



28 February 2019

## SELECTA GROUP

### Q1 FY19 RESULTS

**“Strong start to 2019 with another consecutive quarter delivering accelerated growth, profitability and improved cash generation”**

Selecta Group, the leading unattended self-service coffee and convenience food provider in Europe, announces its Q1 2019 results for the three months ended 31 December 2018.

#### Q1 Financial Highlights

- Gross sales increased 5.6% to €403.8m<sup>1</sup> (Q1 FY18: €382.4m)
- Adjusted EBITDA increased 7.6% to €64m<sup>1</sup> (Q1 FY18: €59.5m) and related margin improved by 0.3%
- Adjusted EBITDA less net capex of €25.9m<sup>1</sup>, up 3%, achieved alongside investment in growth demonstrating benefits of synergy programme (Q1 FY18: €25.2m)

<sup>1</sup> at constant currency

#### Q1 Achievements

- Ten successive quarters meeting expectations as set out in Selecta’s strategic roadmap and fourth consecutive quarter of gross sales growth
- Synergy programme delivering to enhanced plan of €75m by 2020
- 95% customer retention achieved, improved net customer gains reflecting increased wins
- Awarded ‘Best Coffee Supplier’ in Sweden<sup>2</sup>
- Continued investment in people to support organic growth
  - Enhanced employee engagement programme launched to support improved customer experience and retention, and 600 staff trained in dedicated sales academy programme
  - Highly experienced leadership hire, with Andy Ransom, CEO of Rentokil, appointed as Non-Executive Director
- Ongoing investment in technology and systems to further drive efficiencies
  - Telemetry devices now installed in more than 50,000 vending machines, a 70% increase on the prior year
- M&A programme on track to deliver 3 - 5% annualised growth

- Continued successful roll-out of innovative MicroMarkets concept, with 76 in operation at the end of December 2018

<sup>2</sup> Custice's annual customer satisfaction survey awards

**David Flochel, Chief Executive Officer, said:**

“I am pleased to report a strong first quarter performance in 2019. The positive momentum reported in 2018 has continued and this was the tenth successive quarter that the business has delivered on our expectations.

“This performance has been achieved while Selecta integrates the transformational acquisitions made in 2017 and 2018. The Group continues to benefit from its synergy programme and operational efficiencies across the business.

“This result demonstrates the success of our route-based business model and our strategy which is focused on sales growth, operational excellence, scale and synergies.

“We remain well positioned for further growth in the coming months and I am confident we will deliver against our full year guidance.”

- ENDS -

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**About Selecta Group**

Headquartered in Switzerland since 1957, Selecta is the European market leader in unattended self-service coffee and convenience food solutions in the workplace and in public spaces. With over 9,000 employees and 250,000 customers spanning 16 countries, Selecta serves more than 10 million consumers a day on average through its 460,000 points of sale across Europe. The excellence of Selecta's route-based operations have been recognised with multiple industry awards.

For more information, please visit [www.selecta.com](http://www.selecta.com)

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**Forward-Looking Statements**

This press release includes “forward-looking statements” that involve risks, uncertainties and other factors, many of which are outside of the Company’s control and could cause actual results to differ materially from the results discussed in the forward-looking statements. Forward-looking statements include statements concerning the Company’s plans, objectives, goals, future events, performance or other information that is not historical information. All statements other than statements of historical fact referred to in this press release are forward-looking statements. Forward-looking statements give the Company’s or the Group’s current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “estimate,” “plan,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements, as well as those included in any other material, are subject to known and unknown risks, uncertainties and assumptions about the Company, its present and future business strategies, trends in its operating industry and the environment in which it will operate in the future, future capital expenditure and acquisitions. In light of these risks, uncertainties and assumptions, the events in the forward-looking statements may not occur or the Company’s or the Group’s actual results, performance or achievements might be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. None of the Company, its affiliates or their respective directors, officers, employees, agents or advisers undertake to publicly update or revise forward-looking statements to reflect subsequent events or circumstances after the date made, except as required by law.