



Quarterly report Q1 2021

25 May 2021

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OPERATING AND FINANCIAL REVIEW

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Overview

Headquartered in Switzerland since 1957, Selecta is the leading route-based unattended self-service retailer in Europe, providing coffee and convenience food solutions in the workplace and in public spaces. The excellence of Selecta's operations has been recognised with multiple industry awards. For additional information on our business, please refer to the financial statements included in this annual report (the "Report").

1 FACTORS AFFECTING COMPARABILITY OF OUR FINANCIAL STATEMENTS

Impact of Coronavirus (COVID-19)

Starting in the first quarter of 2020 the global COVID-19 pandemic surfaced in nearly all regions around the world. On 11 March 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic in recognition of its rapid spread across the globe and many governments have taken stringent steps to help contain or delay the spread of the virus. The current crisis had and continues to have a negative impact on our business by severely affecting our operations and causing disruption across all our markets. The effect of the COVID-19 pandemic on our business as well as the subsequent recovery will ultimately depend on a number of factors, including, but not limited to, the duration and severity of the outbreak and the length of time it takes for demand and pricing to return and for normal economic and operating conditions to resume. Accordingly, our financial condition and results of operations differ in respect of these periods, when compared to the historical financial condition and results of operations presented in this discussion.

2 OUR SEGMENTS AND BUSINESS CHANNELS

Geographic Segments

We report our revenue and certain other financial data by geographic segment. The geographic segments in which we operate correspond to our reporting segments under IFRS and consist of the following:

- South, UK & Ireland includes operating entities in Italy, Spain and the UK/Ireland;
- Central includes operating entities in Austria, France, Germany, Liechtenstein, and Switzerland; and
- North includes operating entities in Belgium, Denmark, Finland, Luxembourg, the Netherlands, Norway, and Sweden.

In addition to the segments identified above, we report separately on our Headquarters (HQ), which includes corporate center functions in Switzerland and certain functions of former Pelican Rouge entities in the Netherlands and in the UK.

Business Channels

We also report our revenue and certain other financial data by business channel. Our business channels consist of the following:

- The *workplace channel*, which includes revenue from (i) private self-service retail, consisting of Point of Sale (PoS) placed and serviced in various private locations, such as large corporate customers, in various businesses and industries and including in corporate offices, manufacturing and logistics sites, and (ii) Office Coffee Service (OCS), which is comprised of table-top coffee machines rented out to corporate customers (mainly small and medium-sized enterprises) for office use along with the provision of technical services and coffee and related supplies for the PoS;
- The *on-the-go channel*, which includes revenue from PoS placed and serviced in semi-public areas, such as hospitals, universities and entertainment venues, or public areas, such as train stations, airports and gas stations, following a successful bidding process with relevant government authorities to place our PoS in a given location; and
- The *trading channel*, which includes revenue from sales of machines and products, including coffee roasted in our roasting facility and the provision of technical and hygienic support to customers.

3 INCOME STATEMENT

€m	Jan - Mar 2021	Jan - Mar 2020	Var %
Revenue	263.8	358.1	(26.3%)
Vending fees	(29.2)	(38.7)	24.5%
Net sales	234.5	319.4	(26.6%)
Materials and consumables used	(89.5)	(125.0)	28.4%
Gross profit	145.0	194.4	(25.4%)
Adjusted employee expenses	(79.7)	(117.2)	32.0%
Adjusted other operating expenses	(31.5)	(48.5)	35.1%
Adjusted EBITDA	33.8	28.6	17.9%
One-off adjustments	(7.1)	(3.2)	N/A
EBITDA	26.6	25.4	5.0%
Depreciation	(38.0)	(42.9)	11.5%
EBITA	(11.3)	(17.5)	35.4%
Amortization	(14.7)	(15.4)	4.9%
EBIT	(26.0)	(33.0)	21.1%

At Actual Exchange Rates

Revenue

Revenue decreased by 26.3% at actual exchange rates and by 26.2% at constant currency, from € 358.1 million for the quarter ended 31 March 2020 to € 263.8 million for the quarter ended 31 March 2021. Revenue continues to be impacted by the pandemic.

Revenue by Region

South, UK and Ireland

Revenue in our South, UK and Ireland region decreased by 32.2% at actual exchange rate, from € 126.6 million for the quarter ended 31 March 2020 to € 85.8 million for the quarter ended 31 March 2021. Trading conditions remain challenging in the UK and Spain, but more favorable in Italy.

Central

Revenue in our Central region decreased by 23.3% at actual exchange rate, from € 123.3 million for the quarter ended 31 March 2020 to € 94.5 million for the quarter ended 31 March 2021. Better comparison across all countries, with resilient performance in Switzerland and tougher conditions in France.

North

Revenue in our North region decreased by 22.9% at actual exchange rate from € 108.2 million for the quarter ended 31 March 2020 to € 83.4 million for the quarter ended 31 March 2021. Trading conditions similar to Q4 20, with tougher conditions in Sweden versus others in Scandinavia and Belgium more impacted than the Netherlands.

Revenue by Channel

Net sales (excluding Trade) were € 182.4 million, down 28.2% at actual exchange rates (€ 181.9 million, down 28.0% at actual constant rates), with Public the most resilient channel driven by the petrol business. Different trends in Private, more challenged in the service, and better in manufacturing and small businesses. Semi-public particularly impacted by closures in universities, schools and hospitals.

By channel, total sales per machine per day showed a reduction of 19.9% from € 8.9 to € 7.1, with a 23.0% reduction in the private channel from € 9.7 to € 7.4, -32.4% in semi-public from € 5.8 to € 3.9, but public showed an increase of 1.0% from € 18.5 to € 18.6. No material difference at constant currency.

Net sales

Net sales decreased by 26.6% at actual exchange rates and by 26.5% at constant currency, from € 319.4 million for the quarter ended 31 March 2020, to € 234.5 million for the quarter ended 31 March 2021.

Adjusted EBITDA

Adjusted EBITDA increased by 17.9% at actual exchange rates and by 16.9% at constant currency, from € 28.6 million for the quarter ended 31 March 2020 to € 33.8 million for the quarter ended 31 March 2021. As a result, our Adjusted EBITDA margin on net sales increased to 14.4% for the quarter ended March 31, 2021, compared to 9.0% for the quarter ended 31 March 2020.

This increase in Adjusted EBITDA was primarily due to the very strong savings in employee costs due to strict management of daily operational capacities.

Vending Fees

Vending fees decreased by 24.5% from € 38.7 million for the quarter ended 31 March 2020, to € 29.2 million for the quarter ended 31 March 2021. This decrease was primarily driven by the reduction in revenue.

Materials and consumables used

Materials and consumables used decreased by 28.4%, from € 125.0 million for the quarter ended 31 March 2020 to € 89.5 million for the quarter ended 31 March 2021. As a percentage of Net sales, materials and consumables used decreased from 39.1% for the quarter ended 31 March 2020 to 38.2% for the quarter ended 31 March 2021, mainly driven by the change in Revenue mix.

Employee expenses

Adjusted employee expenses decreased by 32.0%, from € 117.2 million for the quarter ended 31 March 2020 to € 79.7 million for the quarter ended 31 March 2021. Decrease in employee expenses due to strict management of daily operational capacities.

Operational Expenses

Adjusted other operating expenses decreased by 35.1%, from € 48.5 million for the quarter ended 31 March 2020 to € 31.5 million for the quarter ended 31 March 2021. Decrease in other operating expenses due to strict cost management.

4 CASH FLOW STATEMENT

€M	Jan - Mar 2021	Jan - Mar 2020
EBITDA	26.6	25.4
(Profit) / loss on disposals	(1.2)	(2.0)
Changes in working capital, provisions & others	(29.0)	28.9
Non-cash transactions	(1.2)	(8.0)
Net cash generated from operating activities	(4.8)	44.3
Purchases of tangible and intangible assets	(13.2)	(20.5)
Acquisition of subsidiaries	0.0	(1.1)
Proceeds from sale of subsidiaries and other proceeds	5.6	3.5
Net cash used in investing activities	(7.6)	(18.1)
Free cash flow	(12.4)	26.2
Proceeds / repayments of loans and borrowings	(20.6)	47.2
Interest and other financing costs paid	(8.7)	(12.2)
Capital element of finance lease liabilities	(17.5)	(15.8)
Net cash used in financing activities	(47.0)	19.2
Total net cash flow	(59.3)	45.4

At Actual Exchange Rates

Net cash generated from operating activities was an outflow of € 4.8 million for the quarter ended 31 March 2021. This cash outflow was mainly driven by changes in working capital.

Net cash used in investing activities was € 7.6 million for the quarter ended 31 March 2021, a decrease by 57.5% compared to net cash used in investing activities for the quarter ended 31 March 2020. This decrease was primarily due to the impact of lockdowns and hence less installations, together with strict capex controls to ensure targeted returns on capital.

Net cash used in financing activities was € 47.0 million for the quarter ended 31 March 2021, primarily due to € 19 million drawdown of the revolving facility and the finance lease payments.

5 BALANCE SHEET

€m	31 Mar 2021	31 Dec 2020
Non-current assets		
Property, plant and equipment	484.3	509.5
Goodwill	978.8	978.8
Intangible assets	637.1	649.6
Other non-current assets	123.3	120.5
Total non-current assets	2'223.5	2'258.4
Current assets		
Inventories	100.8	99.3
Trade receivables	71.5	64.4
Other current assets	45.5	45.7
Cash and cash equivalents	67.3	127.9
Total current assets	285.1	337.3
Total assets	2'508.6	2'595.7

€m	31 Mar 2021	31 Dec 2020
Equity and liabilities		
Total equity	677.7	721.2
Borrowings	954.7	975.3
Provisions	10.2	11.3
Other non-current liabilities	192.5	202.5
Deferred income tax liabilities	184.3	187.2
Total non-current liabilities	1'341.7	1'376.3
Current liabilities		
Trade payables	142.4	147.4
Provisions	65.9	68.9
Other current liabilities	280.8	281.8
Total current liabilities	489.1	498.1
Total liabilities	1'830.9	1'874.4
Total equity and liabilities	2'508.6	2'595.7

At Actual Exchange Rates

6 LIQUIDITY AS OF 31 MARCH 2021

€m	Mar 2021 Pre IFRS 16	Mar 2021 IFRS 16	Mar 2021 Post IFRS 16
Cash & cash equivalents	67.3		67.3
Revolving credit facility	20.0		20.0
Senior notes	934.8		934.8
Lease liabilities	28.5	186.7	215.1
Other financial debt ²	44.4		44.4
Total senior debt	1'027.6	186.7	1'214.2
Net senior debt	960.3	186.7	1'146.9
Adjusted EBITDA last 12 months	41.1	49.2	90.3
Leverage ratio	23.4		12.7
Available liquidity ¹	167.7		167.7

At Actual Exchange Rates

¹ Liquidity is defined as Cash at Bank plus available RCF

² Other financial debt is the sum of Recourse Factoring, Reverse Factoring, Accrued Interest plus Local Bank debt

As of 31 March 2021, we had cash & cash equivalents of € 67.3 million. We used our Revolving Credit Facility to borrow loans (€ 20 million) and issued bank guarantees (€ 21.8 million). The total liquidity position of the group was therefore € 167.7 million. The continued availability of our Revolving Credit Facility is dependent upon certain conditions, including ongoing compliance with covenants tested quarterly.

Our ability to generate cash depends on our future operating performance, which, in turn, depends to some extent on general economic, financial, industry and other factors, many of which are beyond our control. We may from time to time seek to retire or repurchase our outstanding debt through cash purchases, in open market purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will depend on market conditions, our liquidity requirements, contractual restrictions and other factors.

In addition, there continues to be a significant increase in economic uncertainty due to the impact of COVID-19. Due to the uncertainty of the outcome of the current events, the fast-moving nature of the situation and uncertainty around the spread and duration of the virus, we cannot reasonably estimate the impact these events will have on our financial position, results of operations or cash flows in the future.

7 WORKING CAPITAL

€m	Mar 2021	Mar 2020
Account receivables	71.5	68.6
Other receivables (incl. trapped cash*)	48.5	66.9
Inventory	100.8	123.2
Account payables	(142.4)	(193.0)
Other payables	(93.6)	(94.8)
Trade Working Capital	(15.3)	(29.0)

At Actual Exchange Rates

Our trade working capital increased by € 13.7 million for the quarter ended 31 March 2021, compared to the quarter ended 31 March 2020. This increase was due to a reduction in other receivables (including accrued income) of € 18.4 million, a reduction in inventory of € 22.4 million, offset by a € 51.8 million reduction in account and other payables, mostly driven by a strong management of net working capital.

8 CAPITAL EXPENDITURES

Our capital expenditures primarily relate to the acquisition of points of sale equipment to be installed on our clients' premises. Our capital expenditures also relate to the purchase of vehicles and other equipment, such as furniture, Points of sales equipment installation costs and IT investments. Net capital expenditures decreased by € 6.5 million at actual exchange rate including IFRS 16, or 31%, from € 21.4 million for the quarter ended 31 March 2020, to € 14.9 million for the quarter ended 31 March 2021. This decrease was primarily due to the impact of lockdowns, together with strict capex controls to ensure targeted returns on capital.

9 MATERIAL COMMITMENTS AND CRITICAL ACCOUNTING POLICIES

Please refer to the 2020 Audited Financial Statements and the notes thereto for a description of our material commitments and critical accounting policies which remain applicable.

10 ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE (ESG)

In 2018, we launched our group-wide sustainability approach. Developed in collaboration and consultation with our employees, customers and other key stakeholders, we identified areas of impact that are integral to our business. Four strategic pillars were defined that encompass core topics including; respecting our environment, sourcing and offering responsible products, respecting our community and an creating an enjoyable workplace.

The recent achievements in the field of ESG are as follows:

- 3,850 solar panels placed on the roof of the Pelican Rouge Roasting facility
- Drastically reduced carbon footprint as result of fleet downsizing and shift to electric
- Burundi coffee project partnership formalized with the Netherlands Enterprise Agency
- Training Rwanda coffee farmers on cow husbandry, coffee farming practices and business management

Condensed consolidated interim financial statements

Condensed consolidated statement of profit or loss

	Notes	3 months ended 31 March 2021 € (000's)	3 months ended 31 March 2020 € (000's)
Revenue	5, 6	263'757	358'078
Vending fees	7	(29'233)	(38'715)
Materials and consumables used		(89'534)	(124'995)
Employee benefits expense		(82'721)	(120'451)
Depreciation and amortisation expense	8	(52'641)	(58'337)
Other operating expenses		(37'966)	(53'937)
Other operating income		2'347	5'397
Loss before net finance costs and income tax		(25'991)	(32'960)
Finance costs	9	(41'291)	(48'216)
Finance income	9	177	9'316
Loss before income tax		(67'105)	(71'860)
Income taxes		2'104	2'434
Loss for the period		(65'001)	(69'426)
Revenue net of vending fees ¹	5, 7	234'524	319'363

The notes on pages 17 to 30 are an integral part of these condensed consolidated interim financial statements.

¹The Group presents revenue net of vending fees which is a leading internal performance measure but not a defined performance measure in IFRS (refer to note 7). Due to these vending fees are separately disclosed below the revenue line and excluded from the line other operating expenses.

Condensed consolidated statement of comprehensive income

	3 months ended	3 months ended
	31 March 2021	31 March 2020
	€ (000's)	€ (000's)
Loss for the period	(65'001)	(69'426)
<u>Items that are or may subsequently be reclassified to the consolidated statement of profit or loss</u>		
Foreign exchange translation differences for foreign operations	21'464	3'766
Other comprehensive income for the period	21'464	3'766
Total comprehensive income for the period	(43'537)	(65'660)

The notes on pages 17 to 30 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated balance sheet

	Notes	31 March 2021 € (000's)	31 December 2020 € (000's)
Non-current assets			
Property, plant and equipment	10	484'257	509'507
Goodwill		978'833	978'803
Trademarks	11	347'091	347'914
Customer contracts	11	269'102	280'843
Other intangible assets	11	20'890	20'795
Deferred income tax assets		24'916	25'665
Non-current financial assets		15'893	16'341
Net defined benefit asset		82'532	78'524
Total non-current assets		2'223'514	2'258'392
Current assets			
Inventories		100'758	99'294
Trade receivables		71'493	64'410
Other current assets		45'487	45'654
Cash and cash equivalents		67'322	127'902
Total current assets		285'060	337'260
Total assets		2'508'574	2'595'652

The notes on pages 17 to 30 are an integral part of these condensed consolidated interim financial statements.

Notes

31 March 2021

31 December 2020

		€ (000's)	€ (000's)
Equity and liabilities			
Equity			
Share capital	13	344	344
Share premium	13	2'033'091	2'033'091
Currency translation reserve	13	(201'573)	(223'037)
Accumulated deficit	13	(1'154'155)	(1'089'154)
Total equity		677'707	721'244
Non-current liabilities			
Borrowings	12	954'748	975'332
Finance lease liabilities		164'796	174'389
Net defined benefit liability		16'645	16'779
Provisions		10'225	11'253
Other non-current liabilities		10'991	11'284
Deferred income tax liabilities		184'323	187'225
Total non-current liabilities		1'341'728	1'376'262
Current liabilities			
Finance lease liabilities		50'316	52'240
Trade payables		142'436	147'413
Provisions		65'906	68'901
Current income tax liabilities		8'995	8'863
Other current liabilities		221'486	220'729
Total current liabilities		489'139	498'146
Total liabilities		1'830'867	1'874'408
Total equity and liabilities		2'508'574	2'595'652

The notes on pages 17 to 30 are an integral part of these condensed consolidated interim financial statements.

Condensed statement of changes in consolidated equity

	<i>Share capital</i> € (000's)	<i>Share premium</i> € (000's)	<i>Currency translation reserve</i> € (000's)	<i>Accumulated deficit</i> € (000's)	<i>Total equity</i> € (000's)
Balance at 1 January 2020	187	1'039'957	(200'117)	(677'554)	162'473
Other comprehensive income	-	-	(22'920)	8'892	(14'028)
Loss for the period	-	-	-	(420'492)	(420'492)
<i>Total comprehensive income for the period</i>	-	-	(22'920)	(411'600)	(434'520)
<i>Equity contribution</i>	157	993'134	-	-	993'291
Balance at 31 December 2020	344	2'033'091	(223'037)	(1'089'154)	721'244
Other comprehensive income	-	-	21'464	-	21'464
Loss for the period	-	-	-	(65'001)	(65'001)
<i>Total comprehensive income for the period</i>	-	-	21'464	(65'001)	(43'537)
Balance at 31 March 2021	344	2'033'091	(201'573)	(1'154'155)	677'707

The notes on pages 17 to 30 are an integral part of these condensed consolidated interim financial statements.

Condensed consolidated cash flow statement

Notes	3 months ended 31 March 2021 € (000's)	3 months ended 31 March 2020 € (000's)
Cash flows from operating activities		
Loss before income tax	(67'105)	(71'860)
Depreciation and amortisation expense	52'641	58'337
Gain on disposal of property, plant and equipment, net	(1'160)	(2'003)
Non-cash transactions	(1'212)	(7'953)
Finance costs, net	41'114	38'900
Changes in working capital:		
(Increase)/Decrease in inventories	(1'070)	1'967
(Increase)/Decrease in trade receivables	(6'666)	13'515
(Increase)/Decrease in other current assets	(652)	4'583
Increase/(Decrease) in trade payables	(5'393)	(6'618)
Increase/(Decrease) in other liabilities	(14'851)	15'550
Income taxes paid	(352)	(94)
Net cash generated from operating activities	(4'706)	44'324
Cash flows from investing activities		
Acquisition of subsidiary, net of cash acquired	-	(1'050)
Purchases of property, plant and equipment	(11'416)	(18'630)
Purchases of intangible assets	(1'784)	(1'931)
Proceeds from sale of property, plant and equipment	5'321	3'771
Interest received	130	28
Other proceeds paid/(granted)	154	(270)
Net cash used in investing activities	(7'595)	(18'082)
Cash flows from financing activities		
Proceeds/(Repayment) of loans and borrowings	(20'648)	47'170
Capital element of lease liabilities	(17'512)	(15'800)
Proceeds/(Repayment) from factoring	(5'340)	(2'910)
Interest paid	(3'457)	(9'158)
Financing costs paid	-	(124)
Net cash (used in)/generated from financing activities	(46'957)	19'178
Net (decrease)/increase in cash and cash equivalents	(59'258)	45'420
Cash and cash equivalents at the beginning of the period	127'902	64'675
Exchange gains/(losses) on cash and cash equivalents	(1'322)	704
Cash and cash equivalents at the end of the period	67'322	110'799

The notes on pages 17 to 30 are an integral part of these condensed consolidated interim financial statements.

Notes to the condensed consolidated interim financial statements

1. General Information

Selecta Group B.V. (“the Company”) is a limited liability company incorporated and domiciled in Amsterdam, the Netherlands. The Company and its subsidiaries are collectively referred to herein as “the Group” or “the Selecta Group”. The Group is a pan-European self-service retail and coffee services company.

These condensed consolidated interim financial statements do not represent statutory financial statements of the Company prepared in accordance with Dutch GAAP and the requirements of the Dutch chamber of commerce and have been prepared voluntarily by the Board of Directors.

On 11 March 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak to be a pandemic in recognition of its rapid spread across the globe. The business of the Group is significantly impacted by the pandemic and the related decrease in mobility and office presence which has negatively impacted the financial performance of the year. Despite the pandemic the Group continued to operate in all of its market during 2020 and 2021.

In addition to the downsides in revenue, the pandemic had the following main impacts on the financial performance in 2021:

- There were decisive and rapid actions implemented in order to partially mitigate the adverse impact on both income statement and liquidity. Amongst other the actions include strict cost saving measures and re-negotiation of contracts with focus on the fixed vending rents. In addition, the Group takes advantage of furlough programs available in most of the markets.
- A detailed structural review to ensure the Group is positioned for future growth was performed which resulted in a plan to permanently reduce full time employees from roughly 10'000 in 2019 to 7'000 by the end of 2021. The execution of the plan is ongoing.

There is still uncertainty over the development of the crisis and its impact on the future financial performance of the Group. Given the solid cash position and the successful recapitalization of the Group the management continues to believe that the company has the adequate resources to continue in operations.

The conclusion is supported by the measures already taken by management to mitigate the decline in revenue, especially the rightsizing of the Group.

2. Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting (“IAS 34” as issued by the IASB).

The disclosure requirements of IAS 34 are based on the assumption that the reader of the condensed consolidated financial statements is doing so together with the most recent consolidated financial statements.

The condensed consolidated financial statements do not include all information required for a complete set of IFRS financial statements and should therefore be read in conjunction with the annual consolidated financial statements as at 31 December 2020.

Selected explanatory notes have been included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual consolidated financial statements for the year ended 31 December 2020.

3. Summary of significant accounting policies

3.1. Accounting policies

The Group has adopted all International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) issued by the International Accounting Standards Board (the IASB) as well as Interpretations given by the IFRS Interpretations Committee (the IFRIC) and the former Standing Interpretations Committee (SIC) that are relevant to the Group's operations and effective for annual reporting periods beginning on 1 January 2021.

Except as described below, the accounting policies applied in these condensed consolidated semi-annual financial statements are the same as those applied in the consolidated financial statements as of 31 December 2020.

3.2. New and revised/amended standards and interpretations

As of 1 January 2021, the Group adopted various amendment to the existing International Financial Reporting Standards, none of which have a material impact on the results or the financial position of the Group.

The following new or amended standards and interpretations that may be relevant to the consolidated financial statements have been issued but are not yet effective. They have not been applied early in these consolidated financial statements.

	<i>Impact</i>	<i>Effective date</i>	<i>Planned application by Selecta Group B.V.</i>
<i>New standards or interpretations</i>			
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)	2)	1 January 2022	Reporting year 2022
Annual Improvements to IFRS Standards 2018-2020	2)	1 January 2022	Reporting year 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1)	1 January 2022	Reporting year 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1)	1 January 2022	Reporting year 2022
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	2)	1 January 2023	Reporting year 2023
Disclosure of Accounting Policy (Amendments to IAS 1 and IFRS Practice Statement 2)	2)	1 January 2023	Reporting year 2023
Definition of Accounting Estimate (Amendments to IAS 8)	2)	1 January 2023	Reporting year 2023

1) No significant impacts are expected on the consolidated financial statements of Selecta Group

2) The impact on the consolidated financial statements of Selecta Group cannot yet be determined with sufficient reliability

3.3. Statement of seasonality of operations

Whilst the business of Selecta fluctuates from month to month, the impact between quarters is limited, except for working capital.

Seasonal fluctuations across the months offset each other to a certain degree at group level.

4. Use of estimates and key sources of estimation uncertainties

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

5. Segmental reporting

The Group's Board of Directors examines the results achieved by each segment when making decisions on the allocation of resources and assessment of performance. The Group's financing activities are managed at Group level and are not allocated to segments.

Three different regions present similarities in terms of both channel and business model predominances, and related characteristics. Each of those regions engages business activities as described below, earns revenues and incurs expenses:

- **Segment South, UK & Ireland:** characterised by paid-vend², predominantly private vending and includes Italy, Spain and the UK (including Ireland).
- **Segment Central:** characterised by paid-vend, mixed channel vending and includes Switzerland, Germany, Austria and France, with a strong presence and expertise in the public business.
- **Segment North:** characterised by free-vend³, office coffee services (OCS) and includes Sweden, Norway, Finland, Denmark, Belgium, Netherlands and the Pelican Rouge Roaster in the Netherlands.

Revenues, revenues net of vending fees and profit/(loss) before finance costs, net and income taxes, depreciation and amortisation expense as the operating result of the Group's reportable segments are regularly reviewed by the Board of Directors, as the Group's Chief Operating Decision Maker, to assess performance and to determine how resources should be allocated.

Result for the 3 months ended 31 March 2021

	<i>South, UK & Ireland</i>	<i>Central</i>	<i>North</i>	<i>Total reportable segments</i>	<i>HQ and Interco</i>	<i>Total Group</i>
	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)
Revenue	85'847	94'544	87'007	267'398	(3'641)	263'757
Revenue net of vending fees	76'595	78'709	82'861	238'165	(3'641)	234'524
Profit/(loss) before net finance costs and income taxes, depreciation and amortisation expense	8'103	11'631	13'361	33'095	(6'445)	26'650
Depreciation and amortisation expense	(13'999)	(15'575)	(10'182)	(39'756)	(12'885)	(52'641)
Loss before net finance costs and income tax						(25'991)
Finance costs, net						(41'114)
Loss before income tax						(67'105)

² Paid vend means that consumer pays (e.g., at the coffee machines in the offices)

³ Free vend is defined by consumer not paying but the employer is paying (e.g., coffee consumption)

Result for the 3 months ended 31 March 2020

	South, UK & Ireland	Central	North	Total reportable segments	HQ and Interco	Total Group
	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)
Revenue	126'606	123'356	113'620	363'582	(5'504)	358'078
Revenue net of vending fees	111'604	104'102	109'161	324'867	(5'504)	319'363
Profit/(loss) before net finance costs and income taxes, depreciation and amortisation expense	10'235	9'886	17'276	37'397	(12'020)	25'377
Depreciation and amortisation expense	(15'434)	(18'717)	(11'188)	(45'339)	(12'998)	(58'337)
Loss before net finance costs and income tax						(32'960)
Finance costs, net						(38'900)
Loss before income tax						(71'860)

6. Revenue by channel

The table below shows the interaction between revenues by channels and segment revenues.

Result for the 3 months ended 31 March 2021

	South, UK & Ireland	Central	North	Total reportable segments	HQ and Interco	Total Group
	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)
Revenue from contracts with customers	85'847	94'544	84'095	264'486	(3'641)	260'845
Rental revenue	-	-	2'912	2'912	-	2'912
Total revenue	85'847	94'544	87'007	267'398	(3'641)	263'757
Revenue from On-the-Go channel	27'806	47'911	12'443	88'160	-	88'160
Third party revenue from Workplace channel	44'707	37'321	38'563	120'591	-	120'591
Intersegment revenue from Workplace channel	-	11	-	11	(11)	-
Third party revenue from Trading channel	13'334	9'307	29'453	52'094	-	52'094
Intersegment revenue from Trading channel	-	(6)	3'636	3'630	(3'630)	-
Total revenue from contracts with customers	85'847	94'544	84'095	264'486	(3'641)	260'845

Result for the 3 months ended 31 March 2020

	South, UK & Ireland	Central	North	Total reportable segments	HQ and Interco	Total Group
	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)	€ (000's)
Revenue from contracts with customers	126'606	123'356	109'685	359'647	(5'504)	354'143
Rental revenue	-	-	3'935	3'935	-	3'935
Total Revenue	126'606	123'356	113'620	363'582	(5'504)	358'078
Revenue from On-the-Go channel	47'158	58'595	16'780	122'533	-	122'533
Third party revenue from Workplace channel	61'208	53'165	51'966	166'339	-	166'339
Intersegment revenue from Workplace channel	-	17	-	17	(17)	-
Third party revenue from Trading channel	18'240	11'519	35'512	65'271	-	65'271
Intersegment revenue from Trading channel	-	60	5'427	5'487	(5'487)	-
Total revenue from contracts with customers	126'606	123'356	109'685	359'647	(5'504)	354'143

On-the-Go (Public & semi-public):

The On-the-Go channel includes public and semi-public points of sale (vending machines).

Public points of sale are characterized by their public access, and the fact that the customer on these premises purchase the merchandise (goods such as foods and drinks) 'on the go', with travel being the main purpose of their presence at such premises.

Semi-public points of sales are in areas accessible to customers either visiting the premises or employed on the premises. The main purpose of visitors on the premises shall not be travel (such premises are captured within public) or work (such premises are captured within workplace), it can be leisure, education, health, access to public services, etc.

Workplace (private):

The Workplace points of sale are installed in workplace environments and therefore primarily accessible to the counterparty's employees.

Trading:

The Trading channel captures sales of vending machines and ingredients, rental and technical services and the sales of products from our own coffee roasting facility. Roaster products include roasted, blended and packed coffee and related ingredients.

The above channel split articulates the main differences in counterparty and customer segmentation and the corresponding offering and contract types across the Group.

7. Vending fees and revenue net of vending fees

The Group enters into contracts with public and semi-public counterparties to install, operate, supply and maintain self-service retail machines on freely accessible public and semi-public locations. In return Selecta pays the counterparties a consideration which is presented as vending fees expense in the consolidated statement of profit or loss.

From the perspective of the Company's management, the economic substance of these transactions is in such cases a revenue-sharing business model between Selecta and its counterparties. As such, for internal operating and management purposes the Group has started to use the measure of revenue net of vending fees in order to assess the performance of the segments and to draw management decisions accordingly, on a consistent basis across segments.

Revenue net of vending fees is not a defined performance measure in IFRS. Management presents the performance measure of revenue net of vending fees because it monitors this performance measure at a consolidated and segment level, and it believes that this measure is relevant to the understanding of the Group's financial performance. Due to this, vending fees are separately disclosed below the revenue line and excluded from the line other operating expenses.

8. Total Depreciation and amortisation expense

	<i>3 months ended 31 March 2021</i>	<i>3 months ended 31 March 2020</i>
	€ (000's)	€ (000's)
Depreciation	(37'964)	(42'899)
Amortisation customer relationship contracts and trademark	(12'788)	(12'621)
Amortisation other	(1'889)	(2'817)
Total depreciation and amortisation expense	(52'641)	(58'337)

9. Finance costs and finance income

	<i>3 months ended 31 March 2021</i>	<i>3 months ended 31 March 2020</i>
	€ (000's)	€ (000's)
Interest on loan due to parent undertaking	-	(6'899)
Interest on loans	(20'756)	(22'089)
Refinancing costs amortisation	-	(2'069)
Finance lease interest expense	(1'924)	(1'411)
Other interest and finance expense	(665)	(1'761)
Foreign exchange losses, net	(17'946)	(13'987)
Total finance costs	(41'291)	(48'216)
Foreign exchange gains, net		
Change in fair value of derivative financial instruments	-	9'288
Other interest and finance income	177	28
Total finance income	177	9'316

10. Property, plant and equipment

<i>Cost</i>	<i>Freehold land and buildings € (000's)</i>	<i>Vending equipment € (000's)</i>	<i>Vehicles € (000's)</i>	<i>Other equipment € (000's)</i>	<i>Total € (000's)</i>
Balance at 1 January 2019	14'172	819'176	25'926	84'891	944'165
Application of IFRS 16	120'570	22'262	49'682	3'186	195'700
Additions	25'480	50'601	13'938	6'344	96'363
Disposals	(5'262)	(54'514)	(15'725)	(9'804)	(85'305)
Modification IFRS 16	6'921	(410)	1'290	-	7'801
Reclassifications*	(91)	(5'996)	(1'274)	2'220	(5'141)
Effects of foreign currency exchange differences	(208)	(1'291)	132	(683)	(2'050)
Balance at 31 December 2020	161'582	829'828	73'969	86'154	1'151'533
Additions	333	9'799	4'439	2'731	17'302
Disposals	(3'592)	(16'124)	(4'003)	(460)	(24'179)
Modification IFRS 16	754	-	(14)	-	740
Reclassifications*	-	(2'575)	3'139	(838)	(274)
Effects of foreign currency exchange differences	(640)	(1'556)	400	492	(1'304)
Balance at 31 March 2021	158'437	819'372	77'930	88'079	1'143'818
<i>Accumulated depreciation and impairment</i>					
Balance at 1 January 2019	(4'080)	(494'624)	(14'683)	(48'780)	(562'167)
Depreciation expense	(18'241)	(106'658)	(24'571)	(12'884)	(162'354)
Disposals	1'809	54'935	14'733	9'575	81'052
Reclassifications*	152	1'888	828	(2'554)	314
Effects of foreign currency exchange differences	20	864	(89)	334	1'129
Balance at 31 December 2020	(20'340)	(543'595)	(23'782)	(54'309)	(642'026)
Depreciation expense	(4'568)	(25'404)	(5'252)	(2'740)	(37'964)
Disposals	609	16'057	3'529	404	20'599
Modification IFRS 16	(72)	-	-	-	(72)
Reclassifications*	-	2'441	(3'159)	89	(629)
Effects of foreign currency exchange differences	(65)	953	(100)	(257)	531
Balance at 31 March 2021	(24'436)	(549'548)	(28'764)	(56'813)	(659'561)
<i>Net Book Value</i>					
At 1 January 2021	141'242	286'233	50'187	31'845	509'507
At 31 March 2021	134'001	269'824	49'166	31'266	484'257

* Reclassifications mainly relate to transfers to inventory of used equipment to be sold

The above table includes right of use assets in the amount € 185.5 million as of 31 March 2021 which were newly capitalized as a first-time application of IFRS 16 "Leases" as per 1 January 2020. These right of use assets are mainly related to freehold land and building, vehicles and vending equipment, see table below.

Right-of-use assets € (000's)	Land and Buildings	Vending equipment	Vehicles	Other equip- ment	Total
Balance at 1 January 2020	120'570	22'262	49'681	3'187	195'700
Depreciation expense for the year	(17'205)	(6'750)	(20'586)	(1'428)	(45'969)
Additions to right-of-use assets	24'889	2'519	12'231	986	40'625
Disposals of right-of-use assets	(2'389)	-	(686)	-	(3'075)
Modifications IFRS 16	6'921	(410)	1'290	-	7'801
Effects of foreign currency exchange differences	(182)	(49)	(127)	15	(342)
Balance at 31 December 2020	132'604	17'572	41'803	2'760	194'739
Depreciation expense for the year	(4'364)	(1'744)	(4'520)	(316)	(10'944)
Additions to right-of-use assets	310	-	4'381	234	4'925
Disposals of right-of-use assets	(2'984)	-	(249)	(89)	(3'322)
Modifications IFRS 16	682	-	(14)	-	668
Effects of foreign currency exchange differences	(716)	(213)	388	22	(517)
Balance at 31 March 2021	125'532	15'615	41'789	2'612	185'548

Lease liabilities	31 March 2021 € (000's)	31 December 2020 € (000's)
Current lease liabilities	50'316	52'240
Non-current lease liabilities	164'796	174'389
Total lease liabilities	215'112	226'629

11. Intangible assets

Intangible assets consist primarily of trademarks and customer contracts.

The trademarks Selecta and Pelican Rouge recognised by the Group have an indefinite useful life and are not amortised. These trademarks are allocated on a reasonable and consistent basis to the cash-generating units that are tested for impairment annually as described in the section on goodwill above. Trademarks which have definite useful life are amortised over 10 years.

Customer contracts recognised by the Group arise from customer contracts acquired as part of previous business combinations, including the Pelican Rouge acquisition, and are amortised over a period of 10-15 years.

12. Borrowings

	31 March 2021 € (000's)	31 December 2020 € (000's)
Borrowings at amortised cost (incl. revolving credit facility)	954'748	975'332
Total borrowings	954'748	975'332

12.1. Borrowings

	31 March 2021			31 December 2020		
	€ (000's)	in %	Interest rate	€ (000's)	in %	Interest rate
EUR	933'262	97.7%	8.4%	953'313	97.7%	8.3%
CHF	21'486	2.3%	8.5%	22'019	2.3%	8.6%
Total	954'748	100%	8.3%	975'332	100%	8.2%

The amounts shown above reflect the nominal value and original currency of the borrowings including accrued interest for the PIK proceeds loan without the deduction of net capitalized transaction costs. The nominal interest rate is disclosed.

12.2. Rate structure of borrowings

	31 March 2021	31 December 2020
	€ (000's)	€ (000's)
Total borrowings at variable rates	19'992	40'042
Total borrowings at fixed rates	934'756	935'290
Total borrowings at amortised cost	954'748	975'332

12.3. Details of borrowing facilities

In March 2020, certain funds and accounts managed or advised by KKR Credit Advisors (US) LLC provided to the Group a super senior liquidity facility of € 50 million with a term of 1 year (maturity April 2021). This facility was discharged in full on October 29th, 2020, as part of the debt restructuring described below. The liquidity facility was fully drawn from April 2020 until October 29th. The senior secured notes issued in 2018, the revolving credit facility (provided in 2018) and the liquidity facility were secured by first ranking security interests over the issued share capital of certain Group companies (together the "Guarantors"), certain intercompany receivables of the Company and the Guarantors, including assignment of certain bank accounts of the Company.

In April 2020, at this point in time the Group completed a corporate reorganization. As part of this, the existing PIK loan to the Group's parent, Selecta Group Midco S.à r.l., was converted into equity against the issue price of one new share. Following the completion of the reorganization, the Company was directly held (100%) by Selecta Group AG, resident in Switzerland, and Selecta Group AG was directly owned (100%) by Selecta Group Midco S.à r.l. (from April 16th, 2020, to October 29th, 2020). Following the completion of the debt restructuring described below, Selecta Group AG is directly owned (100%) by Selecta Group FinCo S.A., a wholly owned subsidiary of Selecta Group Midco S.à r.l.

On October 29th, 2020, Selecta completed a comprehensive debt recapitalization, effected in part by an English law scheme of arrangement under the Companies Act 2006. The transaction involved the exchange of all outstanding senior secured notes issued in 2018, plus accrued and unpaid interest on the senior secured notes, for a combination of first lien and second lien notes issued by the Company and preference shares issued by Selecta Group FinCo S.A., a newly incorporated subsidiary of Selecta Group Midco S.à r.l. The recapitalization resulted in (i) a significant reduction of the Company's outstanding third-party debt, (ii) an extension of debt maturities through 2026 and (iii) material cash interest reduction in the near-term. In addition, Selecta's shareholders provided € 175 million of new capital by way of a cash funding of € 125 million and the settlement of the € 50 million super senior liquidity facility, in consideration for the issuance of € 175 million of preference shares by Selecta Group FinCo S.A. The Company's super senior revolving credit facility ("RCF") was also amended to, among other things, amend the maturity to January 1st, 2026 and replace the existing financial covenant draw stop with new financial maintenance covenants.

The amended super senior revolving credit facility, the first lien notes and the second lien notes rank pari passu as to right of payment. The RCF ranks senior to the first lien notes, and the first lien notes

rank senior to the second lien notes as to proceeds of enforcement of security. The RCF and the first lien notes are guaranteed on a senior secured basis by the Guarantors and Selecta Finance UK Limited, and benefit from first priority liens over certain assets of the Group. The second lien notes are also guaranteed by the Guarantors and Selecta Finance UK Limited, and benefit from second-priority liens over the assets of the Group securing the RCF and the first lien notes.

As of March 2021, the first lien and second lien notes outstanding are:

First Lien Notes	EUR	678'552'457	8.0%	2026
First Lien Notes	CHF	17'672'303	8.0%	2026
Second Lien Notes	EUR	234'717'662	10.0%	2026
Second Lien Notes	CHF	6'112'983	10.0%	2026

Interest Rate

- First Lien Notes: Until (but excluding) January 2nd, 2023: 3.500% per annum, payable in cash, plus 4.500% per annum, payable in kind. From (and including) January 2nd, 2023: 8.000% per annum, payable in cash.
- Second Lien Notes: Until (but excluding) January 2nd, 2023: 10.000% per annum, payable in kind. From (and including) January 2nd, 2023: at the Company's discretion, 9.250% per annum, payable in cash or 10.000% per annum payable in kind. Interest can be paid entirely in cash, entirely in kind or in a combination of both.

Maturity

- First Lien Notes: April 1st, 2026.
- Second Lien Notes: July 1st, 2026.

	<i>Interest rate</i>	<i>31 March 2021</i>
	<i>%</i>	<i>€ (000's)</i>
First Lien Notes (EUR)	8.0	678'552
First Lien Notes (CHF)	8.0	15'964
Second Lien Notes (EUR)	10.0	234'718
Second Lien Notes (EUR)	10.0	5'522
Senior revolving credit facility (Euribor + 3.5%)	3.5	19'992
Total borrowings at nominal values		954'748

	<i>Interest rate</i>	<i>31 December 2020</i>
	<i>%</i>	<i>€ (000's)</i>
First Lien Notes (EUR)	8.0	678'552
First Lien Notes (CHF)	8.0	16'361
Second Lien Notes (EUR)	10.0	234'718
Second Lien Notes (EUR)	10.0	5'659
Senior revolving credit facility (Euribor + 3.5%)	3.5	40'042
Total borrowings at nominal values		975'332

13. Equity

13.1. Share capital, share premium

The Group's share capital consists of € 343'624 fully paid ordinary shares with a nominal value of € 1 per share.

Fully paid ordinary shares carry one vote per share and a right to dividends.

On 16 April 2020, Selecta Group performed a reorganisation of the entities above Selecta Group B.V. Selecta Group B.V. issued one new ordinary share with a nominal value of € 1 per share to Selecta

Group Midco S.a.r.L., the shareholder of Selecta Group B.V resulting in a total issued share capital of 187'004 fully paid ordinary shares. The new share was issued at an issue price of in total € 239'032'467.31. The amount above the nominal value increased the share premium of Selecta Group B.V. This share issuance fully offset all outstanding amounts under a previously entered PIK loan agreement between Selecta Group B.V. and Selecta Group Midco S.a.r.L., dated 2 February 2018 and amended and restated as of 4 December 2018.

Due to the capital contribution in Selecta Holding AG from Selecta Group BV emission fee of € 2'248k was levied.

Following this debt restructuring, Selecta Group MidCo S.a.r.L contributed all issued and outstanding shares of Selecta Group B.V. into Selecta Group AG. Consequently, as of 16th April 2020 Selecta Group BV was fully owned by Selecta Group AG. Selecta Group AG was fully owned by Selecta Group MidCo S.a.r.L.

On 29 October 2020, Selecta Group performed a further reorganisation of its existing indebtedness pursuant to an English law scheme of arrangement. As part of this reorganization, Selecta Group MidCo S.a.r.L contributed all issued and outstanding shares of Selecta Group AG into a newly formed direct subsidiary of Selecta Group MidCo S.a.r.L, Selecta Group FinCo SA. Selecta Group BV also issued 156'620 shares with a nominal value of € 1 per share to Selecta Group FinCo SA resulting in a total issued share capital of 343'624 fully paid ordinary shares with a nominal value of € 1 per share. The new shares were issued at a total issue price of € 756'506'647.58. The amount above the nominal value increased the share premium of Selecta Group B.V. This share issuance was in exchange for a cash payment of € 125 million and a set off against € 631'506'647.58 of receivables owing under a liquidity facility dated 25 March 2020 and several senior secured notes originally dated 2 February 2018, as amended from time to time. On 29 October 2020 these 156'620 shares issued to Selecta Group FinCo SA were then contributed by Selecta Group FinCo SA to Selecta Group AG. As of 29 October 2020, Selecta Group BV is therefore fully owned by Selecta Group AG, which is fully owned by Selecta Group FinCo SA, which is fully owned by Selecta Group MidCo S.a.r.L.

13.2. Reserves

The other comprehensive income accumulated in reserves; net of tax was as follows:

<i>For 3 months ended 31 March 2021</i>	<i>Currency translation reserve € (000's)</i>	<i>Retained earnings € (000's)</i>	<i>Total € (000's)</i>
Foreign currency translation differences for foreign operations	21'464	-	21'464
Total other comprehensive income, net of tax	21'464	-	21'464

<i>For 12 months ended 31 December 2020</i>	<i>Currency translation reserve € (000's)</i>	<i>Retained earnings € (000's)</i>	<i>Total € (000's)</i>
Foreign currency translation differences for foreign operations	(22'920)	-	(22'920)
Re-measurement gain / (loss) on post-employment benefit obligations, net of tax	-	8'892	8'892
Total other comprehensive income, net of tax	(22'920)	8'892	(14'028)

Reserves arising from foreign currency translation adjustments comprise the differences from the translation of the financial statements of subsidiaries from their functional currency into Euro. Additionally, the foreign exchange differences on qualifying net investment loans are included in this reserve.

Retained earnings include the accumulated net losses as well as the accumulated re-measurement gains and losses on post-employment benefit obligations, net of any related income taxes.

14. Purchase price allocation adjustment

The Group did not have any acquisition in the 1st Quarter 2021 and any significant acquisition in 2020.

15. Financial instruments

15.1. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2021	<i>Financial assets at amortised cost</i> € (000's)	<i>Other financial liabilities</i> € (000's)	Total € (000's)	<i>Level 1</i> € (000's)	<i>Level 2</i> € (000's)	<i>Level 3</i> € (000's)	Total € (000's)
Financial assets not measured at fair value							
Trade receivables	71'493	-	71'493				
Non-current financial assets	15'893	-	15'893				
Cash and cash equivalents	67'322	-	67'322				
Accrued income	21'815	-	21'815				
	176'523	-	176'523				
Financial liabilities not measured at fair value							
Revolving credit facility	-	(19'992)	(19'992)		(19'992)		(19'992)
Bank credit facility	-	(1'560)	(1'560)		(1'560)		(1'560)
Secured loan notes	-	(934'756)	(934'756)		(1'176'970)		(1'176'970)
Lease liabilities	-	(215'112)	(215'112)		(215'112)	-	(215'112)
Reverse factoring liability & credit facilities	-	(9'204)	(9'204)		(9'204)	-	(9'204)
Accrued Expenses	-	(85'019)	(85'019)				
Trade payables	-	(142'436)	(142'436)				
	-	(1'408'079)	(1'408'079)				

31 December 2020	<i>Financial assets at amortised cost</i> € (000's)	<i>Other financial liabilities</i> € (000's)	Total € (000's)	<i>Level 1</i> € (000's)	<i>Level 2</i> € (000's)	<i>Level 3</i> € (000's)	Total € (000's)
Financial assets not measured at fair value							
Trade receivables	64'410	-	64'410				
Non-current financial assets	16'341	-	16'341				
Cash and cash equivalents	127'902	-	127'902				
Accrued income	22'281	-	22'281				
	230'934	-	230'934				
Financial liabilities not measured at fair value							
Revolving credit facility	-	(40'042)	(40'042)		(40'042)		(40'042)
Bank credit facility	-	(3'072)	(3'072)		(3'072)		(3'072)
Secured loan notes	-	(935'290)	(935'290)		(1'165'366)		(1'165'366)
Lease liabilities	-	(226'629)	(226'629)		(226'629)	-	(226'629)
Reverse factoring liability & credit facilities	-	(15'327)	(15'327)		(15'327)	-	(15'327)
Accrued Expenses	-	(94'378)	(94'378)				
Trade payables	-	(147'413)	(147'413)				
	-	(1'462'151)	(1'462'151)				

15.2. Measurement of fair values

The following table shows the valuation techniques used in measuring Level 2 fair values:

Financial instruments not measured at fair value

	<i>Valuation technique</i>	<i>Significant unobservable inputs</i>
Other financial liabilities	Discounted cash flows: The fair value is estimated considering a net present value calculated using discount rates derived from quoted yields of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.	Not applicable

16. Contingent liabilities and contingent assets

The Group, through a number of its subsidiaries, is involved in various legal proceedings or claims arising from its normal business. Provisions are made as appropriate where management assesses that it is probable that an outflow of economic benefits will arise. None of these proceedings results in a material contingent liability for the Group.

17. Events after the balance sheet date

No events have occurred between 31 March 2021 and the date of authorisation of the issue of these condensed consolidated interim financial statements by the Board of Directors of the Company on 25 May 2021 that could have a material impact on the consolidated financial statements.

18. Approval of the consolidated financial statements

The consolidated financial statements for the 3 months ended 31 March 2020 have been authorised by the Board of Directors on 25 May 2021.

Amsterdam, 25 May 2021

Christian Schmitz
Director of the Selecta Group B.V.

Philippe Gautier
Director of the Selecta Group B.V.

Ruud Gabriels
Director of the Selecta Group B.V.

Irene Henry
Director of the Selecta Group B.V.

CERTAIN DEFINITIONS

As used in this Report:

- **“Group”**, **“us”**, **“we”**, **“our”**, **“Selecta”** refers to Selecta Group B.V. and its subsidiaries, unless as indicated or the context requires otherwise;
- **“IFRS”** refers to International Financial Reporting Standards as adopted by the International Accounting Standards Board;
- **“Notes”** refers to the First Lien Notes and the Second Lien Notes;
- **“Revolving Credit Facility”** refers to the revolving credit facility in an aggregate principal amount of € 150 million;
- **“Revolving Credit Facility Agreement”** refers to the revolving credit facility agreement dated as of January 15, 2018, among, *inter alios*, the Issuer as an original borrower and the Lenders (as defined therein), as amended and restated pursuant to an amendment and restatement agreement dated October 29, 2020.