selecta

# Q3 2023 RESULTS

# NOTEHOLDER PRESENTATION


8 November 2023

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# ONE SELECTA

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HQ in **Switzerland**

**Foodtech leader** with a **GLOCAL model** across **16 countries** in Europe

Clear purpose of **making people feel great** and creating millions of **moments of joy** every day

**365,000 machines** generating **€1.4 billion** revenue in 2022

**Sustainability** is at our core

Focused on **organic & accretive growth**

**Best-in-class client service** through **6,200** passionate Selecta owner-associates & associates

**Innovative concept leader** & **technology** driven

**Leading distributor**

#1 or #2 in coffee and food in 10 markets

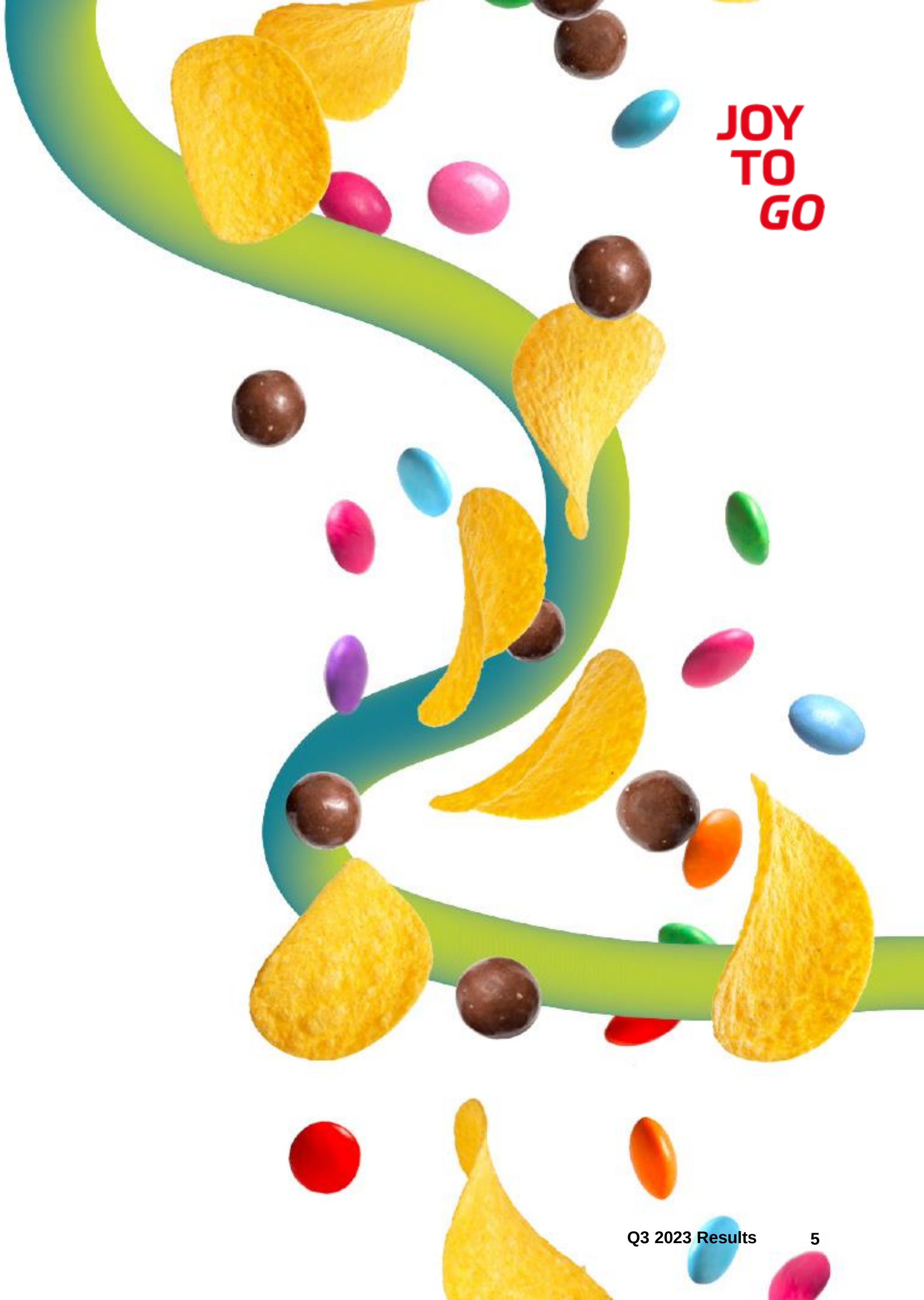
# SPEAKERS

**CHRISTIAN SCHMITZ**
Chief Executive Officer

**NICOLE CHARRIÈRE**
Chief Financial Officer

# AGENDA

1. Business Update
2. Financial Results
3. Conclusion



# 01

# BUSINESS UPDATE

Christian Schmitz, Chief Executive Officer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# 9M UPDATE - BUILDING AN EFFICIENT BUSINESS AS WE GROW OUR FOODTECH

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## 1 FOODTECH GROWTH

- Group sales growth of +4.2%
- Group SMD of €12.3, up +13.8%, with new record high in Public SMD
- Continued strong Foodtech growth and building robust foundation for the journey ahead of us

## 2 MARGIN EXPANSION

- Price increase on track, 9M landed c.7%, leading to Gross margin recovery of +0.7pp quarter on quarter
- Strong Adj. EBITDA margin of 19.7%, up +1.9pp, driven by cost discipline and structural productivity gains

## 3 EBITDA GROWTH

- Adjusted EBITDA of €178.8m, up +15.5%
- Reported EBITDA of €161.2m, up +25.7%
- Supported by pricing initiatives and structural cost savings

## 4 CASH CONVERSION

- Cash generation projects in place leading to sustainable FCF conversion of 33.1% as higher rightsizing cash-outs hit in the year
- Liquidity headroom of €125.9m

**We are improving the quality of the business in all facets which is reflected in SMD, profitability and quality of earnings**

# FEEDING THE FUTURE: GROWTH OF FOODTECH

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REGION SJÆLLAND

- Zealand University Hospitals in Denmark (Køge & Roskilde) with over 2,000 employees
- Selecta solution: Smartfridges & coffee
- Traffic of over 200k per year

london stansted airport

- UK's 4th largest airport, part of Manchester Airport Group (MAG)
- Selecta solution: Smartfridges & coffee
- Traffic of over 27m passengers per year


PILATUS

- Swiss aerospace manufacturer, over 2,300 employees
- Selecta solution: Smartfridges, Snack market & coffee
- Potential to roll out

Foodies From selecta

| +47% | 1,533 |
|---|---|
| Total new units YTD | Total points of sale |

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02

# FINANCIAL RESULTS

Christian Schmitz, Chief Executive Officer
Nicole Charrière, Chief Financial Officer


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# PROFITABILITY TURNAROUND DEMONSTRATING SUCCESSFUL TRANSFORMATION

## 9M 2023 FINANCIAL SUMMARY

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| Net sales | Adjusted EBITDA[1] |
|---|---|
| **+4.2%**<br>Sales of €908.8m | **€178.8m**<br>+15.5% vs last year |
| **Reported EBITDA**<br>**€161.2m**<br>+25.7% vs last year | **Adj. EBITDA[1] margin**<br>**19.7%**<br>+1.9pp vs last year |
| **Free cash flow (FCF)**<br>**€59.2m**<br>33.1% conversion[3]<br>-2.6pp vs last year | **Liquidity headroom[2]**<br>**€125.9m** |

- Strong **Reported EBITDA** growth demonstrates successful transformation driven by our strong profitability focus
- Structural productivity gains and cost discipline continue to support **Adjusted EBITDA margin** expansion of +1.9pp
- Continued growth of **LTM Adj. EBITDA** up 9.7% vly reached €240.7m
- **Sales growth** of 4.2% reflecting strong growth in SMD, price increase execution and strategic focus on profitability leading to intentional churn
- **Gross margin** (59.4%) increasing throughout the year driven by pricing, assortment and productivity actions
- Stable **FCF conversion** and robust **liquidity**

[1] Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization and prior to one-off items (external and internal costs which are not related to the on-going business)
[2] Cash at Bank of €31.0m plus €94.9m available RCF
[3] FCF conversion calculation: FCF / Adjusted EBITDA

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# STRONG REPORTED EBITDA GROWTH QUARTER
## Q3 2023 FINANCIAL SUMMARY

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| Net sales | Adjusted EBITDA[1] |
|---|---|
| -1.5% | €62.6m |
| Sales of €292.5m | +10.7% vs last year |

| Reported EBITDA | Adj. EBITDA[1] margin |
|---|---|
| €54.3m | 21.4% |
| +34.8% vs last year | +2.4pp vs last year |

| Free cash flow (FCF) | Liquidity headroom[2] |
|---|---|
| €17.7m | €125.9m |
| 28.2% conversion[3] | |
| -18.9pp vs last year | |

- Strong **Reported EBITDA** increase of +34.8% as a result of higher Adj. EBITDA and transformation actions normalising lead to strong **Reported EBITDA margin** expansion of +5.0pp
- Strong **Adjusted EBITDA margin** expansion of +2.4pp
- **Sales** -1.5% reflecting strong growth in SMD, price increase execution and strategic focus on profitability
- **Gross margin** (60.0%) recovered +0.7pp vs prior quarter and +0.3pp vs prior year due to successful price increase pass through
- After step up of notes cash interest payment (up €17.5m vly) and higher rightsizing cash outs versus last year (up €8.8m vly), cash conversion action plan contributing to maintain robust **liquidity headroom**

[1] Adjusted EBITDA: Earnings before Interest, Tax, Depreciation and Amortization and prior to one-off items (external and internal costs which are not related to the on-going business)
[2] Cash at Bank of €31.0m plus €94.9m available RCF
[3] FCF conversion calculation: FCF / Adjusted EBITDA

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# CONTINUED SMD GROWTH & NEW RECORD HIGH IN PUBLIC

## Q3 2023 GROUP – SALES PER MACHINE PER DAY

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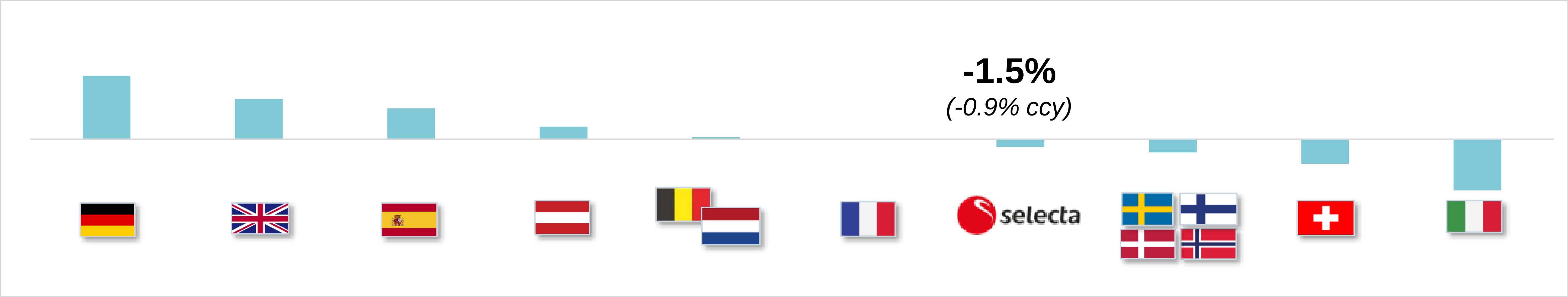
| | Machines | Net Sales | SMD |
|---|---|---|---|
| Group | 253k -13.4% vly | €233.2m -1.5% vly | €12.3 +13.8% vly |
| Private | 184k -14.5% vly | €142.0m -3.8% vly | €12.0 +14.0% vly |
| Semi-Public | 49k -13.8% vly | €36.5m -0.2% vly | €8.1 +15.8% vly |
| Public | 19k +1.4% vly | €54.7m +3.9% vly | €30.5 +2.5% vly |

- Group´s SMD of €12.3 (+13.8% vly) supported by strong Public performance and Foodtech contribution, continues to be impacted by the removal of underperforming machines still ongoing as part of the SMD enhancement project
- **Private** sales (-3.8% vly) performance impacted by profitability enhancement projects led to SMD of €12.0 (+14% vly)
- **Semi-Public** sales (-0.2% vly) flat performance supported by strong growth in HoReCa led to SMD of €8.1 (+15.8% vly)
- **Public** sales (+3.9% vly) strong performance with already a strong base mainly driven Railways and Airports led to new record high SMD of €30.5 (+2.5% vly)

Note: **SMD calculation** = Net Sales / Machines / Working Days. **Net Sales:** excludes trade, water, microwaves, fridges & OCS and also machines which are only rented or technical serviced. **Machines:** 4-month average of all serviced machines both owned and leased by Selecta. **Working Days:** Group average for Private & 7 working days for Public and Semi-Public.

# SLOWER SALES GROWTH WHILST CONTINUED PROFITABILITY FOCUS
## Q3 2023 NET SALES BY COUNTRY VS LAST YEAR



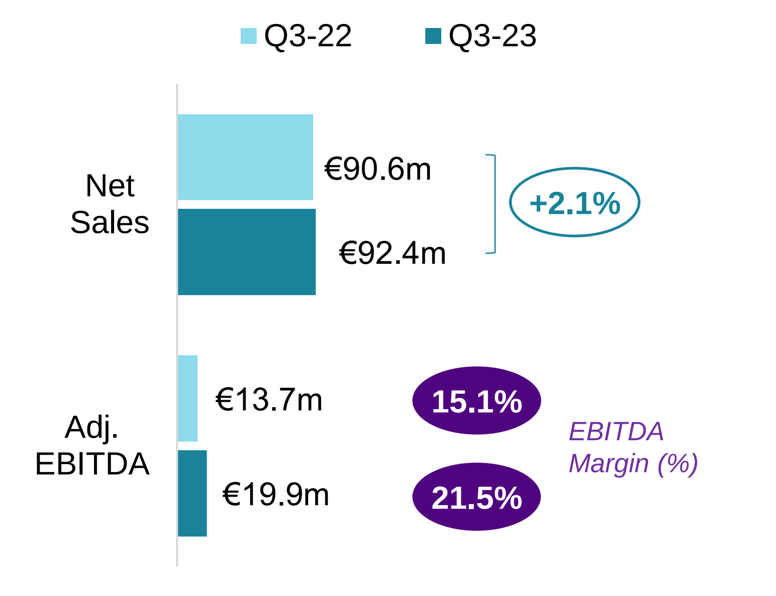

- Continued strong growth in Germany supported by Foodtech expansion
- Robust SMD growth mainly driven by Public and Semi-Public segments led to strong performance of UK and Spain
- Nordics performance impacted by FX headwind and SE profitability enhancement
- Switzerland performance impacted by greater profitability focus and less domestic travel
- Net sales in Italy continue to be impacted by transformation actions towards machine footprint and service optimization

Note: all financial information is at actual exchange rates, see appendices for further details on forex translation impact

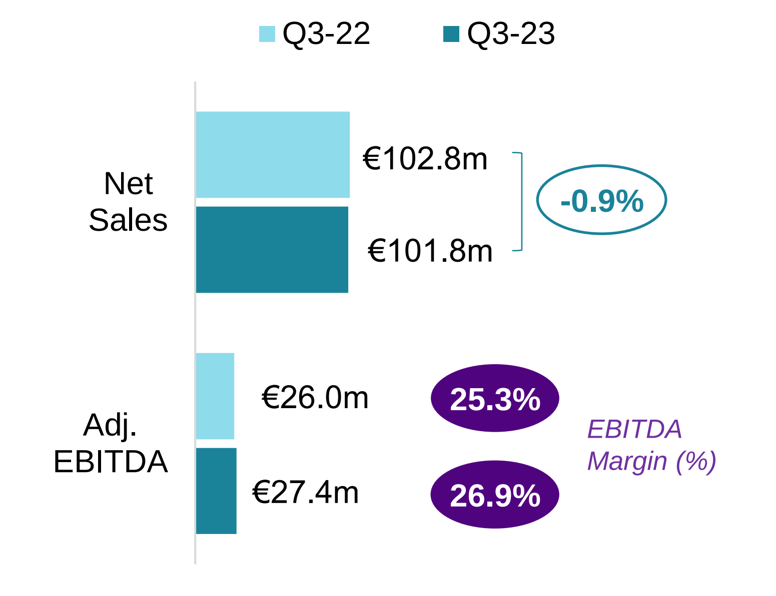
# STRONG PERFORMANCE IN SOUTH, UK & IRELAND, PROFITABILITY EXPANSION IN ALL REGIONS

## Q3 2023 NET SALES AND ADJUSTED EBITDA BY REGION

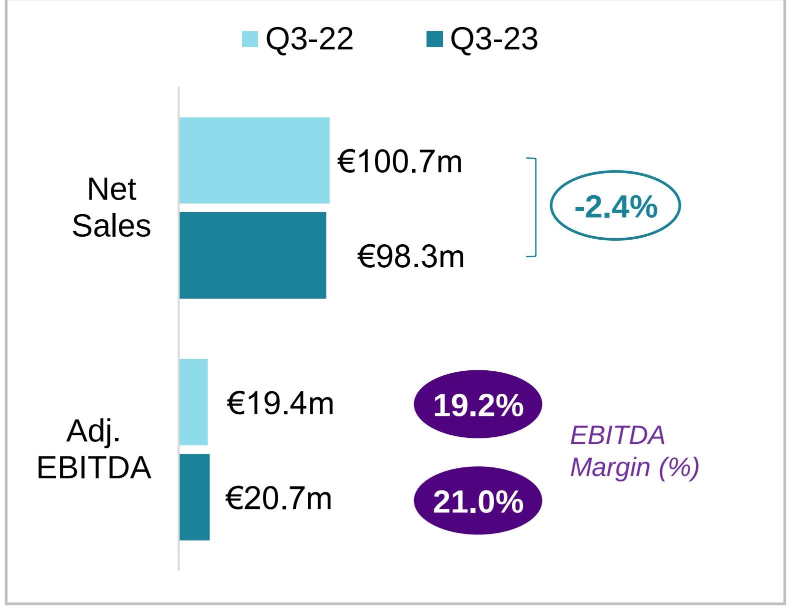
### South, UK&I




### Central




### North




Note: all financial information is at actual exchange rates. North region includes Roaster, none of the regions include headquarters.

# STRONG PROFITABILITY AND MARGIN EXPANSION
## Q3 2023 ADJUSTED EBITDA

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| €m | Q3-23 | Q3-22 | vly |
|---|---|---|---|
| **Revenue** | **344.8** | **347.8** | **-0.9%** |
| Vending fees | -52.3 | -50.8 | +2.9% |
| **Net Sales** | **292.5** | **297.0** | **-1.5%** |
| **Adjusted Gross Profit**[1] | **175.5** | **177.4** | **-1.1%** |
| *% of sales* | *60.0%* | *59.7%* | *+0.3pp* |
| **Personnel Expenses** | **-80.0** | **-85.4** | **-6.3%** |
| *% of sales* | *-27.4%* | *-28.8%* | *-1.4pp* |
| **Other Overheads**[2] | **-41.0** | **-43.9** | **-6.6%** |
| *% of sales* | *-14.0%* | *-14.8%* | *-0.8pp* |
| **Total Costs**[2] | **-121.0** | **-129.3** | **-6.4%** |
| *% of sales* | *-41.4%* | *-43.5%* | *-2.2pp* |
| **Adjusted EBITDA** excl. IFRS 16 | **54.5** | **48.1** | **+13.3%** |
| *% of sales* | *18.6%* | *16.2%* | *+2.4pp* |
| IFRS 16 impact | 8.1 | 8.4 | -3.8% |
| **Adjusted EBITDA** | **62.6** | **56.5** | **+10.7%** |
| *% of sales* | *21.4%* | *19.0%* | *+2.4pp* |
| One-off adjustments (net) [3] | -8.3 | -16.3 | -48.7% |
| **Reported EBITDA** | **54.3** | **40.3** | **+34.8%** |
| *% of sales* | *18.5%* | *13.6%* | *+5.0pp* |

### Gross profit margin

- Recovered +0.7pp vs prior quarter and +0.3pp vs last year, although still impacted by inflationary pressure and mix impact

### Costs ratio

Total costs ratio improvement of 2.2pp vly:

- **Personnel expenses ratio improvement of 1.4pp** vly supported by productivity expansion. Minor furlough impact (€0.1m vs last year €0.3m)
- **Other Overheads costs ratio improvement of 0.8pp** vly driven by disciplined cost management and inflation mitigation initiatives

### Reported EBITDA & One-offs

- **Reported EBITDA margin of 18.5%,** reached highest point over time, demonstrating successful transformation
- One-off adjustments (gross)[3] of €9.5m related to transformation plan actions, down €7.9m versus last year

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[1] Adjusted Gross Profit in 2022: prior to one off items (external and internal costs which are not related to the on-going business)
[2] Excludes IFRS 16
[3] One-off adjustments (net) is the result of one-off adjustments (gross) being net out with the consolidation scope adjustments which have been re charged to Selecta Group AG, therefore out scope of consolidation for IFRS reporting purposes

# AS TRANSFORMATION ACTIONS NORMALIZE WORKING CAPITAL WILL IMPROVE
## Q3 2023 WORKING CAPITAL

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### Working capital[1]

| €m | Sep-23 | Vs Jun-23 (%) | Vs Dec-22 (%) |
|---|---|---|---|
| Trade receivables | 118.1 | +0.1% | +2.8% |
| Other receivables | 109.7 | -5.6% | +9.6% |
| Inventories | 120.6 | -1.8% | +3.9% |
| Trade payables | -190.2 | -4.1% | -3.2% |
| Other payables | -172.4 | -8.8% | -9.9% |
| Provisions and other employee benefit | -43.9 | -7.8% | -24.9% |
| Working Capital | -58.1 | -25.4% | -49.7% |

- Evolution of working capital driven by growth and inflation effect on Inventory and Accounts Receivables along with higher one-offs from transformation in Accounts Payables and provisions
- Cashed out one-offs in Q3-23 of c.€12.5m
- As transformation actions normalize working capital will improve

selecta [1]Working capital includes all short and long-term receivables and payables except for financing liabilities and deferred taxes

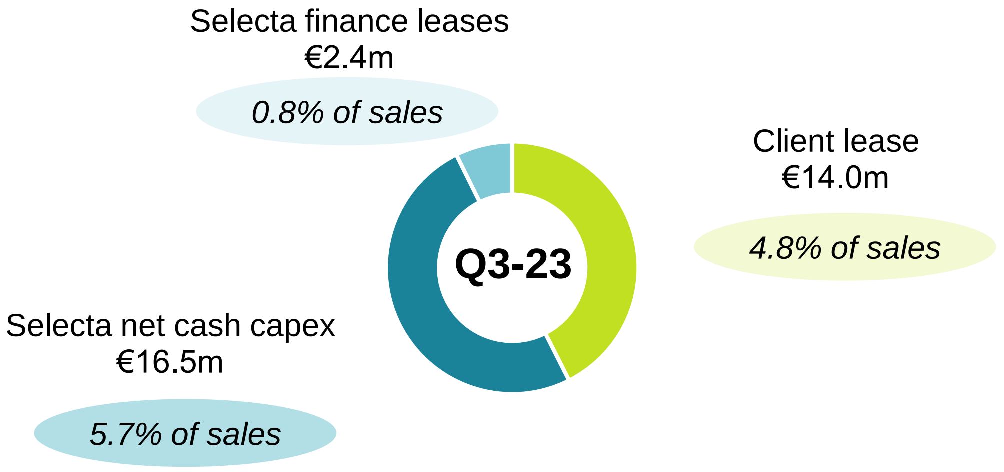
# WELL-BALANCED OWNERSHIP MODEL WITH PEAK CLIENT LEASE QUARTER

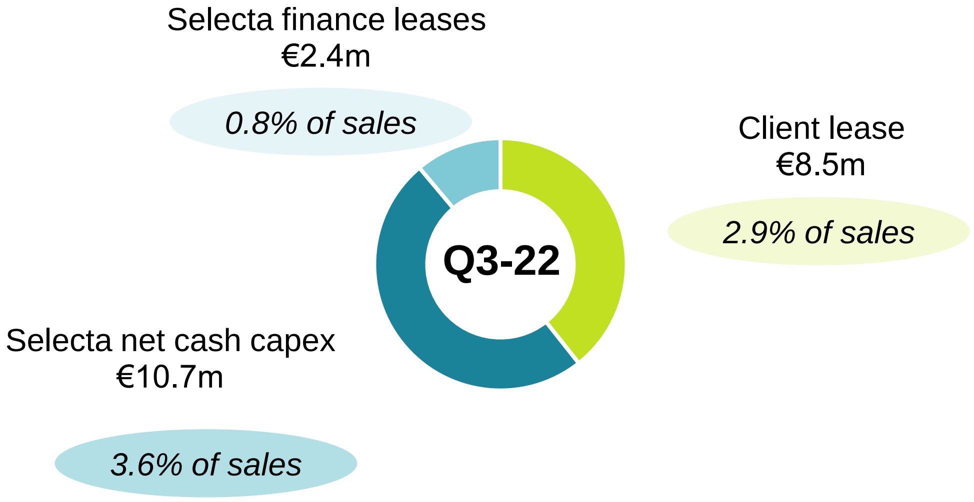
## Q3 2023 ASSET FUNDING

Our asset funding is primarily driven by new business from existing or new clients, deriving primarily in cash capex which we continue to optimize through finance leases, client lease and refurbishment

**Q3-23 Selecta´s asset funding of €32.9m, was allocated in:**

1. **Net cash capex**[1] of €16.5m, 5.7% of sales, increased +2.1pp vly mainly driven by phasing throughout the year
2. **Finance leases**[2] of €2.4m, 0.8% of sales, flat vly
3. **Client leases**[3] of €14.0m, 4.8% of sales, increased +1.9pp vly as a result of our focus on shifting our business towards a more asset-light model. Client lease has no cash impact for Selecta, as is the client who pays the lease to a lessor




[1] Net cash capital expenditures is net cash used in investing activities as per reported in cash flow
[2] Capex funded with finance leases
[3] Client lease is a tri-party arrangement between Selecta, its client and a lessor, in which the client leases the machine from lessor and Selecta services it, therefore the asset won´t be on Selecta´s balance sheet

# ROBUST LIQUIDITY AND CONTINUED DELEVERAGING
## Q3 2023 LEVERAGE AND CASH LIQUIDITY EVOLUTION[1,2]

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| €m | Sep-23 | Jun-23 | Mar-23 | Dec-22 |
|---|---|---|---|---|
| **Cash & cash equivalents** | **37.1** | **50.0** | **55.3** | **73.1** |
| Revolving credit facility | 55.0 | 40.0 | 64.3 | 59.7 |
| Senior notes | 1,069.1 | 1,054.1 | 1,053.6 | 1,023.0 |
| Lease liabilities | 23.7 | 24.7 | 24.4 | 25.4 |
| Other finance debt | 43.9 | 65.5 | 42.9 | 65.9 |
| **Gross senior debt** | **1,191.7** | **1,184.4** | **1,185.2** | **1,174.1** |
| **Net senior debt** | **1,154.7** | **1,134.3** | **1,129.9** | **1,101.0** |
| **Adjusted EBITDA[1] last twelve months** | **208.3** | **202.0** | **190.3** | **182.1** |
| **Leverage ratio** | **5.5** | **5.6** | **5.9** | **6.0** |

| | | | | |
|---|---|---|---|---|
| **Reported EBITDA last twelve months** | **165.7** | **151.4** | **141.1** | **130.4** |
| **Leverage ratio** | **7.0** | **7.5** | **8.0** | **8.4** |

- **Group available liquidity of €125.9m** as per Sep-23 is defined as Cash at bank of €31.0m plus available Revolving Credit Facility (RCF) of €94.9m
  - **Cash at Bank of €31.0m** and cash in points of sale of €6.1m resulting in €37.1m cash and cash equivalents
  - **Available RCF of €94.9m** out of €150m total committed facility (€55.0m drawn RCF and €0.1m used for bank guarantees)
- First lien and second lien notes of €1,069.1m equivalent

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[1] Excludes IFRS 16
[2] Liquidity is defined as Cash at Bank plus available RCF

# LIQUIDITY AFTER STEP UP OF NOTES CASH INTEREST PAYMENT AND HIGHER RIGHTSIZING CASH OUTS

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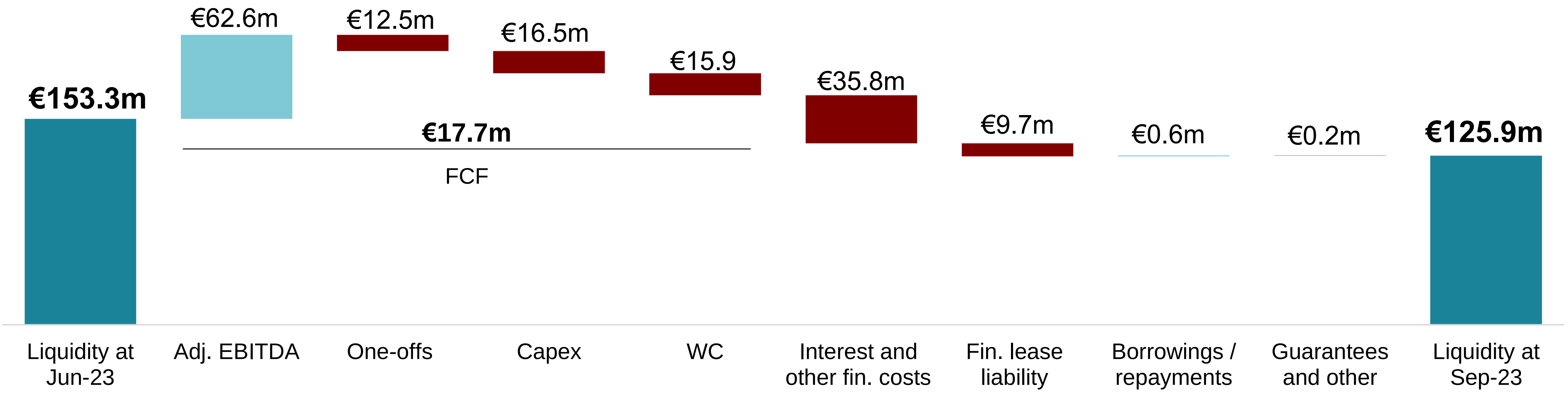
- **FCF of €17.7m** despite cashing c.€12.5m one-offs related to the rightsizing (up €8.8m vly)
- Notes interest of €30.2m paid on July 3rd (up €17.5m vly)

**Liquidity bridge Q3-23**

(incl. IFRS 16)




selecta Note: "Borrowings / Repayments" excludes RCF change

# 03

# CONCLUSION

Christian Schmitz, Chief Executive Officer

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# CONCLUSION

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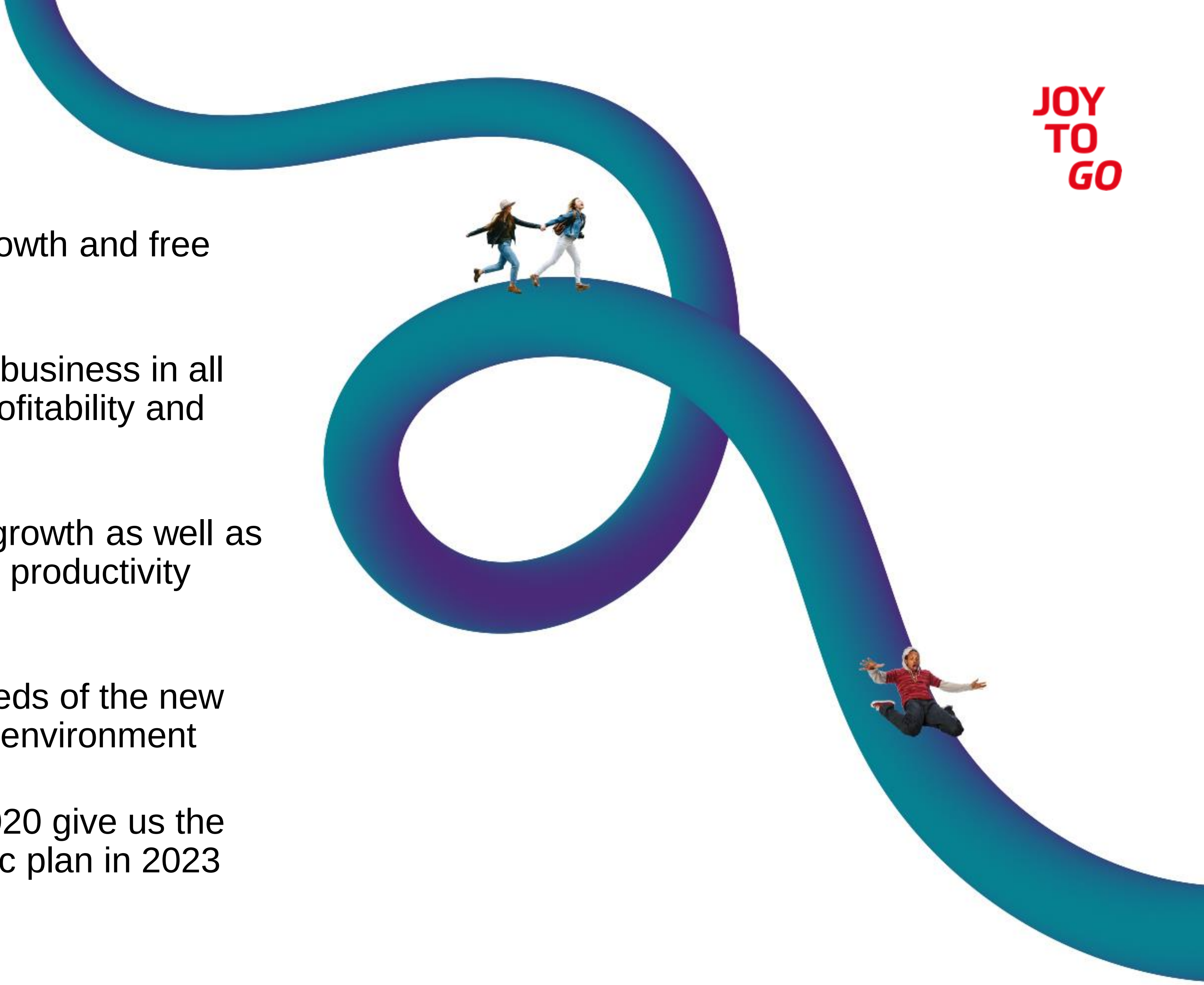

- We remain focused on profitable growth and free cash flow conversion in 2023
- We are improving the quality of the business in all facets which is reflected in SMD, profitability and quality of earnings
- Margin expansion through organic growth as well as price increase initiatives resulting in productivity gains
- We are prepared to address the needs of the new market landscape in an inflationary environment
- Our transformation actions since 2020 give us the confidence in achieving our strategic plan in 2023 and beyond

# APPENDICES

# Q3 2023 P&L SUMMARY AND CASH FLOW STATEMENT

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## Q3 P&L summary

| €m | Q3-23 | Q3-22 | Var. |
|---|---|---|---|
| **Revenue** | **344.8** | **347.8** | **-0.9%** |
| Vending fees | -52.3 | -50.8 | +2.9% |
| **Net Sales** | **292.5** | **297.0** | **-1.5%** |
| Cost of goods sold | -117.0 | -119.6 | -2.1% |
| **Gross Profit** | **175.5** | **177.4** | **-1.1%** |
| Adjusted employee costs | -80.0 | -85.4 | -6.3% |
| Adjusted other operating expenses[1] | -41.0 | -43.9 | -6.6% |
| **Adjusted EBITDA excl. IFRS 16** | **54.5** | **48.1** | **+13.3%** |
| IFRS 16 | 8.1 | 8.4 | -3.8% |
| **Adjusted EBITDA** | **62.6** | **56.5** | **+10.7%** |
| One-off adjustments (net) [2] | -8.3 | -16.3 | -48.7% |
| Consolidation scope adjustments[2] | 1.2 | 1.1 | +9.1% |
| One-off adjustments (gross)[2] | -9.5 | -17.4 | -45.4% |
| **Reported EBITDA** | **54.3** | **40.3** | **+34.8%** |
| Depreciation | -31.0 | -32.9 | -5.5% |
| **EBITA** | **23.2** | **7.4** | **n.m.** |
| Amortisation and impairments | -8.6 | -14.4 | -40.2% |
| **EBIT** | **14.6** | **-7.0** | **n.m.** |

| | | | |
|---|---|---|---|
| Gross profit % of net sales | 60.0% | 59.7% | +0.3pp |
| **Adj. EBITDA % of net sales** | **21.4%** | **19.0%** | **+2.4pp** |
| Rep. EBITDA % of net sales | 18.5% | 13.6% | +5.0pp |
| EBIT % of net sales | 5.0% | -2.4% | +7.4pp |

## Q3 Cash flow statement

| €m | Q3-23 | Q3-22 |
|---|---|---|
| **Reported EBITDA** | **54.3** | **40.3** |
| (Profit) / loss on disposals | -1.0 | -1.1 |
| Changes in working capital, provisions & others | -19.2 | -4.0 |
| Non-cash transactions | 0.1 | 2.2 |
| **Net cash used in operating activities** | **34.2** | **37.4** |
| Purchases of tangible and intangible assets | -18.6 | -12.7 |
| Proceeds from sale of subsidiaries and other proceeds | 2.0 | 2.0 |
| **Net cash used in investing activities** | **-16.5** | **-10.7** |
| **Free cash flow** | **17.7** | **26.6** |
| Proceeds / repayments of loans and borrowings | 14.7 | 13.8 |
| Interest received and other proceeds paid | -35.8 | -15.9 |
| Capital element of finance lease liability | -9.7 | -11.1 |
| **Net cash (used in) / generated from financing activities** | **-30.8** | **-13.2** |
| **Total net cash flow** | **-13.1** | **13.4** |

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[1] Excludes IFRS 16

[2] One-off adjustments (net) is the result of one-off adjustments (gross) being net out with the consolidation scope adjustments which have been re charged to Selecta Group AG, therefore out scope of consolidation for IFRS reporting purposes

# 9M 2023 P&L SUMMARY AND CASH FLOW STATEMENT

## 9M P&L summary

| €m | 9M-23 | 9M-22 | Var. |
|---|---|---|---|
| **Revenue** | **1,048.6** | **1,000.7** | **+4.8%** |
| Vending fees | -139.8 | -128.8 | +8.6% |
| **Net Sales** | **908.8** | **871.9** | **+4.2%** |
| Cost of goods sold | -368.6 | -346.6 | +6.3% |
| **Gross Profit** | **540.2** | **525.3** | **+2.8%** |
| Adjusted employee costs | -256.7 | -261.8 | -1.9% |
| Adjusted other operating expenses[1] | -129.1 | -135.3 | -4.6% |
| **Adjusted EBITDA excl. IFRS 16** | **154.5** | **128.2** | **+20.5%** |
| IFRS 16 | 24.3 | 26.6 | -8.6% |
| **Adjusted EBITDA** | **178.8** | **154.8** | **+15.5%** |
| One-off adjustments (net) [2] | -17.6 | -26.6 | -33.9% |
| Consolidation scope adjustments[2] | 3.1 | 4.8 | -35.4% |
| One-off adjustments (gross)[2] | -20.7 | -31.4 | -34.4% |
| **Reported EBITDA** | **161.2** | **128.2** | **+25.7%** |
| Depreciation | -93.9 | -99.3 | -5.4% |
| **EBITA** | **67.3** | **29.0** | **n.m.** |
| Amortisation and impairments | -26.7 | -43.5 | -38.7% |
| **EBIT** | **40.6** | **-14.5** | **n.m.** |
| Gross profit % of net sales | 59.4% | 60.2% | -0.8pp |
| **Adj. EBITDA % of net sales** | **19.7%** | **17.8%** | **+1.9pp** |
| Rep. EBITDA % of net sales | 17.7% | 14.7% | +3.0pp |
| EBIT % of net sales | 4.5% | -1.7% | +6.1pp |

## 9M Cash flow statement

| €m | 9M-23 | 9M-22 |
|---|---|---|
| **Reported EBITDA** | **161.2** | **128.2** |
| (Profit) / loss on disposals | -3.7 | -4.9 |
| Changes in working capital, provisions & others | -57.2 | -33.5 |
| Non-cash transactions | -1.5 | 5.9 |
| **Net cash used in operating activities** | **98.8** | **95.7** |
| Purchases of tangible and intangible assets | -49.4 | -49.2 |
| Proceeds from sale of subsidiaries and other proceeds | 9.7 | 8.8 |
| **Net cash used in investing activities** | **-39.7** | **-40.4** |
| **Free cash flow** | **59.2** | **55.3** |
| Proceeds / repayments of loans and borrowings | -7.1 | 36.6 |
| Interest received and other proceeds paid | -58.4 | -34.6 |
| Capital element of finance lease liability | -29.3 | -35.3 |
| **Net cash (used in) / generated from financing activities** | **-94.7** | **-33.3** |
| **Total net cash flow** | **-35.6** | **22.0** |

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[1] Excludes IFRS 16

[2] One-off adjustments (net) is the result of one-off adjustments (gross) being net out with the consolidation scope adjustments which have been re charged to Selecta Group AG, therefore out scope of consolidation for IFRS reporting purposes

# ADDITIONAL DEBT DETAIL

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| €m | Sep-23 | | | Sep-22 | | |
|---|---|---|---|---|---|---|
| | Pre IFRS 16 | IFRS 16 | Post IFRS 16 | Pre IFRS 16 | IFRS 16 | Post IFRS 16 |
| **Cash & cash equivalents** | **37.1** | **-** | **37.1** | **81.9** | **-** | **81.9** |
| Revolving credit facility | 55.0 | - | 55.0 | 85.0 | - | 85.0 |
| Senior notes | 1,069.1 | - | 1,069.1 | 1,034.5 | - | 1,034.5 |
| Lease liabilities[1] | 23.7 | 131.9 | 155.6 | 32.2 | 142.9 | 175.1 |
| Other finance debt | 43.9 | - | 43.9 | 41.9 | 4.8 | 46.7 |
| Factoring facilities | 6.1 | - | 6.1 | 7.0 | - | 7.0 |
| Accrued interest | 22.9 | - | 22.9 | 22.1 | - | 22.1 |
| Other finance debt | 14.8 | - | 14.8 | 12.8 | 4.8 | 17.6 |
| **Gross senior debt** | **1,191.7** | **131.8** | **1,323.6** | **1,193.6** | **147.7** | **1,341.3** |
| Net senior debt | 1,154.7 | 131.8 | 1,286.6 | 1,111.7 | 147.7 | 1,259.4 |
| Adjusted EBITDA last twelve months | 208.3 | 32.3 | 240.7 | 183.2 | 36.3 | 219.5 |
| **Leverage ratio** | **5.5** | **-** | **5.3** | **6.1** | **-** | **5.7** |

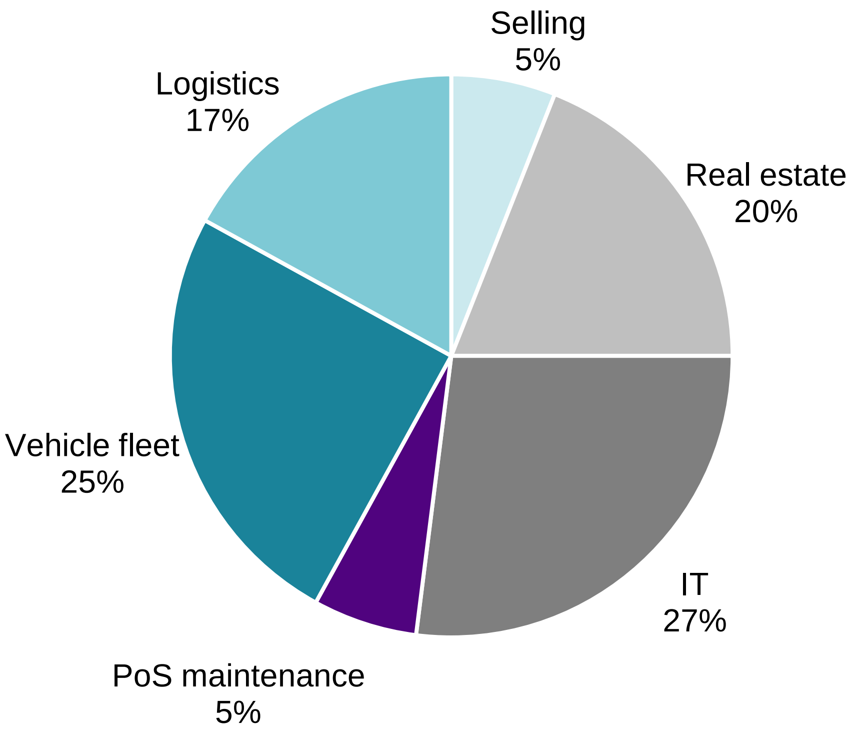
[1] Lease liabilities breakdown: Sep-23 €131.9m operating lease liabilities and €23.7m other lease liabilities; Sep-22 €142.9m operating lease liabilities; €32.2m other lease liabilities

# Q3 2023 OTHER OVERHEADS COSTS[1]

| €m | Q3-23 | Q3-22 | vly |
|---|---|---|---|
| Other Overheads[1] | **-41.0** | **-43.9** | **-6.6%** |
| *% sales* | *-14.0%* | *-14.8%* | *-0.8pp* |

**Q3-23 Other Overheads costs ratio improvement of 0.8pp** driven by disciplined cost management

**Q3-23 Other overheads breakdown**




[1] Excludes IFRS 16

# Q3 2023 REVENUE AND REVENUE PER MACHINE PER DAY BY CHANNEL

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## Q3 2023 Revenue and RMD by channel

| Revenue | | | RMD | | |
|---|---|---|---|---|---|
| €m | Q3-23 | Q3-22 | € | Q3-23 | Q3-22 |
| Private | 142.0 | 147.6 | Private | 12.0 | 10.5 |
| Semi-public | 44.8 | 44.7 | Semi-public | 9.9 | 8.5 |
| Public | 98.7 | 95.3 | Public | 55.0 | 53.8 |
| **Group** | **285.4** | **287.6** | **Group** | **14.4** | **12.6** |

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Note: **RMD calculation** = Revenue / Machines / Working Days. **Net Sales:** excludes trade, water, microwaves, fridges & OCS and also machines which are only rented or technical serviced. **Machines:** 4-month average of all serviced machines both owned and leased by Selecta. **Working Days:** Group average for Private & 7 working days for Public and Semi-Public.

# Q3 2023 ADJUSTED EBITDA BY REGION

JOY TO GO

## Q3 2023 Adjusted EBITDA by region

| €m | Q3-23 | Q3-22 |
|---|---|---|
| South, UK and Ireland | 19.9 | 13.7 |
| Central | 27.4 | 26.0 |
| North | 20.7 | 19.4 |
| Corporate | -5.3 | -2.5 |
| **Group** | **62.6** | **56.5** |

# Q3 2023 FOREX TRANSLATION IMPACT

JOY TO GO

### Q3 2023 Net sales

| VLY growth | FX impact |
|---|---|
| Denmark | -0.2pp |
| Norway | -13.2pp |
| Sweden | -8.1pp |
| Switzerland | +1.0pp |
| UK | +0.3pp |
| **Group** | **-0.6pp** |

### Q3 2023 Adjusted EBITDA

| VLY growth | FX impact |
|---|---|
| Denmark | -0.4pp |
| Norway | -11.7pp |
| Sweden | -8.8pp |
| Switzerland | +1.1pp |
| UK | +2.0pp |
| **Group** | **-0.4pp** |

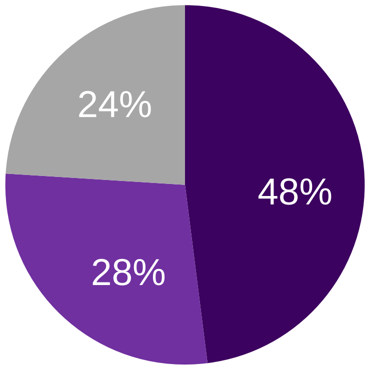
# OUR SOLUTIONS AND WHERE ARE THEY

JOY TO GO

## Our solutions

- **Coffee & Water**: owned and partner premium coffee brands and water
- **Vending & Food:** diverse range of snacks, cold drinks and food
- **Trade:** sale of coffee and ingredients

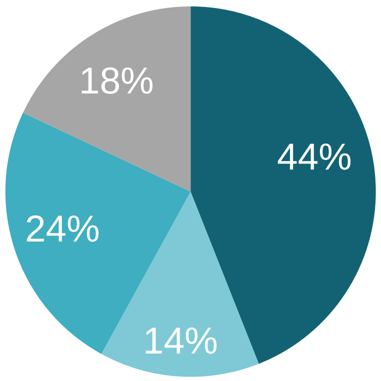
**FY-22 revenue (%)**




## Our segments

- **Private**: serving employees of private businesses (Service, Admin & Other and Manufacturing & Logistics)
- **Semi-public:** serving semi-public sites (Education, Healthcare and HoReCa)
- **Public:** serving public locations (Railways, Energy and Airports)
- **Trade:** coffee and ingredient sales in private, public and semi-public segments

**FY-22 revenue (%)**




## Our sectors

**Private**

1. Manufacturing & Logistics
2. Services, Administration and Others

**Semi-Public**

1. Education & Healthcare
2. Distribution, Retail, Entertainment & Others
3. HoReCa

**Public**

1. Energy
2. Railways
3. Airports

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# THE FOUNDATION OF OUR ESG AMBITION

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## 1 RESPECTING THE ENVIRONMENT

As a sourcing and distribution company we aim to reduce $CO_2$ impact across our value chain, from farm to cup. In our operations this is being done through route optimization and shifting our fleet toward electric vehicles. We take steps to reduce $CO_2$ emissions in our supply chain, to learn and increase impact overtime and achieve Carbon Neutrality by 2050. We will radically reduce and recycle waste in our production.

## 2 HEALTHY & SUSTAINABLE PRODUCTS

We aim to bring sustainable products and integrate circularity in our client solutions, including sustainable packaging, waste collection and recycling and smart and sustainable vending machines. We also aim to expand the healthy food and beverage options we offer and drastically reduce food waste. We offer fully certified and sustainable coffee in mono-material packaging.

## 3 SUSTAINABLE SUPPLY CHAIN

We assess our suppliers against the Selecta Code of Conduct, based on the 10 Principles of the UN Global Compact.  Through the Selecta Coffee Fund, we actively contribute to long-term improvements in quality of life for local farmers and the environment in the origins of Selecta coffee. We work on collaboration and transparency in our supply chain.

## 4 EMPLOYER OF CHOICE

We strive to make Selecta a great place to work for our Associates of all backgrounds by ensuring individuals are supported through necessary training to do their jobs safely and develop professionally

# OUR ESG TARGETS

JOY TO GO

## 1 RESPECTING THE ENVIRONMENT

$CO_2$ emissions reduction >5% p.a. targeting net zero by 2030 for scope 1&2, & by 2040 for scope 3

## 2 HEALTHY & SUSTAINABLE PRODUCTS

100% own coffee will have recyclable packaging by 2025, 50% of all products by 2030

60% of Fresh Food and 30% of snack market products with Nutriscore A/B by 2025

## 3 SUSTAINABLE SUPPLY CHAIN

100% of $CO_2$ in coffee supply chain compensated or reduced by 2025

Supporting 2.5k farmers by 2025 through our Selecta Coffee Fund

## 4 EMPLOYER OF CHOICE

40% women of all Selecta & 40% of first-level leadership roles by end of 2024

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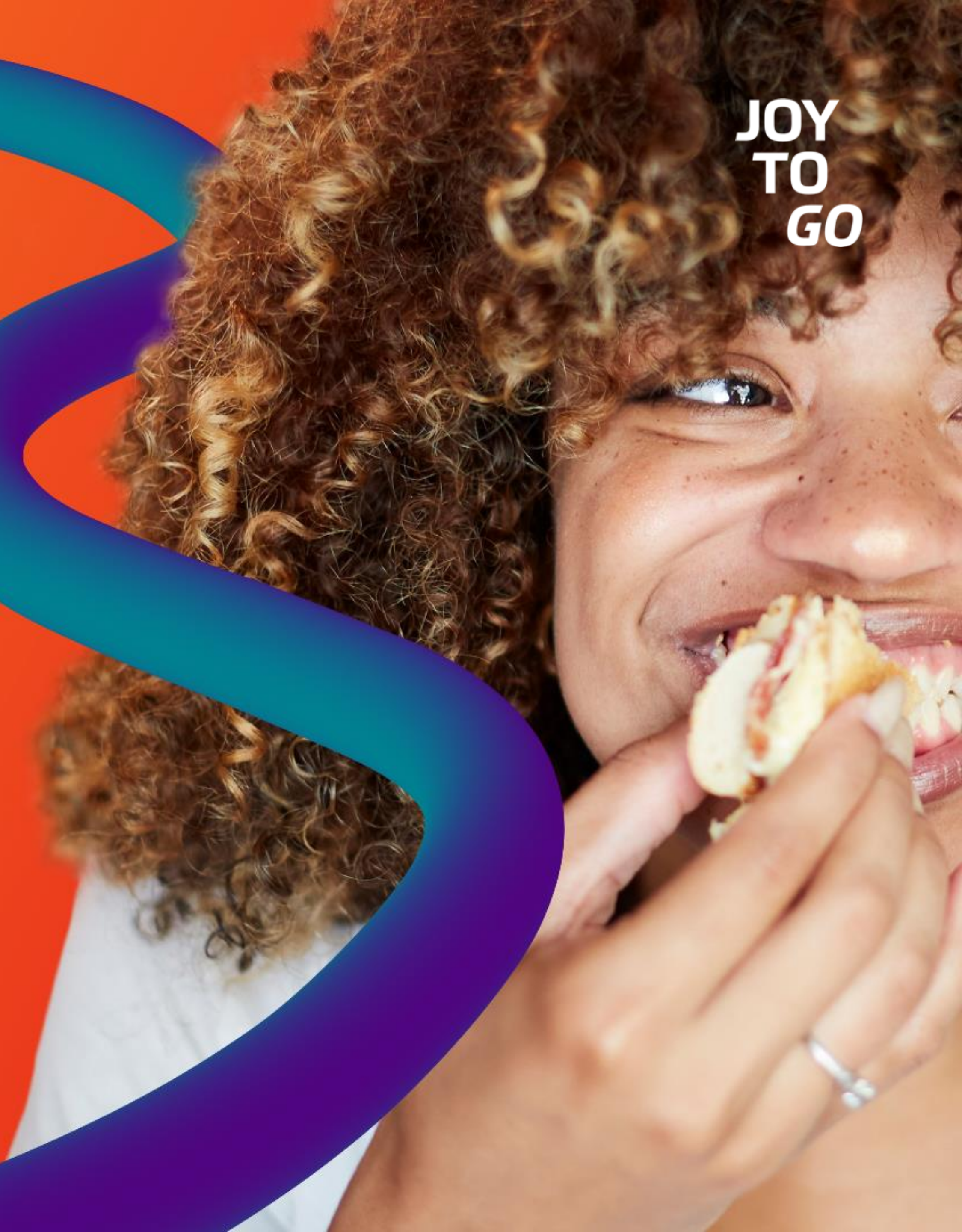


**AT SELECTA, WE ARE PASSIONATE ABOUT BRINGING MILLIONS OF MOMENTS OF JOY TO OUR CLIENTS AND THEIR CONSUMERS, WHEREVER THEY ARE, WHENEVER THEY NEED IT**