



25 May 2020

SELECTA GROUP
Q1 2020 RESULTS
COVID-19 UPDATE

Selecta Group B.V. (“Selecta” and together with its subsidiaries, the “Group”), the leading route-based unattended self-service retailer in Europe, announces its results for the three months ended 31 March 2020.

Q1 Financial Highlights

- Revenue decreased by 12.3% to €358.1 million¹ for the three months ended 31 March 2020 (compared to €408.3 million for the three months ended 31 March 2019), primarily due to the emerging impact of the COVID-19 pandemic. This decrease was partly offset by portfolio additions (DBS in Germany, Aramark in Belgium, Select Drinks in the UK and C.S. Vending in Italy).
- Adjusted EBITDA^{2,3} decreased by 58.3% to €28.6 million¹ for the three months ended 31 March 2020 (compared to €68.8 million for the three months ended 31 March 2019), and Reported EBITDA³ decreased by 48.5% to €25.4 million for the three months ended 31 March 2020 (compared to €49.3 million for the three months ended 31 March 2019) as cost cutting measures were unable to fully offset revenue reductions. This decrease was also due to a higher cost base resulting from growth initiatives implemented in 2019.
- Net cash generated from operating activities was an inflow of €44.3 million¹ for the three months ended 31 March 2020 (compared to €80.1 million for the three months ended 31 March 2019). This decline compared to the prior year period was primarily due to lower EBITDA and the adverse impact of a lower revenue base on the Group’s working capital position.

In conjunction with the reporting of its results for the first quarter of 2020, Selecta will today host an audio webcast presentation for holders of its senior secured notes at 15:00 CET / 14:00 BST to discuss its first quarter financial results. Selecta’s management will answer some of the questions received prior to the call from investors through the Group’s investor relations platform. Please register to join the event [here](#).

COVID-19 Update

Safeguarding the health, safety and wellbeing of employees, business partners, customers and other stakeholders remains of the utmost importance and a major focus for the leadership team of Selecta.

¹ At actual exchange rates

² Adjusted EBITDA: Earnings before interest, tax, depreciation and amortization and prior to certain one-off items, including the effects of IFRS 16, which the Group adopted on 1 January 2020

³ Including the effects of IFRS 16

As of today, the COVID-19 crisis continues to have a negative impact on Selecta's business by causing significant disruption across all of its markets and severely affecting its operations:

- Italy was Selecta's first market to be materially impacted (at the end of February 2020), with Scandinavian countries affected last, around three weeks later;
- The spread of the virus, as well as the phasing of government restrictions, differed across countries, which resulted in a decline in demand for Selecta's products and services that differed across each market.

The Group continues to implement measures to mitigate the negative financial impact of the COVID-19 crisis and to manage the Group's liquidity position, including:

- Undertaking a comprehensive cost saving programme and lowering Selecta's fixed cost base;
- Applying for applicable government support schemes available to the business, including furloughing a significant part of Selecta's workforce;
- Deferral or cancellation of planned capital expenditures;
- Deferral of tax payments, in line with government programmes;
- Entering into negotiations with selected landlords to discuss deferral of rental payments and vending fees;
- Management of orders for inventories to the extent possible; and
- Negotiating extended payment terms with many of our suppliers.

Whilst significant progress has been made with regards to the implementation of these mitigating actions, Selecta is at this time unable to accurately forecast the extent or duration of the impact of COVID-19 and the time it may take for demand to fully recover. Selecta continues to evaluate the short, medium and potential longer-term implications of the current crisis on working habits and travel patterns, which are key drivers of its business. Selecta is, however, at this stage not able to provide financial guidance for 2020.

As noted in its 15 May 2020 announcement, Selecta has appointed Kirkland & Ellis LLP as legal advisor and PJT Partners (UK) Limited as financial advisor to provide assistance in the assessment of strategic, balance sheet and liquidity options in light of the current adverse market conditions.

- END -

For media enquiries, contact Hudson Sandler

Wendy Baker / Hattie Dreyfus

+44 (0) 20 7796 4133

Selecta@hudsonsandler.com

About Selecta Group

Headquartered in Switzerland since 1957, Selecta is Europe's leading route-based unattended self-service retailer, providing coffee and convenience food solutions in the workplace and in public spaces. The excellence of Selecta's route-based operations has been recognised with multiple industry awards.

For more information, please visit www.selecta.com

Cautionary Statement

We are providing this information voluntarily, and the material contained in this announcement is presented solely for information purposes and is not to be construed as providing investment advice. As such, it has no regard to the specific investment objectives, financial situation or particular needs of any recipient. No representation or warranty, either express or implied, is made as to, and no reliance should be placed on, the fairness, completeness, accuracy, correctness or reliability of the information contained herein or the assumptions upon which the information is based. It should not be regarded by recipients as a substitute for the exercise of their own judgment. Neither Selecta, nor any of its directors, officers, employees, affiliates, direct or indirect shareholders, advisors or agents accepts any liability for any direct, indirect, consequential or other loss or damage suffered by any person as a result of relying on all or any part of this presentation and any liability is expressly disclaimed.

Forward-Looking Statements

This press release includes “forward-looking statements” that involve risks, uncertainties and other factors, many of which are outside of Selecta’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 Selecta’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 Selecta’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 Selecta, 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 Selecta’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 Selecta, 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.