million in social security contributions to URSSAF. An agreement was reached with this organisation providing for repayment in 36 equal monthly instalments for the companies controlled by the Group, starting in October 2021, with PV SA pledging a fraction of the shares held in the share capital of Pierre & Vacances Marques as collateral for the amounts thus rescheduled.

At the same time, the Group discussed with the public authorities, in particular through the CIRI, the various aid mechanisms for which the Group is eligible.

In this respect, the Group has benefited from the "fixed-cost" aid scheme and the solidarity fund for companies in France, as well as public financial aid in Germany.

(1) *New Financing terms are detailed in Note 8.*

Equity strengthening procedure

In parallel with the discussions initiated with its various creditors, the Group has conducted a structured process to seek new equity investors in order to strengthen its equity on a long-term basis.

The first indicative letters of intent were received at the beginning of June 2021 from French and foreign candidates, both financial investors and strategic or sectoral players. During September, the Group received several reiterated indicative offers and made an initial pre-selection of the investor candidates, who have completed their due diligence work with a view to submitting their firm offer on 8 November 2021. During the same month, negotiations were initiated with the Group's financial creditors regarding the treatment of their claims in the context of the Equity Strengthening Transaction.

The conclusion of a definitive agreement was reached on 9 March 2022, subject to the final approval of the Banks' Creditors' Committees, as indicated in Note 2.1 "Going concern principle used to prepare the parent company financial statements of Société Pierre et Vacances SA".

ReInvention Strategic Plan

On 18 May 2021, the Group announced its new strategic plan to 2025, ReInvention.

This strategic plan, which will enhance performance and create value, is based on a new vision of reinvented local tourism, with three major pillars, in line with the Group's corporate purpose:

- a radical modernisation and general move upmarket of our offering, supported by €430 million of investments over 5 years in addition to a renovation programme of over €700 million for the Domaines Center Parcs, mainly financed by their owners;
- a shift from a hosting offer to a 100%-experiential offer, which is more digital, personalised and service-oriented;
- an ambitious and responsible development of new concepts, placing our property expertise at the service of the customer experience.

This strategy should result in a strong growth in performance, resulting both from a significant development of the Group's tourism activity and from a reduction in the costs of support functions.

2. Accounting principles and methods

Accounting principles and methods – The parent company financial statements are presented in accordance with the provisions of the 2014 French General Chart of Accounts (Plan comptable général) (regulation No. 2014-03 of 5 June 2014 of the French Accounting Standards Authority, or Autorité des Normes Comptables, approved by ministerial order of 8 September 2014, updated by regulation of Autorité des Normes Comptables on 4 November 2016).

Generally accepted accounting principles have been applied, including the principle of prudence, in accordance with the following basic assumptions:

- going concern;
- consistency of accounting methods from one financial year to the next;
- independence of financial years;

and in accordance with professional standards.

2.1 Going concern principle used to prepare the parent company financial statements of Pierre et Vacances SA, parent company of the Pierre & Vacances-Center Parcs Group, for the financial year ended 30 September 2021:

Following the health crisis, the Group is facing financial difficulties which justified the intervention of a conciliator (which became an ad hoc trustee on 14 December 2021) and the Comité Interministériel de Restructuration Industrielle (the "CIRI"), under the aegis of which all solutions were sought in the Group's interest.

To this end, the Group's restructuring is a two-step process:

- **the provision of bridge financing during the 2020/2021 financial year:** on 10 May 2021, a new financing for a principal amount of €300 million was concluded between Pierre et Vacances SA and certain of the Group's financial creditors. On 24 June 2021, the first tranche of €175,000,000 in principal (excluding guarantee fee and commitment fee) was made available to Center Parcs Europe N.V. (a wholly-owned subsidiary of Pierre et Vacances SA). On 1 December 2021, the second tranche of the new financing of €90.5 million in principal as well as the State-guaranteed loan in of €34.5 million in principal were respectively made available to Center Parcs Europe NV and Pierre et Vacances SA. In accordance with the terms of the New Financing, a collateral trust relating to the shares of the French subsidiary Center Parcs Holding was put in place on 22 September 2021. It is intended to be terminated upon completion of the capital strengthening transaction, subject to the full repayment of the New Financing;
  - **implementation of an equity strengthening transaction for the Group to take place during the current financial year:** from January 2021 and in parallel with the bridge financing, management has been working to find solutions to make the Group's financial position more sustainable. Under the aegis of the conciliator (now ad hoc agent) and the CIRI, the Group entered into binding agreements on 9 March 2022, subject to the final approval of the bank creditors' committees with, in particular:
  - a group of investors comprising (a) Alcentra Limited (also a financial creditor of the Group), (b) Fidera Limited (also a financial creditor of the Group), and (c) Atream (also an institutional lessor of the Group) (together, the "Investors") pursuant to which:
    - a capital increase with preferential subscription rights for a total gross amount of €50,085,656 to be subscribed and paid up in cash, fully guaranteed by Alcentra and Fidera, and
    - a capital increase with cancellation of preferential subscription rights for a total gross amount of €149,914,344 reserved for (i) Alcentra for at least €44,957,172 and no more than €74,957,172, (ii) Fidera for at least €44,957,172 and no more than €74,957,172, (iii) Atream €30,000,000, (iv) to SPG (also the Group's creditor) €9,000,000 and (v) holders of Ornane who wish to participate in this capital increase (in proportion to their ownership of Ornane) up to a maximum of €21,000,000. Alcentra and Fidera have undertaken to subscribe, in cash, at the parity (unless otherwise agreed between them), the total amount of the Reserved Capital Increase, which would, if applicable, not have the aforementioned beneficiaries (excluding Alcentra and Fidera), it being specified that some of them have already indicated that they will not participate in the Reserved Capital Increase.

These capital increases, which are expected to be completed before the end of the 2021/2022 financial year, will provide an injection of €200 million of equity, enabling the repayment of €160 million of financial debt;

- bank creditors, Euro PP and a group of Ornane holders, to enable:
  - the Group's massive deleveraging, particularly with the conversion into capital of more than €551 million of unsecured debt, to return to a sustainable level of debt and significantly lower than that prevailing before the health crisis,
  - the partial reinstallation of the bridge financing obtained in 2021 by setting up a senior term loan of €174 million at the date of completion of the transaction and the maintenance of the existing debt then raised at the time of the new bridge financing in 2021 up to a principal amount of €103.5 million, which would be transformed into a term loan,
  - an additional €25 million principal increase in unsecured debt from the existing revolving credit facility and the existing consolidated facility, and
  - the maintenance of a fraction of the State-guaranteed loan made available to Pierre et Vacances SA in June 2020, in the amount of €25 million in principal.

The completion of the capital increase transaction is subject to certain conditions precedent described in Note 23 "Events after the reporting period". It should be completed no later than 16 September 2022, unless specifically extended.

In this context, the parent company financial statements of Pierre et Vacances SA for the financial year ended 30 September 2021 were prepared in accordance with the going concern principle, taking into account the position known at the reporting date of the financial statements as described above, binding agreements entered into with the various partners, the latest estimates of cash requirements made in a context of economic recovery – as described below – and assuming that the conditions precedent would be finalised during the financial year allowing the transaction to strengthen the Group's equity to proceed.

Main assumptions used to prepare the cash forecasts

Cash forecasts prepared with a 12-month horizon are based on the following main assumptions:

- activity: the activity assumptions used are based in particular on a portfolio of tourism reservations achieved to date for the 2nd quarter of the 2021/2022 financial year, compared to the 2nd quarter 2018/2019 (pre-COVID):
  - growth for the Center Parcs Europe business segment,
  - comparable for Pierre & Vacances France, restated for the decrease in the number of marketable apartments,
  - down for Adagio, even if there is an acceleration in the recovery of reservations;
- social liabilities: repayment of social security charges (liability amounting to approximately €40 million at the end of June 2021) over 36 months from October 2021 (moratorium obtained from URSSAF and other bodies);
- completion of the back-to-back procedure and the financial restructuring.

The cash flow forecasts made in this context show that the Group can meet its cash requirements over the next 12 months. However, these cash flow forecasts do not take into account the effects of a possible new wave of the pandemic and the mandatory closures that could result from them.

2.2. Main valuation methods:

- **Intangible and tangible assets**: are measured at their acquisition cost, at their contribution value or at their construction cost.

With the exception of goodwill, other property, plant and equipment and intangible assets are depreciated or amortised using the straight-line method, over their economic lives established as follows:

Concessions, patents	> 5 years
General installations	10 years
Office furniture and equipment	3 to 10 years

The depreciation or amortisation thus calculated is included in operating profit or loss;

- **Equity Investments**: are valued on the statement of financial position at their purchase price or at their contribution value, less any accumulated impairment losses recorded if the net asset value falls below the carrying amount.

  At each reporting date, the net asset value is determined by reference to the share of enterprise values less the total liabilities of the Group's companies for the companies concerned.

  The enterprise value of the companies is calculated based on discounted future net cash flows. Cash flow projections come from the five-year business plans developed by operational and financial managers. For periods beyond five years, they are estimated using a perpetual growth rate. The discount rate used is based on the average cost of capital reflecting current market assessments of the time value of money and the risks specific to the activities of the companies evaluated.
- **Loans and other financial assets:** this item essentially includes the amount of deposits paid to our partners.
- **Trade receivables:** a provision is made for risk of non-recovery of receivables when a debtor shows a risk of insolvency or disputes the basis of receivables or when payments are unusually delayed. The provisions are based on an individual assessment of this risk of non-recovery.
- **Other receivables:** these include, in particular, tax receivables, VAT, Group current accounts, sundry receivables and accrued income.

Current accounts are initially valued at their purchase price or at their contribution value.

Where they present a risk of non-recovery, they are covered by an impairment which recognises the subsidiary's repayment capacity and its growth outlook.

- **Marketable securities:** they are recognised at their acquisition cost. They are subsequently measured at the lower of their acquisition cost and their market value.
- **Pierre et Vacances treasury shares:** they are recorded:
  - as assets on the statement of financial position under "Marketable securities", when these shares are explicitly reserved, on acquisition, either to be granted to employees or to be used under the liquidity agreement;
  - or otherwise as long-term equity investments.
- **Prepaid expenses and income:** this item principally comprises operating income and expenses.
- **Deferred expenses:** these expenses correspond to loan issue costs.
- **Recognising the profit (loss) from subsidiaries:** in accordance with statutory provisions, the profit or loss of subsidiaries in the form of a partnership exempt from corporate income tax are included in the same year.

Use of estimates and judgment

The persistence of the pandemic and its restrictive measures severely impacted the activities of the Pierre & Vacances-Center Parcs Group during the financial year ended 30 September 2021.

In particular, the ban on the operation of ski lifts during the winter season, as well as the ban on access to aquatic areas, restaurants and indoor sports and leisure activities, obliged the Group to close almost all of the Pierre & Vacances Residences and Center Parcs Domains during the first half of the year.

During the financial year and in the absence of visibility, at that time, on the way out of the crisis, the Group entered into conciliation proceedings on 2 February 2021, for a period of 4 months initially and extended until 2 December 2021.

In the context of the conciliation procedure and the ongoing capital strengthening process, the preparation of the parent company financial statements required the use of more structuring judgements and assumptions than in a normal annual end of year reporting.

In this context, the main estimates made by Management in preparing the financial statements relate to the valuation of equity investments and the recoverability of receivables from its various subsidiaries.

It should also be noted that these estimates are determined according to the going concern assumption, established on the basis of 12-month cash flow forecasts as described in Note 2.1 ("Going concern principle used to prepare the parent company financial statements of Pierre et Vacances SA". These estimates are drawn up according to available information on the date they were established).

Additional information on the statement of financial position and income statement

Note 1 Non-current assets

Tangible and intangible assets	30/09/2020	Acquisitions	Disposals and retirements	30/09/2021
Intangible assets				
Brand names, concessions, patents	5,663	-	-	5,663
Businesses goodwill	19,470	-	-	19,470
Other intangible assets	-	-	-	-
Intangible assets in progress	267	974	-	1,241
TOTAL INTANGIBLE ASSETS	**25,400**	**974**	**-**	**26,374**
Property, plant and equipment				
Miscellaneous fixtures	4,479	-	-	4,479
Office and computer equipment, and furniture	2,346	-	-	2,346
TOTAL PROPERTY, PLANT, AND EQUIPMENT	**6,825**	**-**	**-**	**6,825**
Financial assets				
Long-term equity investments and related loans and receivables	646,444	3,023,075	-2,009,176	1,660,343
Loans and other financial assets	20	19,801	-	19,821
TOTAL FINANCIAL ASSETS	**646,464**	**3,042,876**	**-2,009,176**	**1,680,164**
TOTAL GROSS TANGIBLE AND INTANGIBLE ASSETS	**678,689**	**3,043,850**	**-2,009,176**	**1,713,363**

Depreciation, amortisation and impairment	30/09/2020	Increases	Reductions	30/09/2021
Brand names, concessions, patents	3,322	792	-	4,114
Businesses goodwill	19,470	-	-	19,470
Other intangible assets				
TOTAL INTANGIBLE ASSETS	**22,792**	**792**	**-**	**23,584**
Property, plant and equipment				
Miscellaneous fixtures	4,346	28	-	4,374
Office and computer equipment, and furniture	2,178	105	-	2,283
TOTAL PROPERTY, PLANT, AND EQUIPMENT	**6,524**	**133**	**-**	**6,657**
Financial assets				
Long-term equity investments and related loans and receivables	160,251	480,272	-18,777	621,746
Loans and other financial assets	-	-	-	-
TOTAL FINANCIAL ASSETS	**160,251**	**480,272**	**-18,777**	**621,746**
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT	**189,567**	**481,197**	**-18,777**	**651,987**
TOTAL NET TANGIBLE AND INTANGIBLE ASSETS	**489,122**	**2,562,653**	**-1,990,399**	**1,061,376**

Securities and equity investments monitoring table:

	Situation at 30/09/2020			Situation at 30/09/2021		
in € thousands	**Gross amount**	**Impairment loss**	**Net amount**	**Gross amount**	**Impairment loss**	**Net amount**
PV-CP Immob. Holding company	128,965	128,965	-	128,965	128,965	-
PV Courtage	8	-	8	8	-	8
PVI 29 ORION SAS	38	38	-	38	38	-
CURCHASE	10	-	10	10	-	10
PVI 47	10	10	-	10	10	-
PV BRANDS	60,686	-	60,686	60,686	5,800	54,886
PV TOURISM EUROPE	422,130	-	422,130	-	-	-
ADAGIO SAS	500	-	500	500	-	500
Multi-Resorts Holding BV	18	-	18	18	-	18
PV MOROCCO	5,757	5,757	-	5,757	5,757	-
VNVE	25,455	25,455	-	50,686	50,655	31
PVCP SUPPORT SERV BV	18	-	18	18	-	18
CPF BOSTALSEE Gmbh	20	-	20	20	-	20
PV-CP China Holding BV	2,718	-	2,718	2,718	2,700	18
PVI51	10	10	-	10	10	-
PVI54	10	10	-	10	10	-
PVI55	10	10	-	10	10	-
PVI56	10	10	-	10	10	-
PVI61	10	10	-	10	10	-
CITY HOLDING	-	-	-	29,559	-	29,559
PV HOLDING	-	-	-	495,612	-	495,612
MAEVA HOLDING	-	-	-	10	-	10
PV-CP GESTION EXPLOITATION	-	-	-	10,593	3,899	6,694
VARIOUS (not detailed)	-	-	-	3	-	3
TOTAL	**646,383**	**160,235**	**486,148**	**785,243**	**621,730**	**163,513**
PV FI	15	-	15	80,408	-	80,408
PV SERVICES	31	-	31	37	-	37
Villages Nature Management	15	15	-	17	15	2
TOTAL	**61**	**15**	**46**	**80,462**	**15**	**80,447**
CP HOLDING Fiduciary	-	-	-	794,639	-	794,639
TOTAL	**-**	**-**	**-**	**794,639**	**-**	**794,639**
TOTAL	**646,444**	**160,250**	**486,194**	**1,660,344**	**621,745**	**1,038,599**

Table of changes in securities and equity investments in the 2020/2021 financial year

	Change in gross values			Change in provisions	
in € thousands	PVTE merger	Increases	Reductions	PVTE merger	Additions/ Reversals
PV BRANDS	-	-	-	-	5,800
PV TOURISM EUROPE	-	-	422,130	-	-
VNVE	-	25,231	-	-	25,200
PVCP SUPPORT SERV BV	-	-	18	-	-
PV-CP CHINA HOLDING BV	-	-	-	-	2,700
CITY HOLDING	3	29,556	-	-	-
PV-CP CITY	19,429	-	19,429	-	-
CP EUROPE	640,242	-	640,242	-	-
CP HOLDING	154,378	640,260	794,638	-	-
PV Exploit. Belgium	10,126	-	10,126	-	-
PV HOLDING	391,796	103,816	-	391,796	32,100
SET PV GUADELOUPE	13,588	-	13,588	13,588	-13,588
SET PV MARTINIQUE	5,188	-	5,188	5,188	-5,188
MAEVA HOLDING	10	-	-	-	-
PV-CP DISTRIBUTION	103,816	-	103,816	-	-
PV-CP GESTION EXPLOITATION	10,593	-	-	199	3,700
VARIOUS (not detailed)	3	-	-	-	-
TOTAL	**1,349,172**	**798,863**	**2,009,175**	**410,771**	**50,724**
PV FI	80,393	-	-	-	-
PV SERVICES	6	-	-	-	-
Villages Nature Management	-	2	-	-	-
TOTAL	**80,399**	**2**	**-**	**-**	**-**
CP HOLDING Fiduciary	-	794,639	-	-	
TOTAL	**-**	**794,639**	**-**	**-**	**-**
TOTAL	**1,429,571**	**1,593,504**	**2,009,175**	**410,771**	**50,724**

The most significant increases can be explained as follows:

- CP Holding: €640,260 thousand: CP Holding (formerly CPRF) capital increase in consideration for the contribution by PVSA of the shares of CP Europe, PVCP Support Services BV;
- PV Holding: €103,816 thousand: PV Holding capital increase (formerly PVRRF) in consideration for the contribution by PVSA of shares in PV-CP Distribution, SNC Société Hôtelière de L'Anse de la Barque;
- CITY Holding: €29,556 thousand: capital increase of CITY Holding formerly PVI 59 in consideration for the contribution by PVSA of the shares PVCP CITY and PV Exploitation Belgique;
- VNVE: €25,231 thousand: capital increase by incorporation of current account (recapitalization).

As part of the merger with PVTE, the merger losses allocated to equity investments amounted to €579,062 thousand:

- PR Europe: €496,323 thousand;
- PVCP CITY: €18,944 thousand;
- PVCP Distribution: €54,109 thousand;
- PV Exploitation Belgium: €9,685 thousand.

The basis for the allocation of merger losses is the net book value of the shares at 30 September 2020.

The decrease of €2,009,175 thousand corresponds to:

- contributions or disposals of shares as part of the Group's reorganisation for €1,214,537 thousand;
- a reclassification of CP Holding shares as rights representing net assets delivered in trust for €794,638 thousand.

Note 2 Provisions

	30/09/2020	Increases (including contributions)	Reductions Used	Reductions Not used	30/09/2021
Provisions for risks and charges	32,435	142,391	48,643	-	126,183
Provisions for impairment losses	-	-	-	-	-
◆ *Goodwill*	*19,470*	-	-	-	*19,470*
◆ *Investments in associates and other long-term equity investments*	*160,251*	*480,272*	*18,777*		*621,746*
◆ *Trade receivables*	-	-	-	-	
◆ *Current accounts*	*55,900*	-	*9,800*	-	*46,100*
◆ *PV SA treasury shares*	*251*	*691*	*251*	-	*691*
TOTAL	**268,307**	**623,354**	**77,471**	**-**	**814,190**

At 30 September 2021, provisions consisted of the following:

Provisions for liabilities and charges correspond:

- to provisions covering the negative net worth of subsidiaries:
  - PV-CP Immobilier Holding SAS for a total amount of €80,168 thousand,
  - Orion SAS for a total amount of €4,174 thousand,
  - PV Maroc for a total amount of €616 thousand;
  - PV Italia for a total amount of €495 thousand,
  - SET PV España for a total amount of €26,030 thousand,
  - BNG multiresort for a total amount of €100 thousand,
  - GIE PVCP Services for a total amount of €3,400 thousand,
  - PVCP China for a total amount of €11,200 thousand;
- provisions for impairment losses on goodwill from internal restructuring of €19,470 thousand.

For provisions for impairment of equity investments, see Note 1 "Non-current assets".

Provisions for impairment losses on other assets correspond to:

- the impairment loss on the current account of Les Villages Nature® de Val d'Europe for €46,100 thousand;
- the impairment of PV SA treasury shares for a total of €691 thousand.

Reversals of provisions, excluding equity investments (see Note 1), correspond to:

- provisions for risks and charges related to negative net situations: PV Italia for €5,800 thousand, PV España for €6,010 thousand, PV Holding for €19,306 thousand, Set PV Guadeloupe for €6,915 thousand, Set PV Martinique for €6,524 thousand,
- the provision for risks and charges related to the bonus share plan for €4,088 thousand,
- the impairment loss on the current account of Les Villages Nature® de Val d'Europe for €9,800 thousand,
- provisions for impairment of other assets, including PV SA treasury shares for €251 thousand.

Note 3 Other receivables

	30/09/2021	30/09/2020
Current accounts	**380,117**	**725,744**
Pierre & Vacances FI SNC	305,412	640,911
Les Villages Nature® de Val d'Europe SAS	69,035	84,283
Pierre & Vacances Maroc	663	550
Adagio	5,006	-
STATE AND OTHER PUBLIC AUTHORITIES	**4,266**	**1,958**
OTHER RECEIVABLES AND MISCELLANEOUS ACCOUNTS IN DEBIT	**2,532**	**5,814**
TOTAL	**386,915**	**733,516**

Receivables in current accounts primarily consist, first, of the receivable owed to Pierre & Vacances FI SNC, a subsidiary of Pierre et Vacances SA, which carries out centralised cash management for all of the Group's subsidiaries, and second, of the receivable owed to Les Villages Nature® de Val d'Europe SAS.

Amounts due from the State and other public authorities primarily correspond to:

- the VAT credit vested at 30 September 2021 on the VAT group, for a total of €2,310 thousand (as compared with €1,362 thousand in consolidated VAT credits at the previous year-end reporting date);
- input VAT of €1,884 thousand (versus €525 thousand at the previous year-end reporting date);
- family tax credits of €72 thousand.

The "Other receivables" item primarily relates to sums owed to Pierre et Vacances SA by subsidiaries:

- €558 thousand in income tax in its capacity as head of the consolidated tax group, compared with €1,061 thousand for the previous financial year;
- consolidated VAT for the month of September 2021 in the amount of €1,226 thousand (compared with €4,015 thousand for September 2020).

Note 4 Maturity of receivables and payables

		Due date	
Receivables	**Amount**	**Less than 1 year**	**More than 1 year**
Other financial assets	4,820	623	4,197
Advances and prepayments to suppliers	1,076	1,076	-
Trade receivables	25,512	25,512	-
State and other public authorities	4,266	4,266	-
Group and associates	380,117	380,117	-
Other receivables	2,532	2,532	-
Accruals	6,474	6,474	-
TOTAL	**424,797**	**420,600**	**4,197**

The members of the consolidated VAT group as of 30 September 2020 are:

- C.T.M. SAS (formerly Pierre & Vacances Investissement XXXXIII SAS);
- Center Parcs Resorts France SAS;
- Club Hôtel SARL;
- Club Hôtel Multivacances SAS;
- Commerces Patrimoine Cap Esterel SNC;
- Curchase SAS (formerly Pierre & Vacances Investissement XXXXVI SAS);
- Domaine du Lac d'Ailette SNC;
- GIE PVCP Services;
- Le Rousset Équipement SNC;
- Lille Loisirs SNC;
- Maeva Gestion SARL (formerly Société de Gestion des Mandats SARL);
- Orion SAS;
- Pierre et Vacances SA;
- Pierre & Vacances Esterel Développement SAS;
- Pierre & Vacances Investissement XXIV SAS;
- Pierre & Vacances Investissement XXXXVII SAS;
- Pierre & Vacances Marques SAS;
- PV Rénovation Tourisme SAS;
- Pierre & Vacances Senioriales Gestion Immobilière Investissement SAS;
- Pierre & Vacances Senioriales Programmes Immobiliers SAS;
- Poligny Cottages SNC;
- Poligny Équipements SNC;
- La Gare du Bois Roger (formerly PV Prog 49) SNC;
- PV-CP City SAS;
- PV-CP Distribution SA;
- PV-CP Gestion Exploitation SAS;
- PV-CP Immobilier Holding SAS;
- PV Résidences et Resorts France SAS;
- SGRT SARL;
- Société d'Exploitation Touristique Pierre & Vacances Guadeloupe SAS;
- Société d'Exploitation Touristique Pierre & Vacances Martinique SAS;
- Société Hôtelière de l'Anse à la Barque SNC;
- Sogire SA;
- Sud Ouest Cottages SNC;

Sud Ouest Équipements SNC.

Liabilities	Amount	Due date: Under 1 year	1 to 5 years	More than 5 years
Bond issue	239,836	3,557	236,279	-
Amounts due to credit institutions	455,000	455,000	-	-
Sundry loans and long-term borrowings	97,560	97,134	-	426
Trade payables	14,078	14,078	-	-
Tax and social security liabilities	3,767	3,767	-	-
Other liabilities	6,250	5,189	878	183
TOTAL	**816,491**	**578,725**	**237,157**	**609**

At 30 September 2021, the bond issue item comprises:

- the ORNANE-type bond issued on 6 December 2017 with a principal amount of €100,000 thousand and comprising 1,648,261 bonds with a value of €60.67 redeemable at maturity on 1 April 2023. Bonds redeemable in cash and/or new and/or existing shares (ORNANES) can be converted at any time by settlement in new or existing shares.

  At the end of the reporting period, interest accrued on loans and borrowings amounted to €1,003 thousand;
- the bond issued in the form of an unlisted "EURO PP" private placement on 19 July 2016 with a principal amount of €60,000 thousand and maturing in December 2022. This issue, with a 4.50% coupon (compared with 4.25% until 17 July 2018), was subscribed for by French institutional investors.

  At the end of the reporting period, interest accrued on this bond issue amounted to €531 thousand;
- the bond issued in the form of an unlisted "EURO PP" private placement on 14 February 2018 with a principal amount of €76,000 thousand and maturing in February 2025. This issue, with a 4.25% coupon (compared with 3.90% until 30 September 2018), was subscribed for by French institutional investors. At the end of the reporting period, interest accrued on this bond issue amounted to €1,236 thousand.

Amounts due to from credit institutions correspond to the State-guaranteed loan obtained from the Group's banking pool on 10 June 2020 and intended to cover operating losses related to the crisis in the amount of €240,000 thousand as well as two credit agreements for amounts of €200,000 thousand and €15,000 thousand respectively.

Other liabilities include €1,280 thousand relating to the rent-free period for the Groupe de l'Artois' head office buildings in the 19th arrondissement of Paris which extends up to July 2027.

None of Pierre et Vacances SA's bank borrowings are based on its or the Group's rating. Amounts due to credit institutions include contractual clauses relating to the consolidated financial position of the Pierre & Vacances-Center Parcs Group. These ratios are adjusted to the repayment profile for these loans. The level and definition thereof have been fixed in consultation with the lenders on the basis of forecasts. Compliance with these ratios is assessed only once a year at the reporting date. Failure to comply with these ratios authorises the lenders to call in some or all of the debt early. These credit lines are also all provided with the usual legal covenants: "negative pledge", "pari passu" and "cross default".

As part of the New Financing under the Term Loan Agreement, the Pierre & Vacances-Center Parcs Group is subject to a single Financial Covenant. The Documentation provides for PV SA (parent company) to deliver within 5 business days each month, a Compliance Certifficate stating that the available cash position of the Pierre & Vacances-Center Parcs Group. The monthly Financial Covenant that must be met is that the amount of cash available to the Group must not be less than €10 million. This has been complied with each month tested since Tranche 1 was disbursed.

Note 5 Accrued income and expenses

Accrued income	30/09/2021	30/09/2020
Credit notes to obtain	-	656
Customers	22,202	4,844
TOTAL	**22,202**	**5,500**

The change is mainly explained by:

- the invoices to be sent to the subsidiaries concerning overheads borne by PVSA (which were invoiced before the reporting date, i.e. on 30/09/2021);
- the credit note to be obtained corresponds to one month's rent on the buildings of the Groupe de l'Artois' registered office located in Paris in the 19th arrondissement for €656 thousand.

Accrued expenses	30/09/2021	30/09/2020
Suppliers	3,928	3,155
Interest accrued on loans and borrowings	3,557	3,577
Attendance fees	300	300
Other	-	683
TOTAL	**7,785**	**7,715**

Note 6 Marketable securities and cash and cash equivalents

Marketable securities, which amounted to €1,556 thousand at 30 September 2021, consist exclusively of treasury shares.

At 30 September 2021, the Company held:

- 86,813 treasury shares intended to be granted to employees and totalling €1,476 thousand;
- 8,959 shares acquired to stabilise the market price, for an amount of €81 thousand.

An impairment of treasury shares amounting to €691 thousand was recognised for the year to take into account the average market price during the last month prior to the end of the reporting period.

Cash and cash equivalents amounted to €938 thousand at 30 September 2021, compared with €196 thousand at the previous year-end reporting date.

Note 7 Change in equity

	Share capital	Additional paid-in capital	Reserves and retained earnings	Profit (loss) for the financial year	Total
EQUITY AT 30 SEPTEMBER 2019	**98,052**	**21,296**	**713,492**	**-61,870**	**770,971**
Capital increase	883	-883	-	-	-
Statutory reserve	-	-	-61,870	61,870	-
Retained earnings	-	-	-	-	-
Profit (loss) for the financial year	-	-	-	-135,370	-135,370
EQUITY AT 30 SEPTEMBER 2020	**98,935**	**20,413**	**651,622**	**-135,370**	**635,600**
Capital increase	-	-	-	-	-
Statutory reserve	-	-	-	-	-
Retained earnings	-	-	-135,370	135,370-	-
Profit (loss) for the financial year	-	-	-	-135,386	-135,386
EQUITY AT 30 SEPTEMBER 2021	**98,935**	**20,413**	**516,252**	**-135,386**	**500,215**

As of 30 September 2021, the share capital of Pierre et Vacances SA consisted of 9,891,447 ordinary shares, 1,349 class B preference shares and 667 class C preference shares, i.e. a total of 9,893,463 shares of €10 each for a total of €98,934,630.

At 30 September 2021, Société d'Investissement Touristique et Immobilier (S.I.T.I.) held 49.36% of the capital of Pierre et Vacances SA.

Note 8 Sundry loans and long-term borrowings

	30/09/2021	30/09/2020
Current accounts	**14,790**	**12,224**
Société d'Investissement Touristique et Immobilier (S.I.T.I.)		*12,224*
PV España	*14,790*	
Deposits received	**426**	**426**
Other Group loans	**82,344**	
TOTAL	**97,560**	**12,650**

Note 9 Other liabilities

	30/09/2021	30/09/2020
Payables relating to income tax consolidation	2,727	12,807
Payables relating to the VAT consolidation group	1,650	5,471
Sundry liabilities	458	1,041
TOTAL	**4,835**	**19,319**

Payables relating to tax consolidation are linked to the recognition by Pierre et Vacances SA of income tax advances resulting from tax consolidation in its capacity as parent company of the tax consolidation group.

Total liabilities relating to the VAT consolidation group are linked to the recognition of subsidiaries' VAT liabilities for the September 2021 VAT return submitted in its capacity as parent company of the tax consolidation group.

Miscellaneous liabilities include directors' fees for the 2020/2021 financial year for an amount of €300 thousand.

Note 10 Accruals

Assets	30/09/2021	30/09/2020
Rents and rental charges	2,046	2,151
Miscellaneous	4,428	2,110
TOTAL	**6,474**	**4,261**

The "Miscellaneous" item includes €4,428 thousand in expenses relating to computer rental costs under licences and maintenance agreements at 30 September 2021.

Note 11 Deferred expenses

	30/09/2020	Increases	Reductions	30/09/2021
Bond issuance fees	1,692	-	612	1,080
Commissions on bank loans/PGE	1,185	4,175	605	4,755
TOTAL	**2,877**	**4,175**	**1,217**	**5,835**

The reduction over the financial year of bond issuance fees corresponds to €612 thousand for the amortisation during the financial year of deferred expenses relating to the "EURO PP" type bonds maturing in 2022 and 2025 and the "ORNANE" type bond maturing in 2023.

The decrease over the year in commissions on bank loans corresponds to €605 thousand of amortisation of deferred charges for the year relating to the syndicated credit facility maturing in September 2022.

The €4,175 thousand increase in commissions on bank loans for the year corresponds to commissions on the PGE.

Note 12 Breakdown of operating profit (loss)

	2020/2021	2019/2020
Services	5,894	1,205
Miscellaneous rentals	9,435	6,470
Total revenue	**15,330**	**7,675**
Re-invoicing of expenses and fees	30,097	19,291
Miscellaneous income	94	4,090
Reversal of provisions	4,312	130
TOTAL OPERATING INCOME	**49,645**	**31,186**
Rents and rental charges	7,902	7,437
Miscellaneous fees	11,608	9,654
Other purchases and external expenses	27,967	14,026
Depreciation, amortisation and impairment	2,142	6,555
TOTAL OPERATING EXPENSES	**49,619**	**37,672**
OPERATING PROFIT (LOSS)	**26**	**-6,486**

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Revenue for the 2020/2021 financial year mainly consisted of:

- €5,894 thousand in invoicing for various services rendered, including €4,616 thousand in re-invoicing of management fees;
- €9,435 thousand in re-invoiced rent expenses representing the share of subsidiary entities for their occupation of premises at the Groupe de l'Artois' registered office, in the 19th arrondissement of Paris.

Re-invoicing of expenses and fees corresponds to the transfer to exceptional expenses of costs mainly related to the reorganisation of the Group and the conciliation procedure.

The change in miscellaneous income is mainly due to the AGA plan recognised in 2020 for a total amount of €4,045 thousand.

The increase in miscellaneous fees is mainly related to conciliation fees.

The change in other purchases and external expenses is mainly related to fees and commissions generated by the financing plan for €13,473 thousand. These expenses were transferred to non-recurring income through the use of an operating expense transfer account.

The reversals of provisions consist of the reversal of the provision for the distribution of the bonus share plan decided by the Board of Directors on 13 December 2019 in the amount of € 4,088 thousand.

The operating profit (loss) was a profit of €26 thousand compared to a loss of €-6,486 thousand for the previous financial year.

Note 13 Net financial income (expense)

	2020/2021	2019/2020
Financial income from associates and other long-term equity investments	-	9,857
Re-invoiced expenses and reversals of provisions	54,699	199
Other interest income	7,219	8,459
Other financial income	235	26
FINANCIAL INCOME	**62,153**	**18,541**
Amortisation and provisions on financial assets	141,501	131,406
Interest expense	39,169	13,798
Net expenses on disposals of marketable securities	54	7
Other financial expenses	-	1
FINANCIAL EXPENSES	**180,724**	**145,212**
NET FINANCIAL INCOME (EXPENSE)	**-118,571**	**-126,671**

Net financial income was negative at €-118,571 thousand for 2020/2021, compared with a negative net financial income of €-126,671 thousand for the previous financial year.

It is mainly composed of the following items:

- reversals of provisions and reinvoiced expenses:
  - reversal of the provision for impairment of the Villages Nature® Val d'Europe current account in the amount of €9,800 thousand;
  - reversals of provisions on net negative positions of the following subsidiaries, in the amount of €44,555 thousand:
    - €6,915 thousand for Set PV Guadeloupe,
    - €6,524 thousand for Set PV Martinique,
    - €5,800 thousand for PV SRL,
    - €19,306 thousand for PV Holding,
    - €6,010 thousand for Set PV España;
  - reversal of provisions for the impairment of treasury shares in the amount of €251 thousand;
- other interest income for €7,219 thousand corresponding to interest on current accounts, mainly on Pierre & Vacances FI SNC, a subsidiary company responsible for centralised management of the Group's cash;
- interest expenses in the amount of €39,169 thousand, notably including:
  - interest expenses on bank loans of €11,189 thousand, including:
    - €2,282 thousand relating to the "ORNANE" bond issue subscribed for on 6 December 2017 and maturing in 2023,
    - €2,677 thousand relating to the unlisted "Euro PP" private placement bond issue maturing in 2019 and issued on 19 July 2016,
    - €3,230 thousand relating to the bond issued in the form of an unlisted "Euro PP" private placement maturing in 2025 and issued on 14 February 2018,
    - €2,344 thousand relating to the loan of €80,000 thousand to PV FI,
    - €655 thousand relating to the State-guaranteed loan,

- interest and commissions on bank loans for €4,664 thousand, mainly related to the syndicated credit line;
- other financial expenses for €23,243 thousand, including:
  - the write-offs of the Set PV España and SET PV Italia receivables for a total amount of €18,971 thousand,
  - PGE commissions in the amount of €1,532 thousand,
  - commissions related to the syndicated credit line in the amount of €1,697 thousand;
- amortisation and provisions on financial assets in the amount of €141,501 thousand, including:
  - provisions for negative net position for €72,001 thousand, including:
    - €56,010 thousand for PVCP Immobilier Holding,
    - €11,200 thousand for PVCP China,
    - €3,400 thousand for GIE PVCP Services,
    - €600 thousand for PV Maroc,
    - €100 thousand for BNG Multi resort,
    - €691 thousand for treasury shares;
  - provisions for impairment of subsidiary securities for €69,500 thousand, mainly:
    - €32,100 thousand for PV Holding,
    - €25,200 thousand for VNVE,
    - €5,800 thousand for PV Marques,
    - €3,700 thousand for PVCP GE,
    - €2,700 thousand for PVCP China.

There was a net financial loss for 2019/2020, which amounted to €-126,671 thousand.

It mainly consisted of the following:

- income of €9,857 thousand in dividends from subsidiaries (€7,161 thousand from PV Marques, €2,019 thousand from PV FI and €677 thousand from PV Brokerage),
- other interest income for €8,459 thousand, including €7,841 thousand in respect of interest on the current account held with PVFI;
- interest expenses in the amount of €13,798 thousand, notably including:
  - interest expenses on bank loans of €7,928 thousand including:
    - €2,000 thousand relating to the "ORNANE" bond issue subscribed for on 2023 December 2023 and maturing in 2023,
    - €2,693 thousand relating to the bond issue in the form of a "Euro PP" private placement maturing in 2019,
    - €3,235 thousand relating to the bond issue in the form of a "Euro PP" private placement maturing in 2025,
  - interest expense and commissions on bank loans of €1,731 thousand,
  - interest expense and commissions on short-term financing of €3,547 thousand,
  - fees and commissions on guarantees in the amount of €381 thousand;
- amortisation and provisions on financial assets in the amount of €131,406 thousand, including:
  - provisions for impairment of shares in subsidiaries for respectively €91,400 thousand for PV-CP Immobilier Holding and €3 thousand for PV Investissements 51,
  - provisions for a negative net position in the amount of €24,158 thousand for PV-CP Immobilier Holding and €94 thousand for Orion,
  - provisions for the impairment loss on the current account of Les Villages Nature® du Val d'Europe for €15,500 thousand,
  - provisions for impairment of treasury shares for €251 thousand.

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Note 14 Non-recurring profit (loss)

	2020/2021	2019/2020
Non-recurring profit (loss) on management transactions	-19,608	-7,148
Non-recurring profit (loss) on capital transactions	-	-
Exceptional additions to and reversals of provisions and re-invoiced expenses	-	-
NON-RECURRING PROFIT (LOSS)	**-19,608**	**-7,148**

The non-recurring profit (loss) on loss-making operations for the year in the amount of €-19,608 thousand mainly consists of restructuring costs of €19,458 thousand (reorganisation of the Group and conciliation procedure).

	2020/2021
Non-recurring expenses	**1,606,654**
Other exceptional management expenses	150
Pastel restructuring expenses	16,805
Change Up restructuring expenses	2,414
Other restructuring expenses	239
Net carrying amount of financial assets	792,408
Transactions in trust collateral	794,638
Exceptional additions to and reversals of provisions and re-invoiced expenses	-
Non-recurring income	**1,587,046**
Proceeds from disposals of financial assets	773,631
Reversal of exceptional impairment	18,776
Transactions in trust collateral	794,638
NON-RECURRING PROFIT (LOSS)	**-19,608**

The net carrying amount of financial assets and proceeds from the sale of financial assets are mainly related to legal restructuring operations relating to the Equinoxe project.

Exceptional profit (loss) from loss-making operations for the previous financial year amounting to €-7,148 thousand was mainly composed of expenses and fees incurred as part of the reorganisation of the Group's activities for €6,823 thousand.

Note 15 Transfer of expenses

	2020/2021	2019/2020
Re-invoiced registered office costs and services	5,101	9,465
Borrowing costs reclassified to deferred expenses spread over the loan terms	4,175	904
Borrowing costs reclassified to net financial income (expenses)	4,778	1,725
Operating expenses reclassified to non-recurring income (loss)	15,926	5,976
Re-invoiced miscellaneous expenses	117	1,221
TOTAL TRANSFERS OF OPERATING EXPENSES	**30,097**	**19,291**
Re-invoiced bank guarantees	93	135
TOTAL TRANSFERS OF FINANCIAL EXPENSES	**93**	**135**
Re-invoiced non-recurring expenses	-	-
TOTAL TRANSFERS OF NON-RECURRING EXPENSES	**-**	**-625**
TRANSFERS OF EXPENSES	**30,190**	**18,801**

Note 16 Income tax

Pierre et Vacances SA is the head of the tax consolidation group that it set up on 1 October 1996.

At 30 September 2021, the members of this group were:

- Pierre et Vacances SA;
- CTM SAS;
- Center Parcs Holding Belgique SAS;
- Center Parcs Resorts Exploitation France SAS;
- Club Hôtel SARL;
- Club Hôtel Multivacances SAS;
- Commerces Patrimoine Cap Esterel SNC;
- Curchase SAS;
- maeva.com Immobilier Services SAS;
- La France du Nord au Sud SAS;
- Maeva Gestion SARL (formerly Société de Gestion des Mandats SARL);
- Maeva Holding SAS (formerly Pierre & Vacances Investissement XXXXIX SAS);
- Orion SAS;
- Peterhof 2 SARL;
- Pierre & Vacances Conseil Immobilier SAS;
- Pierre & Vacances Courtage SARL;
- PIERRE & VACANCES DÉVELOPPEMENT SAS;
- Pierre & Vacances Esterel Développement SAS;
- Pierre & Vacances FI SNC;
- Pierre & Vacances Investissement XXIV SAS;
- Pierre & Vacances Investissement XXXXVII SAS;
- Pierre & Vacances Exploitation SAS;
- CP Distribution SAS;
- CP Holding SAS;
- Pierre & Vacances Marques SAS;
- Pierre & Vacances Rénovation Tourisme SAS;
- Pierre & Vacances Senioriales Gestion Immobilière Investissement SAS;
- Pierre & Vacances Senioriales Production SAS;
- Pierre & Vacances Senioriales Programmes Immobiliers SAS;
- LAB Sénoriales SAS;
- Pierre & Vacances Investissement 51 SAS;
- Pierre & Vacances Transactions SARL;
- PV-CP China Holding SAS (formerly PVI 54);
- PV-CP City SAS;
- City Holding;
- PV Distribution SA;
- Pierre & Vacances Investissement 56;
- PV-CP Gestion Exploitation SAS;
- PV-CP Services Holding SAS;
- PV-CP Immobilier Holding SAS;
- PV Holding SAS (formerly PV Résidences et Resorts France SAS);
- PV Senioriales Exploitation SAS;
- PV Senioriales Promotion et Commercialisation SAS;
- SGRT SARL;
- SICE SNC;
- Société d'Exploitation Touristique Pierre & Vacances Guadeloupe SAS;
- Société d'Exploitation Touristique Pierre & Vacances Martinique SAS;
- Sogire SA;
- Tourisme Rénovation SAS.

Breakdown of the tax expense	
Tax income from previous financial years	72
Tax passed on by subsidiaries	2,695
Net tax expense (income)	**2,767**

Each subsidiary in the tax consolidation group recognises its tax as if it were levied separately. Pierre et Vacances SA, as the parent company in the tax consolidation group, records the tax saving resulting from tax consolidation.

In the absence of a tax consolidation group, Pierre et Vacances SA would not have owed any corporate income tax for the 2020/2021 financial year.

Tax income from previous financial years corresponds to the family tax credit provisioned in respect of the 2020 calendar year, and amounts to €72 thousand.

Note 17 Increases and reductions in future tax liabilities

The overall taxable profit of the consolidation group led by Pierre et Vacances SA was €228,170 thousand for the 2020/2021 financial year, corresponding to a loss at the standard tax rate that may be carried forward.

The amount of tax loss carry forwards accrued by the tax consolidation group totalled €866,593 thousand at 30 September 2021.

Note 18 Related companies

	Related companies	Companies with which the Company has an ownership interest
Statement of financial position items		
Net equity interests	1,038,018	579
Trade receivables	1,143	2,082
Other receivables[(1)]	308,607	27,942
Sundry loans and long-term borrowings[(1)]	-97,560	-
Trade payables	-225	-
Other liabilities	-4,330	-47
Income statement items		
Financial expenses	-19,045	-
Financial income	6,812	407
Non-recurring expenses	-792,407	-
Non-recurring income	773,631	-

(1) These items, which are shown as a net value, are mainly composed of current accounts.

Financial commitments and other information

Note 19 Off-statement of financial position commitments

	30/09/2021	30/09/2020
Guarantees and pledges:		
First demand guarantee to Sogefinerg (Ailette finance lease)	146,967	151,575
First demand guarantee to Lagune Allgau SARL	27,890	-
First demand guarantee to Lagune Allgau SARL	17,972	-
First demand guarantee to Lagune Allgau SARL	15,680	-
Guarantee given by PV SA to SOCFIM for the financing granted to SNC Sud Ouest Équipements	22,213	22,213
First demand guarantee + surety issued by PV SA in favour of Zinemo SPV 2019 SLU (guaranteed debtor: Sociedad de Exploitacion Turistica Pierre & Vacances España)	10,763	-
Letter of comfort to EB2 Gestion Hotelera SL on behalf of Sociedad de Explotacion Turistica Pierre & Vacances España	10,628	10,628
First demand guarantee + surety issued by PV SA in favour of Palcina SPV 2019 SLU (guaranteed debtor: Sociedad de Exploitacion Turistica Pierre & Vacances España)	9,129	-
First demand guarantee + surety issued by PV SA in favour of Palcina SPV 2019 SLU (guaranteed debtor: Sociedad de Exploitacion Turistica Pierre & Vacances España)	8,845	-
Letter of comfort to the Company of studies and real estate transactions SA on behalf of Sociedad de Explotacion Turistica Pierre & Vacances España	7,157	7,157
Autonomous First Demand Guarantee issued to TELENO REAL ESTATE for the lease of 49 apartments located at 387 calle Sants Barcelona	5,707	5,707
Surety issued on behalf of SET PV Espana SL to Caixa Bank in connection with the signature of a credit line	4,000	4,000
Independent guarantee issued by PV SA in favor of La Banque Postale (guaranteed debtor: PVFI)	3,300	-
Letter of comfort issued by PV SA to Hotel Horitzo 1963-2013 SL (guaranteed company: Sociedad de Explotación Turística Pierre & Vacances España)	2,605	-
Guarantee given to GRELAND SL (rental contract for 14 apartments in GERONE on the "Apartementos Empuriabrava Marina" site)	1,683	1,683
Guarantee given in favour of the company VIV BUILDINGS 3 S.L. for the rental contract of 14 apartments in GERONA on the tourist site "Apartamentos Empuriabrava Marina"	1,350	1,350
Lease payment guarantees	1,335	1,085
Counter-guarantee given on behalf of Uniqua to Unicredit Bank Austria AG for the operating of a holiday residence in Vienna	1,200	1,200
Letter of comfort issued by PV SA to Nueva Darsena, SL (guaranteed company: Sociedad de Explotación Turística Pierre & Vacances España)	1,190	-
Letter of comfort issued by PV SA to Carbosalutis SLU (guaranteed company: Sociedad de Explotación Turística Pierre & Vacances España)	1,108	-
Letter of comfort issued by PV SA to Carbosalutis SLU (guaranteed company: Sociedad de Explotación Turística Pierre & Vacances España)	909	-
Guarantee given to the Italian tax authorities in connection with proceedings initiated by Pierre & Vacances Italia Srl for the repayment of the VAT credit	781	781
Counter-guarantee issued to Société Générale on behalf of PV Exploitation Belgique to secure a leasehold agreement	685	685
Guarantee issued by PV SA to Objektgesellschaft NeckarPark Q9 mbH (guaranteed company: Adagio Deutschland GmbH)	566	-
First demand guarantee in favour of Lufthansa Airplus Servicekarten on behalf of various Group subsidiaries	465	465
Surety issued to SoGePi on behalf of PV Italia as part of the sale of Calarossa	262	262
Surety on behalf of PVD SA to the local authority of Courseulles sur Mer for the purchase of land	159	159
Guarantee given within the framework of contracts to outsource IT solutions and equipment	-	23,405
Surety issued to the Treasury on behalf of Roybon Équipements SNC concerning the deferred payment of the Architecture, Planning and Environment Council regional tax as well as the regional tax for sensitive natural areas	-	3,724
COMMITMENTS GIVEN	**304,547**	**236,079**
Guarantees and pledges:		
Rent guarantee deposit – Artois	1,536	1,536
Guarantee received from Accor for 50% of the counter-guarantee amount to Unicredit Bank Austria AG for the operation of a residence in Vienna	600	600
Guarantee deposit for additional parking spaces and other buildings in Artois	164	165
COMMITMENTS RECEIVED	**2,301**	**2,301**
RECIPROCAL COMMITMENTS	**-**	**-**

Other commitments given

A first demand pledge of 2,068,704 shares of Pierre & Vacances Marques, representing 33,1/3% of the share capital and voting rights granted to URSSAF under the agreement reached with this organisation providing for the repayment of the social contributions suspended as part of the conciliation in 36 linear monthly installments.

Lease payment guarantees *(in € millions)*	**2021.09**	**2020.09**
CP Bois aux Daims	341	347
Sunparks (Foncière des Murs)	106	112
Bostalsee	27	30
Allgau	482	380
CP Bois Francs (Eurosic)	257	143
CP Chaumont (Eurosic)	70	12
Vienna residence (Uniqua)	3	3
Munich residence (spectrum real estate)	3	4
Bonavista de Bonmont	11	12
Adagio UK limited	0	6
Adagio Deutschland Gmbh	3	2
Tossa del Mare (Llopuig SL)	0	0
Calacristal (Diesco de Restauracio)	0	0
Estartit Complex (Eurosic investment Spain)	6	7
El Puerto – Fuengirola (Eurosic investment Spain)	6	7
Manilva Terrazas (Eurosic investment Spain)	21	21
TOTAL	**1,335**	**1,086**

First demand guarantee to Sogefinerg (Ailette finance lease)

Within the framework of the building of central facilities (tropical paradise, restaurants, bars, shops, sports and leisure facilities) at the new Center Parcs in Aisne, Pierre & Vacances signed a public service delegation agreement with the Conseil Général de l'Aisne, which delegates to Pierre et Vacances and its subsidiaries the design, building and operation of the leisure centre facilities. Furthermore, a tripartite agreement was signed between Pierre & Vacances, the Conseil Général de l'Aisne and a finance institution to set up the financing for this work. Part of the cost of building the facilities is being provided by a subsidy from the Conseil Général de l'Aisne. The remaining financing is based on the transfer of assets to the financial institution as an off-plan sale performed by a property development subsidiary indirectly owned by Pierre & Vacances. The transfer is supplemented by a lease of the facilities. In the framework of the finance lease for the facilities, Pierre et Vacances SA has granted a first demand guarantee of €155,927 thousand that will be amortised over the term of the lease, i.e. until 31 December 2038. On this date, the Conseil Général will regain ownership of the facilities free of charge.

Guarantee granted under the Group's New Financing

In consideration for the provision of part of the New Financing by certain bank lenders and certain Euro PP holders, these creditors will increase their existing receivables up to a maximum amount of €127.5 million (the "Senior Debt"), including €125 million under the first tranche and €2.5 million under the second tranche. This increase will be made through granting second-ranking pledges on all the aforementioned collateral under the New Financing. If the New Financing is repaid as part of the equity strengthening process, the collateral provided for the "Senior Debt" will be limited, subject to certain conditions, to a pledge on 65% of the securities of the sub-subsidiary Center Parcs NL Holding BV.

In addition, as indicated in the note on "highlights", the New Financing is also guaranteed by a collateral trust covering the shares of the French subsidiary Center Parcs Holding. The existing cash centralisation agreements, consolidation scope and tax consolidation groups and agreements remain in place and continue to operate in accordance with previous practices within the Group. This collateral trust will be released and terminated as soon as the equity strengthening transaction is completed, subject to the full repayment of the New Financing; It is specified that the New Group PGE will not benefit from collateral but from a conciliation privilege.

The New Financing also provides for a certain number of positive and negative covenants, financial information, a monthly liquidity test (covenant) as well as a list of major events of default, in accordance with the usual conditions for this type of financing, taking into account the situation of the Group.

Note 20 Parent company

The Company's financial statements are fully consolidated into those of Société d'Investissement Touristique et Immobilier – S.I.T.I. SA.

Note 21 Remuneration of executive management and directors

Directors' fees allocated to members of the Board of Directors in respect of the 2020/2021 financial year amounted to €289 thousand compared to €280 thousand for 2019/2020.

For the financial years ended 30 September 2021 and 30 September 2020, no salary (including benefits of any kind) was paid to a corporate officer directly by Pierre et Vacances SA or by any of the Pierre & Vacances-Center Parcs Group companies controlled as defined in Article L.233-16 of the French Commercial Code (Code de commerce).

On the other hand, Société d'Investissement Touristique et Immobilier (a company indirectly held by the Chairman, founder and majority shareholder of Pierre et Vacances SA), as a management company, invoiced fees for services provided by the executive directors (Gérard Brémond, Franck Gervais and Yann Caillère for the financial years in question). The fees invoiced by S.I.T.I. were calculated on the basis of direct costs (remuneration paid + related employer's expenses + other direct costs: travel expenses, cost of premises, secretarial expenses) plus a 5% margin and calculated prorata for the time spent by each individual on managing the business of Pierre & Vacances-Center Parcs Group companies.

The table below shows the gross remuneration paid to these executive corporate officers.:

	2020/2021	2019/2020*
Fixed remuneration(1)	947,968	974,336
Variable remuneration(2)	240,000	-
Post-employment benefits(3)	3,668	5,892
Share-based remuneration(4)	-	-
TOTAL	**1,191,635**	**980,228**

* *Restated for the salaries of the members of the Executive Management Committee who are not executive corporate officers (the Executive Management Committee no longer exists as of the 2020/2021 financial year).*
(1) *Amount paid including reinstatement of the benefit in kind involving the availability of a company car.*
(2) *Paid in the financial year following the financial year for which it is granted.*
(3) *This amount corresponds to the expense recognised during the financial year.*
(4) *This amount represents the annual share-based remuneration expense on grants of share options and bonus shares (theoretical measurement on the basis of the of Pierre & Vacances shares at the date of grant).*

For each of them, the variable bonus is determined based on the financial performance of the Pierre & Vacances-Center Parcs Group and the achievement of personal objectives.

Note 22 List of subsidiaries and equity investments

Subsidiaries, associates and other long-term equity investments	Share capital	Equity other than share capital (excluding profit)	Share of capital held (in%)	Gross value of shares held
SUBSIDIARIES (more than 50% of the capital held):				
PV-CP Immobilier Holding	31	-102,064	100.0%	128,965
Pierre & Vacances FI SNC	358	83,173	99.0%	80,408
Orion SAS	38	-4,211	100.0%	38
Curchase SAS	10	1,224	100.0%	10
Pierre & Vacances Investissement XXXXVII SAS	10	-32	100.0%	10
Pierre & Vacances Maroc	150	334	100.0%	5,758
Multi-Resorts Holding BV	18	307	100.0%	18
PV-CP CHINA HOLDING BV	2,718	-547	100.0%	2,718
Pierre & Vacances Investissement 51 SAS	10	-10	100.0%	10
PV-CP CHINA HOLDING SAS (EX PVI 54)	10	-6	100.0%	10
Pierre & Vacances Investissement 55 SAS	10	-	100.0%	10
Pierre & Vacances Investissement 56 SAS	10	-1	100.0%	10
City Holding	29,555	1	100.0%	29,556
Pierre & Vacances Investissement 61 SAS	10	-1	100.0%	10
PV-CP Gestion Exploitation	4,141	383	100.0%	10,593
CP Holding	86,050	620,529	100.0%	794,638
Maeva Holding SAS	10	-14,151	100.0%	10
PV Italia SRL	31	4	100.0%	0
PV Holding	7,741	96,807	100.0%	495,613
SOCIEDAD DE EXPLOTACION TURISTICA PIERRE ET VACANCES ESPANA SL	3	37	100.0%	3
Pierre & Vacances Courtage SARL	8	1,401	99.9%	8
Pierre & Vacances Marques SAS	62,061	-5,426	97.8%	60,686
Entwicklungsgesellschaft Ferienhauspark Bostalsee GmbH	25	-1,569	60.0%	20
SUBSIDIARIES (more than 10% of the capital held):				
GIE PV-CP Services	150	2	28.0%	36
GIE PV-CP Services Holding	10	-	20.0%	2
Adagio SAS	1,000	9,244	50.0%	500
Les Villages Nature® de Val d'Europe SAS	3,028	73,857	50.0%	50,687
Villages Nature ® Management SARL	5	-2	50.0%	17

Net carrying amount of shares held	Loans and receivables outstanding granted by the Company and not yet paid back	Amount of deposits and endorsements given by the Company	Revenue before tax for the last financial year	Profit (loss) for the financial year ended
-	-	-	5	-20,804
80,408	305,412	-	-	-2,710
-	-	-	-	-61
10	-	-	528	118
-	-	-	-	-3
1	-	-	-	-112
18	-	-	-	-54
18	-	-	-	-4,010
-	-	-	-	-3
10	-	-	-	-4
10	-	-	-	-
10	-	-	-	-
29,556	-	-	-	-4
10	-	-	-	-2
6,694	-	-	10,582	-568
794,638	-	-	34,977	-33,469
10	-	-	-	2,174
-	-	-	-	65
71,716	-	-	35,758	-203
-	-	-	31,078	-10,997
8	-	-	1,665	1,141
54,886	-	-	-	4,160
20	-	-	-	23
36	-	-	20	-2,962
-	-	-	-	-1,163
500	5,006	-	27,297	-9,342
31	69,036	-	287	-39,227
2	-	-	-	-
-	-	-	-	-

Note 23 Events after the reporting period

Approval of the Pierre et Vacances SA conciliation protocol

As part of the implementation of the agreements relating to the implementation of the New Financing signed on 19 June 2021, a conciliation protocol was signed on 10 November 2021 between Pierre et Vacances SA, seven banks, the holders of Euro PP and certain holders of Ornane under the auspices of the conciliators and the Comité Interministériel de Restructuration Industrielle (CIRI).

The main purpose of this conciliation agreement is to formalize the respective and reciprocal commitments of Pierre et Vacances SA and the lenders in respect of the State-guaranteed loan of €34.5 million (the "New Group PGE"), holders of Euro PP and certain holders of Ornane, and in particular the implementation of the New Group PGE and the increase in the portion of Senior Debt held Euro PP holders participating in the drawdown of the second tranche of the New Financing.

The homologationl hearing was held before the Paris Commercial Court on 15 November 2021 and the judgement was rendered on 24 November 2021.

As a result, (i) the New Group PGE for €34.5 million was made available to Pierre et Vacances SA on 1 December 2021.

Availability of the second tranche of the New Financing

In accordance with the terms of the New Financing entered into on 19 June 2021 between Pierre et Vacances SA and certain financial creditors of the Group, the second tranche of the New Financing, in the principal amount of €125 million (including the New Group SGL) was made available to Center Parcs Europe NV and Pierre et Vacances SA (in the case of the New Group SGL) on 1 December 2021.

The drawdown of the second tranche was accompanied, in accordance with the New Financing documentation, by a second-ranking pledge on the shares of Center Parcs Holding Belgium held by Center Parcs Europe NV.

Comment on negotiations with individual lessors

As announced in the press release of 10 November 2021, a new alternative proposal for an amendment to the lease agreement was sent by the Group to its individual lessors providing for the payment of an amount equivalent to 11 months' rent over the 16-month period impacted by the health crisis (between March 2020 and June 2021), i.e. almost 70% of the contractual rent.

This proposal is a new option offered by the Group to its individual owners, with the September proposal remaining valid for those owners who wish to join.

As at 6 December 2021, the Group has confirmed that the number of individual lessors in the Group who have signed the September amendment and this new proposal represent almost 80% of the units in all residences.

As a result of this high take-up threshold, the Group has decided to immediately apply its new proposal for the benefit of its individual owners and to already waive the initial condition of obtaining signatures representing at least 85% of the units, in accordance with the terms of the rider.

The new proposal is therefore effective from 6 December 2021 and the Group will continue to gather additional subscriptions from its owners to the various endorsements.

The opt-in period for signatories of the September rider who would like to take up the new proposal has also been opened since 3 December 2021. Without a signature of the new proposal by a signatory of the September amendment, the latter will remain in force and will remain effective with regard to the lessor concerned. The use of travel vouchers will be suspended for lessors who signed the first amendment during the subscription period of the new proposal. The travel vouchers will either be cancelled for lessors opting for the new proposal or reactivated from the end of the subscription period for owners who preferred to keep the September proposal. To take account of this suspension period, the Group has agreed to extend the validity of the travel vouchers until 31 March 2024.

At the reporting date of the financial statements:

- the overall acceptance rate (all amendments combined) was 81%;
- all rents unpaid to non-signatory individual landlords over the period of administrative closure (mid-March to the end of May and mid-December 2020) represented nearly €11 million. It should be recalled that for these periods, the Group considers that the lease liability is extinguished, basing its assessment on the legal basis of the exception of non-performance or on that of the provisions of Article 1722 of the French Civil Code;
- the claims brought by owners to the Group for non-payment of rent amounted to €25 million and were issued by nearly 2,900 claimants. However, this amount includes requests made by lessors who have signed the amendments proposed in the conciliation framework.

The Group also endeavours to manage proceedings brought by non-signatory individual lessors by asserting various legal grounds or, as the case may be, by requesting grace periods.

Obtaining the "closure" aid from the State

The Group requested from the public authorities the so-called "closure" aid aimed at compensating the uncovered fixed costs of companies whose activity is particularly affected by the COVID-19 epidemic and which meet the conditions laid down. The amount of aid requested is around €24 million. Subject to the finalised investigation by the relevant departments, the Group has obtained a preliminary agreement to this aid grant The Group will pay a portion of this aid to certain individual lessors, in accordance with the amendments signed with them as part of the conciliation procedure opened in 2021.

Conclusion of binding agreements on the capital strengthening transaction

In a back-to-back procedure, the Group has entered into binding agreements dated 9 March 2022, subject to final approval by the bank creditors' committees, with the investors (Alcentra-Fidera-Atream) as well as the bank creditors, Euro PP and an Ornane holder group.

These binding agreements meet the Company's objectives of preserving the integrity of the Group and achieving a balanced financial structure by reducing the Group's indebtedness and securing the necessary liquidity to enable it to deploy its ReInvention 2025 strategic plan.

Completion of the capital strengthening transaction is subject to the approval of a conciliation protocol on the Villages Nature project during May 2022. This protocol is itself subject to purely technical or documentary conditions precedent defined in the agreement term sheet concluded on 9 March 2022 under the aegis of the ad hoc agents and the Interministerial Committee for Industrial Restructuring (CIRI) concerning the Villages Nature project.

In addition, the capital strengthening transaction is also subject to implementation constraints such as:

- the agreement between the parties concerned on the terms of the final contractual documentation,
- the approval of the accelerated safeguard plan by the Paris Commercial Court,
- the voting of the classes of parties affected in accordance with the regulations in force,
- the presentation by the independent expert of his report concluding that the price proposed in the planned capital increases is fair, the holding of the General Meeting on the back-to-back procedure;

as well as obtaining:

- agreements waiving the exercise of guarantees held by the Group's main co-contractors or institutional lessors,
- the authorisations required under the applicable merger control regulations in Germany,
- the exemption from a takeover bid, if necessary, by the Autorité des Marchés Financiers and its approval of the Company's prospectus.

It is specified that the employee representative bodies of the various Group entities were consulted and all gave a favourable opinion on the Restructuring Transactions. These transactions should be completed by 16 September 2022, unless specifically extended. After this date, the Group's creditors who signed the Binding Agreement will no longer be bound by the undertaking to retain their claims under the terms of this agreement.

5.4.4 Statutory Auditors' report on the parent company financial statements

This is a free translation into English of the statutory auditors' report on the parent company financial statements issued in French and it is provided solely for the convenience of English-speaking users. This statutory auditors' report includes information required by European regulations and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Year ending 30 September

To the General Meeting of Shareholders of Pierre et Vacances,

Opinion

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of Pierre et Vacances for the year ended 30 September 2021, as attached to this report.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 30 September 2020 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the parent company Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules applicable to us, for the period from 1 October 2020 to the date of our report, and in particular we have not provided any services prohibited by Article 5 (1) of regulation (EU) No. 537/2014.

Justification of Assessments – Key Audit Matters

The global crisis linked to the COVID-19 pandemic creates special conditions for the preparation and audit of the financial statements for this financial year. Indeed, this crisis and the exceptional measures taken in the context of the state of health emergency are having multiple consequences for businesses, particularly on their activity and financing, as well as increasing uncertainty about their future prospects. Some of these measures, such as travel restrictions and teleworking, have also had an impact on the internal organisation of companies and on the way audits are carried out.

It is in this complex and evolving context that, in accordance with the provisions of Articles L.823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the parent company financial statements of the year, as well as our responses to those risks.

These matters were addressed in the context of our audit of the parent company financial statements as a whole, as approved in the above-mentioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the parent company financial statements.

Financial restructuring operations

Risk identified

As described in Notes 1 "Highlights of the financial year" and 2.1 "Going concern principle used to prepare the parent company financial statements of Pierre et Vacances SA, parent company of the Pierre & Vacances-Center Parcs Group for the financial year ended 30 September 2021" to the parent company financial statements of Pierre et Vacances SA, the Group is facing financial difficulties as a result of COVID-19 which justified the opening of a conciliation procedure on 2 February 2021 by the President of the Paris Commercial Court. This prevention procedure, at the initiative of Pierre et Vacances SA, aimed to reach amicable solutions with the Group's main partners, under the aegis of the conciliator and the Interministerial Committee for Industrial Restructuring (the "CIRI").

Discussions between the Group and its various financial partners resulted in the acceptance, on 10 May 2021, of a new debt financing offer of €300 million, the terms of which are described in the aforementioned Note 2.1 to the parent company financial statements. It is mainly intended to meet the Group's short-term needs related to its activities and its operational constraints pending completion of an equity strengthening transaction.

Indeed, in view of its financial position, the Group considered it necessary to seek new equity investors in order to strengthen its equity capital on a long-term.

Thus, as indicated in Note 2.1 to the parent company financial statements of Pierre et Vacances SA, the Group has entered into firm agreements with a group of investors and bank creditors, Euro PP and a group of Ornane holders, dated 9 March 2022, under the terms of which capital increases are planned allowing for an injection of €200 million in cash, €551 million of unsecured debt and the repayment of €159.6 million of debt, the establishment and/or maintenance of term loans of around €337.5 million, an additional €25 million increase in existing unsecured debt and the maintenance of a fraction of the Pierre et Vacances SA June 2020 PGE for €25 million.

The effective completion of the capital strengthening transaction is subject to several conditions, which are described in Note 23 "Events after the reporting period" to the parent company financial statements of Pierre et Vacances SA.

We therefore considered the monitoring of financing as a key audit matter, given that, as indicated in Notes 2.1 above and 2.3 "Use of estimates and judgement" to the parent company financial statements, the going concern principle was adopted for the reporting date of the financial statements for the financial year ended 30 September 2021 on the basis of cash flow forecasts established at twelve months taking as the main assumption the effective signature of the agreements to strengthen equity.

Our response

Within the scope of our audit, we:

- familiarised ourselves with the internal processes for the monitoring of the Group's liquidity and net financial debt, including the processes for preparing cash flow forecasts and monitoring net financial debt;
- examined the maturities of bonds and debts with credit institutions, before the implementation of the agreements of 9 March 2022, on the basis of the signed contracts, analysed the documentation relating to the available credit lines and verified the correct positioning of the maturities of these debts in the cash flow forecasts;
- assessed, with the assistance of our cash flow forecasting specialists, the consistency of the operating assumptions used in relation to the budget presented by Management to the members of the Board of Directors on 30 November 2021, in particular with regard to our knowledge of the Group's business, and questioned Management regarding its knowledge of circumstances or events, whether actual or potential, that could modify these assumptions;
- verified the arithmetical accuracy of the cash flow forecasts;
- analysed the documentation relating to the agreements entered into by the Group on 9 March 2022, subject to the final approval of the bank creditors' committees, with the group of investors, the bank creditors, Euro PP and a group of Ornane holders, in the context of the reinforcement of the shareholders' equity and assessed the consequences of these agreements on the Group' liquidity;
- reviewed the Group's updated cash flow forecast as at the date of our report.

Lastly, we assessed the appropriateness of the information provided in the notes to the parent company financial statements, in particular that relating to the going concern principle used to prepare the parent company financial statements for the financial year ended 30 September 2021.

Valuation of investments in associates and related current accounts

Risk identified

As at 30 September 2021, investments in associates and related current accounts are recorded in the statement of financial position at a net carrying amount of €1,067 million, or 74% of total assets. They are accounted for as at their date of entry at their purchase price or at their contribution value.

When the net asset value of the investments falls below their net carrying amount, a provision for impairment is recorded for the difference. As stated in chapter 2 "Accounting principles and methods" of the notes to the parent company financial statements, the net asset value is determined by reference to the share of enterprise values less the net debts for the companies concerned, or the share of shareholders' equity if applicable. The enterprise value of the companies is calculated based on discounted future net cash flows. Cash flow projections are taken from the business plans drawn up by the Group's Operating and Finance Managers.

Given the significance of investments in associates and related current accounts in the statement of financial position, and the sensitivity of the valuation models to the assumptions used, we considered the valuation of the net asset value of investments in associates and related current accounts to be a key audit matter, in the context of the current health crisis.

Our response

Our assessment of these valuations is based on the process set up by your company to determine the net asset value of investments in associates and the recoverability of related current accounts.

Our work notably consisted in the following:

- assessing the main estimates, in particular the assumptions underlying the cash flow projections, as well as the main parameters such as the long-term growth rate and the discount rates used, on which the estimate of the intrinsic value is based. These analyses were performed with the assistance of our valuation experts;
- reconciling the net debts used by Management and the net debts recorded in the financial statements of the companies concerned;
- verifying the arithmetical accuracy of the calculation of the inventory values used by management;
- in the specific cases where the net asset value of the companies was not based on their enterprise value less net debt but on the share of equity, reconcile the share of equity used by the Company management with the financial statements of these companies.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders

We have no matters to report as to the fair presentation and the consistency with the parent company financial statements of the information given in the Board of Directors' management report, and in the other documents with respect to the financial position and the parent company financial statements provided to the shareholders.

We attest the fair presentation and the consistency with the parent company financial statements of the information relating to payment deadlines mentioned in Article D.441-4 of the French Commercial Code.

Report on Corporate Governance

We attest that the Board of Directors' report on Corporate Governance sets out the information required by Articles L.225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to remunerations and benefits received by, or allocated to the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled thereby, included in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L.22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with the law, we have ensured that the various information relating to the acquisition of equity investments and control and to the identity of the holders of the capital or voting rights has been provided to you in the management report.

Other verifications or information required by law and regulations

Format of presentation of the parent company financial statements intended to be included in the Annual Financial Report

In accordance with Article 222-3, III of the AMF General Regulation, the management of your Company has informed us of its decision to postpone the application of the single electronic information format as defined by Delegated European Regulation No. 2019/815 from 17 December 2018 to financial years beginning on 1 January 2021. Consequently, this report does not include a conclusion on compliance with this format in the presentation of the parent company financial statements intended to be included in the Annual Financial Report mentioned in I of Article L.451-1-2 of the French Monetary and Financial Code.

Appointment of Statutory Auditors

We were appointed as Statutory Auditors of Pierre et Vacances by your General Meeting held on 3 October 1988 for GRANT THORNTON and on 29 May 1990 for ERNST & YOUNG et Autres.

As at 30 September 2021, GRANT THORNTON was in its thirty-fourth year and ERNST & YOUNG et Autres in its thirty-first year of total uninterrupted engagement, including twenty-three years since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the parent company financial statements in accordance with French accounting principles and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

5

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

In the context of an audit carried out in accordance with professional standards applicable in France, the auditor exercises professional judgement throughout the audit. Furthermore it:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the parent company financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report significant deficiencies, if any, in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgement, were of most significance in the audit of the parent company financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France as set out in particular in Articles L.822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes). Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine et Paris-La Défense, 10 March 2022

GRANT THORNTON	ERNST & YOUNG et Autres
French member of Grant Thornton International	
Laurent BOUBY	Anne HERBEIN

6 ADDITIONAL INFORMATION

6.1 Person responsible for the Universal Registration Document and auditing the financial statements

6.1.1 Name of the person assuming responsibility for the Universal Registration Document

Gérard BRÉMOND, Chairman.

This information is provided under the sole responsibility of the executives of the Company.

6.1.2 Declaration of the person assuming responsibility for the Universal Registration Document

I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, consistent with the facts and does not contain any omission likely to alter its scope.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all companies in the Group, and that the management report, whose cross-reference table is given on page 275, presents a true and fair picture of the changes in the business, the results and the financial position of the Company and all companies in the Group, and describes the main risks and uncertainties they face.

Paris, 17 March 2022

Gérard BRÉMOND,

Chairman

6.2 Statutory Auditors

Principal Statutory Auditors:

ERNST & YOUNG & Autres

Anne HERBEIN

1/2, place des Saisons – 92400 COURBEVOIE-PARIS-LA DÉFENSE 1

First appointed by the General Meeting of 29 May 1990

Reappointed for six years by the General Meeting of 4 February 2016

GRANT THORNTON

Laurent BOUBY

29, rue du Pont – 92200 Neuilly-Sur-Seine

First appointed by the General Meeting of 4 February 2016

Deputy Statutory Auditors:

AUDITEX

1/2, place des Saisons – 92400 COURBEVOIE-PARIS-LA DÉFENSE 1

First appointed by the General Meeting of 28 February 2013

Reappointed for six years by the General Meeting of 4 February 2016

INSTITUT DE GESTION ET D'EXPERTISE COMPTABLE – IGEC

29, rue du Pont – 92200 Neuilly-Sur-Seine

First appointed by the General Meeting of 4 February 2016

6.3 Fees paid to the Statutory Auditors and members of their network

	Ernst & Young & Autres				Grant Thornton			
	Amount		%		Amount		%	
(in € thousands)	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020
Audit	**2,061**	**1,406**	**90%**	**94%**	**246**	**309**	**92%**	**89%**
Statutory audits, certifications, examination of individual and consolidated financial statements	2,061	1,406	90%	94%	246	309	92%	89%
Issuer	863	425	38%	29%	166	197	62%	57%
Fully integrated subsidiaries	1,198	981	53%	66%	80	112	30%	32%
Services other than the certification of accounts(1)	**220**	**83**	**10%**	**6%**	**20**	**39**	**8%**	**11%**
Issuer	60	48	3%	3%	8	7.5	3%	2%
Fully integrated subsidiaries	160	35	7%	2%	12	31	5%	9%
o.w. legal, tax, social	*20*	*21*	-	-	-	-	-	-
TOTAL	**2,281**	**1,489**	**100%**	**100%**	**266**	**348**	**100%**	**100%**

(1) This section sets out the diligence and services provided to the issuer or its subsidiaries by the Auditors and members of their networks. These may be required by legal measures or provided at the request of the Group or its subsidiaries in respect of independence rules.

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6.4 Information incorporated by reference

In accordance with Article 28 of Commission Regulation (EC) No. 809/2004, the following information is incorporated by reference in the present Universal Registration Document:

- the consolidated and parent company financial statements and corresponding audit reports shown on pages 133 to 199 and 205 to 232 of the 2019/2020 Universal Registration Document registered with the AMF on 22 December 2020 under number D. 20-1016;
- the consolidated and parent company financial statements and corresponding audit reports shown on pages 126 to 185 and 191 to 216 of the 2018/2019 Universal Registration Document registered with the AMF on 19 December 2019 under number D. 19-1034;
- the Group management report included in the 2019/2020 Universal Registration Document registered with the AMF on 22 December 2020 under number D. 20-1016, and presented in the cross-reference table on page 238;
- the Group management report included in the 2018/2019 Universal Registration Document registered with the AMF on 19 December 2019 under number D. 19-1034, and presented in the cross-reference table at page 222;
- parts not included in these documents are either irrelevant to the investor or covered elsewhere in the Universal Registration Document.

6.5 Documents on display

All regulated information communicated by Pierre & Vacances-Center Parcs pursuant to the provisions of Articles 221-1 et seq. of the General Regulations of the French Financial Markets Authority (Autorité des Marchés Financiers – AMF) is available in the following address: http://www.groupepvcp.com/fr/90/finance/publications.

6.6 Cross-reference tables

6.6.1 Annual Financial Report

This Universal Registration Document includes all the items of the Annual Financial Report as required under Articles L.451-1-2 of the French Monetary and Financial Code and Article L.222-3 of the AMF's General Regulations.

No.	Information	Pages
1.	**Parent company financial statements**	**234-263**
2.	**Consolidated financial statements**	**158-222**
3.	**Management report**	**see cross-reference table below**
4.	**Statement by the persons responsible for the Annual Financial Report**	**270**
5.	**Statutory Auditors' reports on the consolidated and parent company financial statements**	**264-268; 223-228**

6.6.2 Universal Registration Document

This cross-reference table is based on the headings set out in Annex I and II of Delegated Regulation (EU) 2019/980 of the Commission of 14 March 2019 and refers to the pages of this Universal Registration Document on which the relevant information can be found.

No.	Information	Pages
1.	Persons responsible, third party information, experts' reports and competent authority approval	
1.1	Identity of persons responsible	270
1.2	Certification of persons responsible	270
1.3	Statement or report attributed to a person acting as an expert	N/A
1.4	Third-party information	N/A
1.5	Statement on the competent authority	1
2.	Statutory Auditors	
2.1	Identity of Statutory Auditors	270
2.2	Potential changes	N/A
3.	Risk factors	37-48; 104; 206-207
4.	Information about the Group	
4.1	Legal and commercial name	25
4.2	Place of registration and registration number and LEI	25
4.3	Date of incorporation and length of life	25
4.4	Registered office and legal form, legislation governing activities, country of origin, address and telephone number of the registered office, website with a disclaimer	25
5.	Business overview	
5.1	Principal activities	2-3; 6-11; 27-28
5.2	Principal markets	2-3; 6-11; 147; 211
5.3	The important events in the development of the issuer's business	3; 7-8; 12-24; 156-157; 163-165; 174-175; 221-222; 238-241; 262-263
5.4	Strategy and objectives	6-8; 12-24; 45; 100-102; 156-157; 163-165; 221-222; 175; 240-241; 262-263
5.5	Dependence on patents, licenses, contracts and manufacturing processes	12-24; 44-45; 157; 174-175; 238-240
5.6	Basis for any statements made by the Group regarding its competitive position	10
5.7	Investments	

6.6.3 Management report

This Universal Registration Document includes all the items of the management report as required by Articles L.225-100 et seq., L. 232-1, II and R. 225-102 et seq. of the French Commercial Code.

Item	Sections	Pages
I. Group position and business		
1.1 Company's position over the past financial year and objective and comprehensive analysis of changes in the business, results and financial position of the Company and the Group, notably its debt position, with regard to the volume and complexity of business	5.1; 5.3	142-157; 229-231
1.2 Key financial performance indicators	1; 5.1; 5.3	2; 11-13; 142-157; 229-231
1.3 Key non-financial performance indicators relating to the Company's and Group's specific activity, notably information relating to environmental and personnel issues	4	98-99
1.4 Significant events occurring between the end of the reporting period and the date on which the management report was prepared	1; 2; 5	12-24; 44-45; 156-157; 163-165; 221-222; 240-241; 262-263
1.5 Identity of the main shareholders and voting right holders at General Meetings, and changes thereto over the financial year	1	30
1.6 Existing branches		N/A
1.7 Significant equity investments in companies registered in France		N/A
1.8 Disposals of cross-shareholdings		N/A
1.9 Foreseeable changes in the position of the Company and the Group and future outlook	1; 2; 5	12-24; 44-45; 156-157; 163-165; 221-222; 230; 240-241; 262-263
1.10 Research and development		N/A
1.11 Table showing the Company's results for each of the last five financial years	5.3.9	232
1.12 Information on supplier and customer payment periods	5.3.10	233
1.13 Amount of inter-company loans granted and Statutory Auditor's statement		N/A
II. Internal control and risk management		
2.1 Description of the main risks and uncertainties facing the Company	2.2	37-48
2.2 Information on the financial risks related to the effects of climate change and presentation of the measures taken by the Company to reduce them by implementing a low-carbon strategy in all components of its activity	2.2.2.2	42
2.3 Main characteristics of the internal control and risk management procedures implemented by the Company and the Group for the preparation and processing of accounting and financial information	2.4	49-51
2.4 Information on the objectives and policy concerning the hedging of each main category of transactions and on exposure to price, credit, liquidity and cash risks, including the use of financial instruments	2.2.4; 5.2	44-45; 206-207
2.5 Anti-corruption system	4.8	137-139
2.6 Vigilance plan and report on its due implementation		
III. Corporate governance report		
Information on remuneration		
3.1 Remuneration policy for corporate officers	3.4	68-84
3.2 Remuneration and benefits of any kind paid during the financial year or awarded in respect of the financial year to each corporate officer	3.4	72, 74, 79, 81, 83
3.3 Relative proportion of fixed and variable remuneration	3.4.2.2; 3.4.3	73-77

Item	Sections	Pages
3.4 Use of the option to request the return of variable remuneration		N/A
3.5 Commitments of any kind made by the Company for the benefit of its corporate officers, corresponding to items of remuneration, indemnities or benefits due or likely to be due as a result of undertaking, terminating or changing duties or after the performance thereof	3.4	84
3.6 Remuneration paid or allocated by a company included in the scope of consolidation within the meaning of Article L.233-16 of the French Commercial Code		N/A
3.7 Ratios between the level of remuneration of each executive corporate officer and the average and median remuneration of the Company's employees	3.1.1	55
3.9 Explanation on how total remuneration complies with the remuneration policy in force, including how it contributes to the long-term performance of the Company and how the performance criteria were applied	3.4	76-78
3.10 Manner in which the vote of the last Ordinary General Meeting, as provided for in I of Article L.22-10-34 of the French Commercial Code, was taken into account	3.4	68
3.11 Deviation from the procedure to implement the remuneration policy and any exceptions thereto		N/A
3.12 Application of the provisions of the second paragraph of Article L.225-45 of the French Commercial Code (suspension of payment of directors' remuneration in the event of non-compliance with gender balance on the Board of Directors)		N/A
3.13 Options allocated to and held by corporate officers	3.5	85-87
3.14 Bonus shares allocated to and held by executive corporate officers	3.5	85; 88-90
Governance information		
3.15 List of all mandates and positions exercised in any company by each of the corporate officers during the financial year	3.2.1.4	59-63
3.16 Agreements entered into between an executive or a significant shareholder and a subsidiary	3.8	94
3.17 Summary table of current delegations to increase the share capital granted by the General Meeting	3.6	91
3.18 General management procedures	3.2.2.1	62
3.19 Composition, conditions of preparation and organisation of the work of the Board	3.3.2	64-66
3.20 Application of the principle of balanced gender representation on the Board	3.2.1	56
3.21 Possible limitations that the Board may place on the powers of the Chief Executive Officer	3.3.1	64
3.22 Reference to a Corporate Governance Code and implementation of the "comply or explain" principle	3.1	54-55
3.23 Special procedures for shareholder participation in the General Meeting	3.9	94
3.24 Procedure to assess current agreements – Implementation	3.10.3	94
3.25 Information likely to have an impact in the event of a public takeover or exchange offer	3.7	93
IV. Shareholding structure and capital		
4.1 Structure, changes in the Company's share capital and crossing of thresholds	1.4	30-31
4.2 Treasury share acquisition and disposal by the Company	1.4.6	31
4.3 Employee stake in the share capital as of the last day of the financial year (proportion of share capital represented)	1.4.2	30
4.4 Possible adjustments of securities conferring access to the share capital in the event of share buybacks or financial transactions		N/A
4.5 Information on transactions by executives and related persons in the Company's shares	3.5.3	90
4.6 Dividends paid in respect of the three previous financial years	5.3.7	231

Item	Sections	Pages
V. Statement of Non-financial performance (NFPS)		
5.1 Business model	1.1.3	11
5.2 Description of the main risks related to the business of the Company or the Group, including, where relevant and proportionate, risks created by business relations, products or services	4.1.4	104
5.3 Information on the impact of business on the respect for human rights and the fight against corruption and tax evasion, and the way in which the Company or Group takes into account the social and environmental consequences of its business	4.3.1	108-110
5.4 Results of the policies implemented by the Company or the Group, including key performance indicators	4	98-99
5.5 Social information (employment, work organisation, health and safety, labour relations, training, equal treatment)	4.3.2	110-117
5.6 Environmental information (general environmental policy, pollution, circular economy, climate change)	4.4	119-132
5.7 Societal information (societal commitments to promote sustainable development, subcontracting and suppliers, fair practices)	4.2	105-108
5.8 Information on the fight against corruption and tax evasion	4.8.3	138-139
5.9 Information on actions to promote human rights	4.3.1	108
5.10 Specific information		N/A
5.11 Collective agreements concluded at the Company and their impact on its economic performance and on the working conditions of employees	4.3.2	114-116
5.12 Statement by the independent verifier on the information contained in the NFPS	4.6	135-136
VI. Other information		
6.1 Additional tax information		N/A
6.2 Injunctions or financial penalties for anti-competitive practices		N/A
6.3 Statutory Auditors' fees	6.3	271

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