



COMPAGNIE DES ALPES PRESENTS ITS STRATEGIC PRIORITIES FOR THE UPCOMING FINANCIAL YEARS

OPEN A NEW PHASE OF DEVELOPMENT FOR THE GROUP:

- Fully leverage the potential of recovery of the activity as soon as sites reopen
- Rebuild the investment dynamic to promote the attractiveness of the sites, the Very High Customer Satisfaction and consolidate our leadership position
- Return to pre-covid crisis level of activity and profitable growth trajectory
- Accelerate the implementation of the Group's environmental policy
- Promote new long-term growth strategic projects and be ready to seize external growth opportunities

MEASURES CONTEMPLATED:

- Restore a financial flexibility compatible with the growth ambition of the Group thanks to:
 - a liquidity position which has been preserved during the crisis thanks to several measures (adjustment of costs and investments expenditures, government-backed loans (PGE), request of a partial compensation of fixed costs for ski lift operators, agreement from banks and bondholders to obtain a covenant holiday), and
 - a project of capital increase with preferential subscription rights for an amount of c.€230 M¹
- Invest c.€200 M per year on average from financial year 2021/2022 to 2024/2025², including a catch-up of the investments postponed because of the crisis, for the maintenance of existing facilities, new facilities and attractions supporting the improvement of the offering.

FINANCIAL TARGETS:

- Rebound expected in 2021/2022 if the improvement of the health situation is confirmed
- Back to pre-crisis sales and EBITDA levels in 2022/2023, and return to the growth trend in terms of sales and EBITDA margin
- Leverage ratio³: net financial debt / EBITDA expected between 3.0x and 3.5x in September 2022, with the objective to return to a level below 2.5x from September 2023 (assuming the completion of a c.€230 M capital increase)
- Dividend: return to a payout ratio at least equal to pre-crisis level⁴ in 2023 (for the 2021/2022 financial year)

¹ Subject to the approval of the Prospectus by the *Autorité des Marchés Financiers* and to market conditions

² Excluding other growth opportunities under review

³ Before IFRS 16 impact, which corresponds to a 4.0x and 4.5x leverage ratio in September 2022 and below 3.5x as of September 2023 post IFRS 16 impact

⁴ For the 2018/2019 financial year



Paris, May 31st, 2021 – Compagnie des Alpes is announcing today its strategic priorities and outlook for the upcoming years, and opens a new phase of its development. These measures will be presented on June 1st, at 8:30am. This presentation will be webcast and accessible on the company's website. The Group is also publishing today its results for the first half of 2020/2021. A separate press release, devoted to these items, is being published at the same time as this one.

Dominique Thillaud, Deputy CEO of Compagnie des Alpes and who will become the CEO as of June 1st, stated: *"While its activity has been severely affected by a long crisis which started 15 months ago, Compagnie des Alpes is ready to reopen its sites, in strict compliance with sanitary safety standards. After years of sustained investments and the deployment of a policy focused on the Very High Customer Satisfaction, the growth potential of Compagnie des Alpes has been preserved. The quality, reputation and attractiveness of our sites, combined with the public's appetite for leisure, make us confident in our ability to benefit from the recovery of the activity, and to return to a profitable and sustainable growth trajectory."*

The Group has demonstrated its agility in mitigating the impact of the crisis from a financial standpoint. Strengthening its balance sheet should allow the Group to regain financial flexibility and implement its investment strategy, which in the end will drive growth, create value and generate positive impacts for the regions and communities where it operates. In this context we plan to launch a capital increase with preferential subscription rights, a transaction for which we have received the support of our main shareholders. At a time when a new phase of development for Compagnie des Alpes is starting, we have the firm intention of consolidating our status as a major player in the leisure sector in Europe by continuing to enrich our offer but also by seizing additional growth opportunities, whether organic or external."

Dominique Marcel, Chairman and CEO of Compagnie des Alpes, and who will remain Chairman of the Board from June 1st, added: *"Our Group was one of the most heavily affected by the crisis but thanks to all the measures that have been taken and to the agility and the involvement of all our employees, we are now well-positioned to take full advantage of the rebound which will occur in our business. As I leave my operational functions, I am delighted that the company is in working order, that we have an ambitious "action and recovery plan" which includes the measures strengthening our balance sheet and that will provide us with the means to finance it. This plan and these measures are based on the confidence of our shareholders in the strength of our fundamentals and the relevance of our strategy."*

A MAJOR EUROPEAN PLAYER IN MOUNTAIN DESTINATIONS AND LEISURE ACTIVITIES READY TO REBOUND

Compagnie des Alpes benefits from a unique positioning in two complementary markets, mountain destinations and leisure parks.

With notably more than €1 billion invested since 2014, Compagnie des Alpes has entered the crisis with a high quality-asset portfolio. At the same time, the activity has been expanded through organic developments (hotels creation, second gate parks) and the acquisition of a leisure park in Austria. The Group has also reoriented its commercial strategy on the Very High Satisfaction of its customers while strengthening at the same time its distribution policy with the acquisition of a tour operator (TravelFactory) and the development of digital approach.

The success of this strategy resulted in a steady profitable growth momentum until the unexpected interruption of its business due to the health crisis: the Group has indeed recorded average annual growth rates of revenues and EBITDA of 5.8% and 8.1% respectively between the financial years 2015/2016 and



2018/2019. The Group also had a strong balance sheet at 30 September 2019 with a 2.3x net debt to EBITDA leverage ratio¹.

Compagnie des Alpes is now ready to welcome visitors again. The activity recorded during summer 2020 gives confidence in its ability to take advantage of the reopening of its sites in similar proportions to last year, with equivalent health protocols.

A PRESERVED LIQUIDITY AND MEASURES TO STRENGTHEN THE BALANCE SHEET

Despite the sharp drop in activity recorded in 2019/2020 (-28%) and even more so in the first half of 2020/2021 (-93%), the Group has focused on protecting its liquidity: revenues lost have been partially offset by savings on the Group structure and on operating costs, while adjustment of the capital expenditures have also largely contributed to this.

At the same time, after setting up a €200 M government-backed loan (PGE) in June 2020, the Group has confirmed overdraft facilities of up to €147 M and has then signed an agreement in September 2020 to suspend its leverage ratio covenant⁴ for the test dates of 30 September 2020 and 31 March 2021. The Group has signed a €269 M Seasonal PGE in December 2020 and has then benefited in the first half of 2020/2021 from the payment of €51 M of asset disposal proceeds in respect of the early termination of the Deux Alpes ski area Public Service Concession (PSC).

Considering together the available cash, the revolving credit facility and the undrawn overdraft facilities, the Group had a liquidity position of €416 M at 31 March 2021. The Group's net financial debt stood at €807M (excluding IFRS 16), with no significant short-term debt maturities.

Since the end of the 1st half 2020/2021, Compagnie des Alpes has continued to secure its liquidity position. The Group has decided to extend its first PGE (€200 M) with eight repayment schedules to be made from 2023 to 2026. In addition, the Group received in April and May 2021, €135 M among the €165 M net expected as part of the partial compensation for fixed costs for ski lift operators.

On May 31, 2021, the Group obtained an agreement from relevant banking partners to suspend its 3.5x debt EBITDA covenant for the next two dates on which it was scheduled for testing, i.e., September 30, 2021, and March 31, 2022.

In addition, relevant bondholders have also agreed to suspend the covenant test for the two dates mentioned above.

As part of this renegotiation, the Group has committed to adhere to substitute covenants for the September 30, 2021 and March 31, 2022 tests, in line with what was done last September, which enables the Group to pursue its trajectory. These substitute covenants mainly include (i) compliance with minimum liquidity levels, (ii) a commitment not to exceed a certain amount of consolidated net industrial investments and (iii) a commitment to limit the Group's consolidated net debt².

¹ Leverage covenant = net financial debt / EBITDA excluding IFRS 16 ratio < 3.5x

² - Minimum liquidity will have to remain above €250 M on a monthly basis
- Consolidated net capital expenditures over a rolling 12-month period at the covenant test dates (September 30, 2021 and March 31, 2021) must not exceed €190 M if the company has carried out a capital increase by 30 September 2021, and €175 M if it has not.
- The Group's consolidated net debt must not exceed €750 M if the Company has carried out a capital increase by 30 September 2021, and €850 M if it has not.
- As of March 31, 2022, the Group will comply with a maximum 7x leverage ratio, if the Company has carried out a capital increase by 30 September 2021, and 9x if it has not.



In order to regain financial flexibility compatible with its growth ambitions, the Group plans to carry out a capital increase with preferential subscription rights for an amount of approximately €230 M. This transaction would be launched subject to market conditions and prospectus approval by the AMF. Compagnie des Alpes has already received the support of its main shareholders who have indicated their intention to participate in the transaction.

A NEW DEVELOPMENT PHASE

In the short term, Compagnie des Alpes is ready to take advantage of the resumption of its activities, having already demonstrated last summer its ability to operate all of its sites in compliance with the health protocols developed with professional organizations, while continuing to offer a quality experience to its visitors. Attendance at the parks that reopened in May is excellent and confirms our expectation that attendance for the summer period will be at least similar to the one of last summer.

Compagnie des Alpes has also defined its medium-term strategic priorities.

In the Mountain Destinations, the Group aims to continue to enhance its ski offering and optimise the customer experience. This ambition is based on its capacity to continue investing in its ski lift infrastructures to fluidify the traffic of skiers, develop ski areas and improve snow cover. It also relies on the development of digital tools to strengthen distribution and improve the user experience. The Group also aims to adapt the winter product to climate change and to develop summer activities. Finally, it intends to strengthen its real estate strategy by participating in the creation of hot beds and boosting the marketing of these beds, in order to increase the occupancy rate of the resorts.

In Leisure Parks, the Group aims to offer unique and immersive experiences by continuing to invest in the capacity and attractiveness of its sites to increase both attendance and revenue per visitor while continuing to improve customer satisfaction. This is exemplified by the opening of Kondaa in May 2021 within the Walibi Belgium park, the highest and faster MegaCoaster in Benelux. Projected investments include the launch of Toutatis in 2023, a new ride at Parc Astérix, from which the Group expects an additional 140,000 visitors per year, and the ambitious plan to transform Futuroscope. The Group will also seek to continue to reduce the seasonality of its activity by strengthening events planning for the Halloween and Christmas periods. It will also aim to capitalise on its hotel offer, recently reinforced at Parc Astérix, or on the existence of second gate parks at some of its sites to extend the duration of visits. Finally, increasing customer knowledge will support the implementation of targeted and personalised marketing as well as the development of online sales.

Compagnie des Alpes intends to implement these priorities by amplifying its commitments in terms of environmental, social and societal responsibility. To this end, the Group has defined a CSR policy that is both strong and understandable, the implementation of which is essential to asserting its desire to be a committed partner alongside regions and communities. The latter is reflected by the following objectives in particular: net zero carbon, positive impact on biodiversity and zero unrecovered waste, all by 2030.

FINANCIAL TARGETS: RETURN TO PROFITABLE GROWTH

Beyond the recovery of activity in summer 2021, Compagnie des Alpes expects a rebound in its performance during the 2021/2022 financial year, provided that the improvement in the health situation is confirmed. The Group then envisages a return of its activity and its EBITDA to their pre-crisis levels in 2022/2023, then a resumption of the growth trajectory of its turnover and its EBITDA margin rate over the following years.



The amount of investments should be on average around €200 M per year over the 2021/2022 to 2024/2025 financial years. The Group specifies that from the 2022/2023 financial year, it intends to initiate a catch-up process for certain investments that were delayed due to the health crisis.

The Group aims to reach a leverage ratio¹ between 3.0x and 3.5x at the end of September 2022 (assuming the completion of a capital increase of c.€230 M), and less than 2.5x from September 2023.

Compagnie des Alpes also aims to return to a payout ratio at least equal to the pre-crisis level from 2023, i.e. for the dividend paid for the 2021/2022 financial year, an objective that the Group considers compatible with its growth and investment strategy.

OTHER GROWTH OPPORTUNITIES UNDER REVIEW

In addition to the priorities described above, Compagnie des Alpes is studying additional projects with high potential for value creation:

- Firstly, “Grand Astérix” project that would make it possible to continue to develop the land potential of the park, and to intensify its transformation into a “short stay” destination: this project would include a fourth hotel with two restaurants and a seminar centre, as well as an aquatic park.
- The Group has also initiated a pilot project aimed at diversifying the resort offer and accelerating the development of new non-skiing activities, mainly in summer. The site selected for this pilot project is the Grand Massif area (Flaine, Morillon, Samoëns and Sixt) where planned investments would generate an activity that could represent 25 to 50% of additional sales over a 10-year period, regardless of snow conditions.

The Group also wishes to be able to seize potential targeted external growth opportunities in the medium term. While some players may have been weakened by the crisis and its markets are still very fragmented, Compagnie des Alpes has historically demonstrated its ability to integrate and develop acquired entities.

PROPOSED CONTRIBUTION BY CAISSE DES DÉPÔTS OF ITS 24% STAKE IN THE CAPITAL OF FUTUROSCOPE

On May 31, Compagnie des Alpes (“CDA”) and Caisse des Dépôts (“CDC”) signed a Memorandum of Understanding (MoU) relating to the proposed contribution to CDA of the c.24% stake in Société du Parc Futuroscope (“SPF”) currently held by CDC. This contribution would be remunerated in new CDA shares. It would enable CDA to increase its stake to c.80% of the capital in one of the Group's emblematic sites, compared to around c.56% currently, and at the same time increase the share of the dividend received from SPF.

¹ Before IFRS16 impact, which corresponds to a 4.0x and 4.5x leverage ratio in September 2022 and below 3.5x as of September 2023 post IFRS 16 impact



Based on the MoU, the reference valuation retained for the c.24% held by CDC in SPF would be around €20 M and that retained for the equity¹ value of CDA around €563 M. The exchange ratio has been assessed on the basis of the usual multi-criteria valuation methods and will be subject to usual adjustments, in particular in order to take into account the impact of the potential capital increase that would occur before completion of the contribution in kind. These indicative elements remain subject to the final report of the independent appraisers (*commissaires aux apports*).

The contribution in kind transaction is subject to conditions precedent (including among others the obtention by CDC from the AMF of a decision to waive the obligation for CDC to file a public exchange offer on CDA shares, the approval by the extraordinary general meeting of CDA shareholders of the terms of the transaction and completion of the capital increase with preferential subscription rights).

Next meetings 2020/2021:

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| 3rd quarter sales: | Thursday, July 22, 2021, after stock market close |
| 4th quarter sales: | Thursday, October 21, 2021, after stock market close |
| Annual results for the year: | Tuesday, December 7, 2021, before stock market open |

www.compagniedesalpes.com

Since its creation in 1989, Compagnie des Alpes (CDA) has established itself as an undisputed leader in the leisure industry. The Group currently operates 10 ski areas and 13 renowned leisure parks in an integrated approach of operational excellence and quality seeking to achieve levels of Very High Satisfaction among its customers but also to serve the territories in which it is present. Compagnie des Alpes also exports its expertise as part of assistance and advisory missions in various regions of the world.

On the strength of its expertise, Compagnie des Alpes has also adapted to changes in consumption: heavily involved in the renovation of accommodation in the mountains, it has also developed a network of real estate agencies, it is developing themed hotels in its own right with its national parks and since 2018 has been the leading tour operator for the distribution of online skiing holidays in France. During the financial year ended 30 September 2020, it welcomed more than 16.5 million visitors and achieved consolidated turnover of €615.6 M.

With nearly 5,000 employees, Compagnie des Alpes works with its partners to build projects that generate unique experiences, as opposed to a standardised concept. Exceptional leisure activities for the largest number of people.

- Ski areas operated by CDA: La Plagne, Les Arcs, Peisey-Vallandry, Tignes, Val d'Isère, Les Menuires, Méribel, Serre Chevalier, Flaine, Samoëns - Morillon
- Leisure parks operated by CDA: In France: Parc Astérix, Futuroscope, Walibi Rhône-Alpes, Grévin Paris, France Miniature; in Belgium: Walibi Belgium, Aqualibi, Bellewaerde, Bellewaerde Aquapark; in the Netherlands: Walibi Holland, in Switzerland: Chaplin's World; in Austria: Familypark; in Canada: Grévin Montreal.



CDA is included in the CAC All-Shares, CAC All-Tradable, CAC Mid & Small and CAC Small indices.
ISIN: FR0000053324; Reuters: CDAF.PA; FTSE: 5755 Recreational services

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¹ In compliance with AMF recommendations (DOC-2020-06)



Important Information

This press release includes "forward-looking statements". All statements other than statements of historical facts included in this press release, including, without limitation, those regarding the financial position, business strategy, plans and objectives of management for future operations of the Compagnie des Alpes, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Compagnie des Alpes, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Compagnie des Alpes and the environment in which the Compagnie des Alpes will operate in the future. Additional factors could cause actual results, performance or achievements to differ materially. These factors include the risk factors detailed in chapter 2 of the Universal Registration Document of the Compagnie des Alpes, filed with the Autorité des marchés financiers on 29 January 2021 under number D.21-002.

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