Presentation to Bondholders

Combination of Selecta and Pelican Rouge – March 2017

Agenda

- Executive Summary
- Key Transaction Highlights
- Overview of Pelican Rouge
- Overview of Transaction
- “Selecta + Pelican Rouge”
- Synergy Potential
- Proforma Financial Profile
- Transaction Timeline

Executive Summary

- Selecta AG ("Selecta" or the "Company") has signed an agreement to acquire Pelican Rouge B.V. ("Pelican Rouge"), a leading coffee services provider in Europe (the "Transaction")
  - The Transaction would be structured as an acquisition of 100% of Pelican Rouge's share capital
  - The Transaction would envisage the issuance of up to €375m of New Selecta Loans and an injection of at least €180m of new capital from Selecta's 100% shareholder KKR ("KKR" or "the Sponsors" defined as funds and accounts managed or advised by affiliates of KKR & Co. L.P.)
- The Transaction would enhance Selecta's credit profile and create a leading vending operator and coffee services provider for the workplace, on-the-go as well as hotels, restaurants and cafes ("HoReCa") across Europe
  - Presence in 15[1] markets with combined revenues of over €1.3bn
  - Opportunity to realize cost synergies in excess of €35m
  - KKR injecting additional capital of at least €180m
  - Net leverage of c.4.3x LTM PF Dec-2016 EBITDA pro forma for run-rate synergies[2]
- The purpose of this presentation is to update Selecta's existing bondholders on the Transaction
  - No consent required
- Transaction expected to close by the end of Q2 2017

1. Adjusted for Selecta's disposal of Baltic countries (transaction expected to close in March 2017).
2. Based on Pro Forma LTM Dec-2016 EBITDA of €222.3m consisting of Selecta EBITDA of €111.3m, Pelican Rouge EBITDA of €76.0m, and EBITDA synergies of €35.0m.

Key Transaction Highlights

1	**Creation of a leading vending operator and coffee service provider in Europe**	• Creation of a pan-European leading operator in vending and coffee services (for the workplace, on-the-go as well as HoReCa) with presence in 15 markets[1] • Strong position in key European countries (France, UK, Spain, Switzerland, Germany, Netherlands, Belgium, Nordics) • Strong brand recognition (Selecta and Pelican Rouge) and diverse portfolio of product and concept offering
2	**Greater revenue visibility & diversification**	• Comprehensive product portfolio with strengthened position in the workplace, on-the-go and HoReCa segments • Multi-year contracts with strong track record for renewals • Broadly diversified client base with average client retention of >90%
3	**Higher EBITDA resilience and cash flow stability**	• Ability to reduce costs in challenging operating environments and economic downturns • Flexibility to adjust capex by increasing focus on refurbishment of machines
4	**Significant cost and capex synergies with further revenue growth potential**	• Ability to realise economies of scale via increase in machine density and operating leverage • More effective sourcing and procurement (including leveraging Pelican Rouge Roaster capacity) • HQ and country consolidation • Capex savings – fleet optimisation and improved machine spend and spare parts • Comprehensive product and concept portfolio in all countries, as well as stronger service and sales force coverage
5	**Further strategic and operational improvement opportunities**	• Fragmented markets with opportunities for consolidation • Accelerate roll-out of new technologies (i.e. cashless and telemetry) • Operational efficiency opportunities (i.e. field force productivity and machine portfolio management) • Ongoing initiatives to drive top line growth: e.g. Starbucks / Lavazza partnerships, strengthened concepts: OCS / HoReCa
6	**Sharing of know-how supported by highly experienced management team and committed shareholder**	• Sharing of know-how between two best-in-class players in the sector • Management team with proven track record in operational and financial transformation • KKR as an experienced partner in the vending sector and strongly committed to the combined business with significant capital injection as part of the transaction

1. Adjusted for Selecta's disposal of Baltic countries (transaction expected to close in March 2017).

Pelican Rouge Overview

A leading pan-European coffee services provider

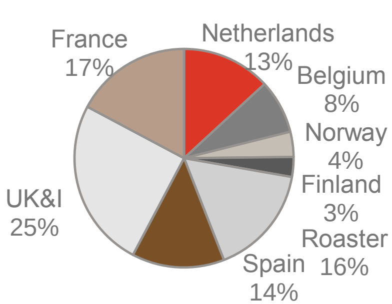
Company Description

- One of the leading European coffee services providers with a strong focus on OCS and HoReCa that complements Selecta's broader vending and office coffee strategy
- Two operational divisions with separate geographical focus and product offering:
  - CoffeeCo – 39% of Group sales and 56% of EBITDA[1] (Netherlands, Belgium, Norway, Finland, Roaster)
  - VendingCo – 61% of Group sales and 44% of EBITDA[1] (France, UK, Ireland, Spain)
- Owns and operates a roasting facility which supplies Group companies and third parties with ingredients for coffee vending machines – primary focus is on roasted coffee
- Machine park: c.195k machines[2]
- Established in 1863 and headquartered in Dordrecht, Netherlands

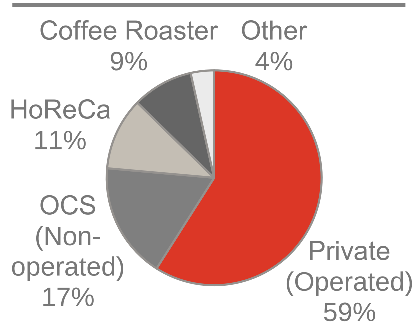
Key Financials (€m)[5]

	2014	2015	2016	LTM (Dec)
Revenue	**632.2**	**628.0**	**641.6**	**591.5**
% Growth		*(0.7)%*	*2.2 %*	
EBITDA	**108.5**	**101.1**	**84.2**	**76.0**
% Margin	*17.2%*	*16.1%*	*13.1%*	*12.8%*
Net Capex	**(57.3)**	**(61.4)**	**(51.2)**	**(39.4)**
o/w Net Cash Capex	(53.4)	(59.7)	(42.0)	(30.2)
o/w Funded Capex	(3.9)	(1.7)	(9.2)	(9.3)
EBITDA - Net Capex	**51.2**	**39.7**	**33.0**	**36.5**

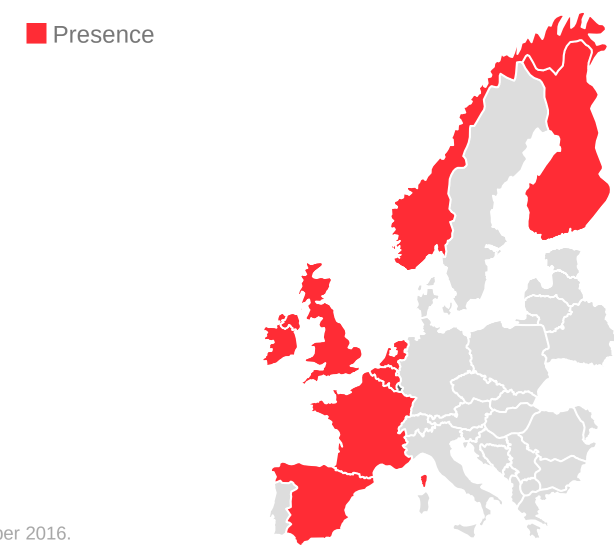
Revenue by Geography[1,3]



Revenue by Segment[1,4]



Geographical Footprint



1. Pelican Rouge revenue and EBITDA breakdown shown for the last twelve months ending December 2016.
2. Excludes UK Technical Service machines.
3. UK & Ireland includes Custompack. Roaster sales include internal sales to Group companies.
4. Other includes Custompack and Retail. Roaster sales refer to external sales.
5. Pelican Rouge 2014-2016 financials based on FYE March.

Pelican Rouge Highlights

Strong complementary vending activities and long standing, complete coffee offering and expertise

- ✓ One of the leading European vending operators with strong focus on coffee services
- ✓ Strong presence in Belgium, Netherlands, UK, France, and Spain and country overlap in 8 markets with Selecta
- ✓ Coffee experience since 1863, including roasting facility in the Netherlands
- ✓ Full coffee product suite
- ✓ Established vending and coffee brand







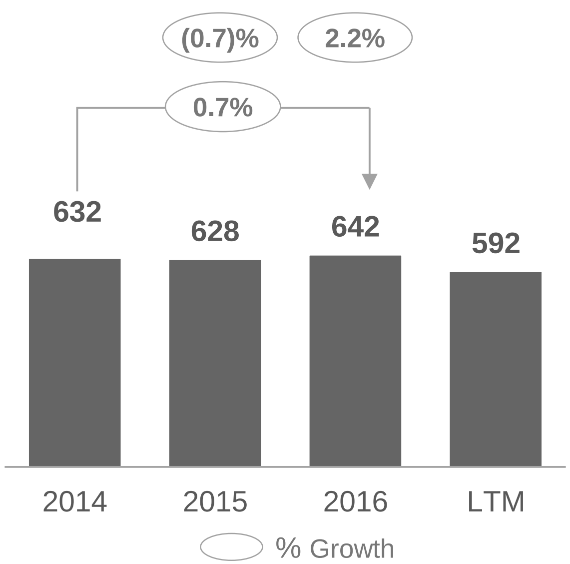


Source: Company information

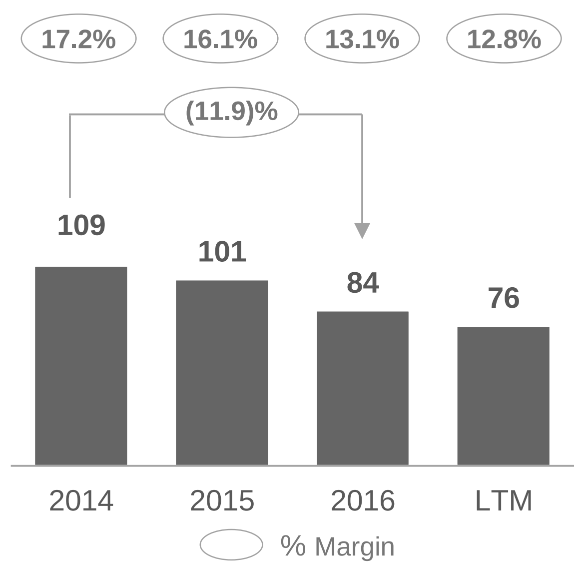
Pelican Rouge Financial Performance

Despite underperformance over FY2014-2016, recent turnaround measures have resulted in stabilisation of business performance

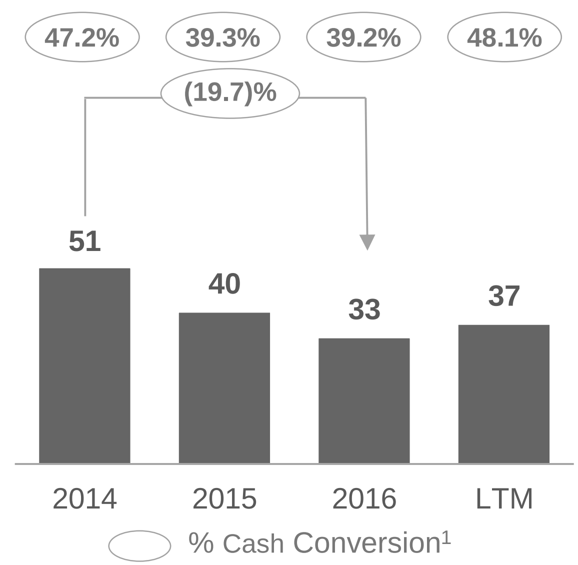
Revenue *(€m)*



EBITDA *(€m)*



EBITDA – Net Capex *(€m)*



Commentary

- Resilient underlying Group revenue historically with return to growth in 2016; decline in LTM mainly due to loss of key contracts in France and GBP weakening
  - Successful turnaround in Spain
  - Revenue stability in the UK driven by limited customer concentration
  - Organic growth and M&A driving top line in Belgium
  - Sales decline in Netherlands which has stabilised due to improving win rates / customer retention / upselling and new customer acquisition
  - Challenging performance in France due to market weakness and loss of key contracts (Disney, Total)
  - Strong growth in Roaster driven by increasing demand from key customers
- Group EBITDA margin stabilised at c.13% driven by recent turnaround measures
  - Expected margin uplift from turnaround in the UK
  - Successful turnaround in Spain following integration of multiple targets
  - Despite acquisition of lower margin Maas and Sodexo business in Belgium, positive impact on profitability expected from contract renegotiation
- Net capex impacted by rationalisation of machine park, greater emphasis placed on refurbishment of existing machines

Note: Pelican Rouge 2014-2016 financials based on FYE March.
[1] Cash conversion defined as (EBITDA-net capex)/EBITDA.

Transaction Summary

Overview and Sources & Uses

- Selecta's acquisition of Pelican Rouge will be structured as an acquisition of 100% of Pelican Rouge's share capital
- In order to fund the purchase, transaction expenses and integration costs, the following sources will be used:
  - Up to €375m New Selecta Loans – to rank pari passu with existing Selecta Notes
  - €180m capital injected by the Sponsor, KKR:
    - €124m to fund the acquisition consideration for Pelican Rouge's lenders
    - €15m to fund transaction fees and expenses
    - €14m to pre-fund cash on balance sheet for integration costs
    - €27m to fund contingent tax claim against Pelican Rouge in the Netherlands, which will be covered out of the combined business' cash flow
- In conjunction, Selecta's Super Senior Revolving Credit Facility ("SS RCF") will be upsized by €50m (committed, subject to closing of the transaction)
- New Selecta Loans and SS RCF to be issued / upsized under existing baskets in Selecta Notes Indenture and Super Senior Revolving Facility Agreement
  - Accordingly no consent is being sought from Selecta bondholders

Transaction Sources and Uses

Sources	€m	Uses	€m
New Selecta Loans	375	Pelican Rouge Enterprise Value Consideration	499
KKR New Capital	180	Transaction Fees and Expenses	15
		Cash on Balance Sheet (Integration Costs)	14
		Cash on Balance Sheet (Contingent Tax Claim)	27
Total Sources	**555**	**Total Uses**	**555**

Pro Forma Capital Structure

- The Transaction would impact Selecta's credit profile and pro forma metrics positively:
  - Total net leverage would decrease from 5.4x to 4.3x LTM Dec-2016 EBITDA[2]
  - Cash Interest Coverage would improve from 2.8x to 4.0x[3]
- In conjunction, Selecta's Super Senior Revolving Credit Facility ("SS RCF") will be upsized by €50m (committed, subject to closing of transaction)
- Selecta is permitted to issue the new Selecta Loans pursuant to the Fixed Charge Coverage Ratio test of 2.0x, the Consolidated Senior Secured Leverage Ratio Test of 4.25x and recourse to various other debt baskets under its Senior Secured Notes indenture and Super Senior RCF

Standalone and Pro Forma Capital Structure

€m	Selecta Standalone Amount (Dec-16)	xSelecta Standalone LTM Dec-16 EBITDA	Pro Forma Amount	xPro Forma LTM Dec-16 EBITDA	Pricing	Maturity
Super Senior RCF	50	0.4x	50	0.2x	E + 3.50%	Dec-2019
Total Super Senior Debt	**50**	**0.4x**	**50**	**0.2x**		
Existing Selecta Notes	578	5.6x	578	4.5x	6.50%	Jun-2020
New Selecta Loans			375	4.5x	E + 4.00% Cash 0.00% - 3.00% PIK[4]	Jun-2020
Other Debt	32	5.9x	75	4.8x		
Total Debt	**660**	**5.9x**	**1,077**	**4.8x**		
Cash and Equivalents[1]	(55)	(0.5x)	(131)	(0.6x)		
Net Debt	**605**	**5.4x**	**946**	**4.3x**		
LTM Dec-16 EBITDA[2]		111		222		
Cash Interest Coverage[3]		2.8 x		4.0 x		

1. Selecta standalone cash consists of €45.3m as of Dec-16 and €9.5m estimated net amount received as a result of the disposal of Selecta's Baltic operations. Pro forma consists of €54.8m Selecta, €35.3m Pelican Rouge, €14.0m pre-funded cash for integration costs, and €27.0m capital to fund contingent tax claim against Pelican Rouge in the Netherlands (to be covered out of the combined business' cash flow).
2. Pro Forma LTM Dec-16 EBITDA of €222.3m consists of Selecta EBITDA of €111.3m, Pelican Rouge EBITDA of €76.0m, and EBITDA synergies of €35.0m.
3. Cash Interest Coverage defined as EBITDA divided by Cash Interest Expense, with 0.00% floor on the Super Senior RCF and 0.50% floor on the New Selecta Loans.
4. Cash margin carries a 0.50% floor. PIK rate of 0.00% at closing, 1.00% at Jun-2018, 2.00% at Dec-2018, 2.50% at Jun-2019, and 3.00% at Dec-2019.

selecta

"Selecta + Pelican Rouge" Overview

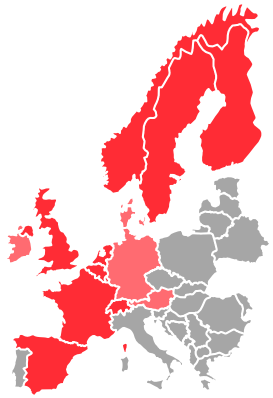
Combined entity will have access to broader product offering and choice, with an increased in-market density profile across Europe

Creation of a Pan-European Champion with High in-Market Density[1]

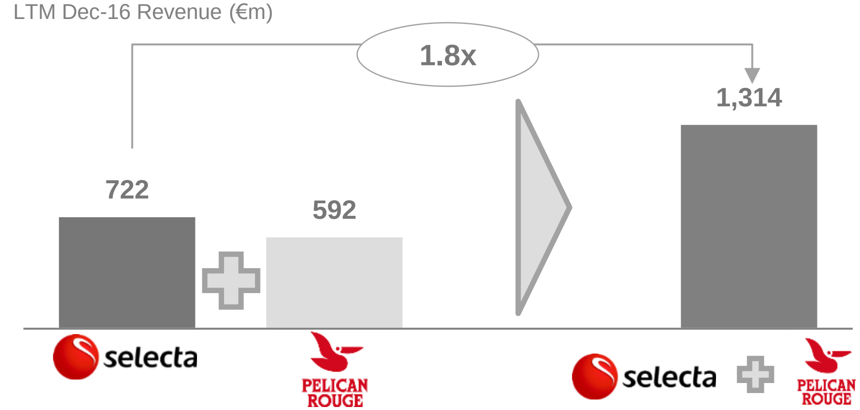
- No. 1 or 2 in the Vending Segment
- No. 3 or 5 in the Vending Segment
- No Presence

The combination will create no.1 or 2 national player in 9 markets:

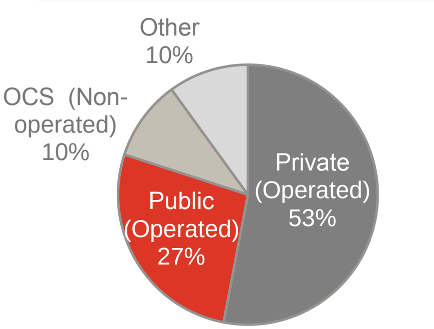
- France
- UK
- Netherlands
- Spain
- Belgium
- Finland
- Norway
- Switzerland
- Sweden



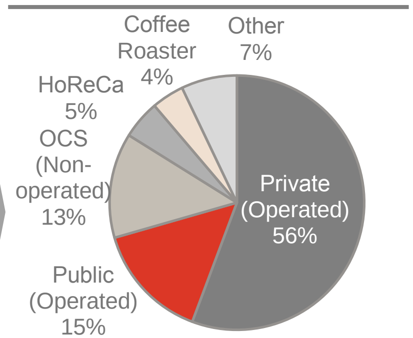
… and a Significantly Enlarged Scale



Diversified Product Offering[2]…

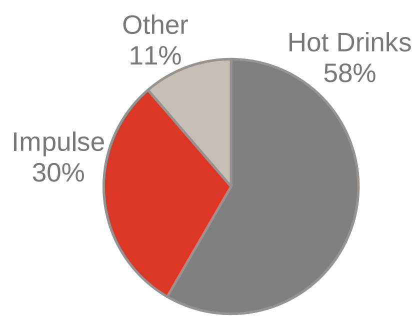


€722m

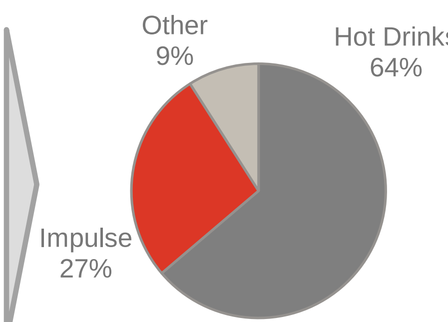


€1,314m

…Supported By a Streamlined Machine Park[3]



c.132K machines



c.327K machines

Source: Selecta annual indenture report FY2016; Pelican Rouge company information.
Note: Selecta and Pelican Rouge financials shown at actual FX rates.
[1] As per Selecta and Pelican Rouge estimates.
[2] Selecta and Pelican Rouge financials based on LTM as of Dec 2016. PF Private (Operated) includes Selecta Private (Operated) and Pelican Rouge OCS (operated). PF Public (Operated) includes Selecta Public (Operated). PF OCS (non-operated) includes Selecta OCS (non-operated) and Pelican Rouge OCS (non-operated). Other includes Selecta Other and Pelican Rouge Custompack and Retail.
[3] Selecta and Pelican Rouge machine park as at 31 Dec 2016. Pelican Rouge machine park based on latest available information for each country. Hot Drinks includes Hot Drink machines of all categories as well as Nespresso machines. Impulse includes cold, snack and combi machines. Other includes mainly waterfountains. PF machine count excludes UK technical machines at Pelican Rouge.

Synergy Potential

Management estimates that the combined company will capture at least €35m of run-rate cost synergies, with further capex synergies by year 3

Significant Cost and Capex Synergies...

1. Procurement efficiency
   - ✓ Opex savings
   - ✓ Capex savings
   - ✓ Leverage Pelican Rouge Roaster capacity and capability

2. Leverage of support functions
   - ✓ Higher capability for innovation leadership
   - ✓ HQ and country consolidation
   - ✓ IT landscape alignment

3. Improved density in key markets
   - ✓ Field force productivity
   - ✓ Logistics optimisation
   - ✓ Better customer service for higher growth

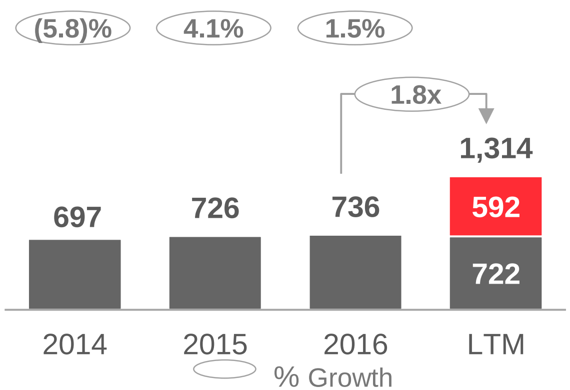
... with Revenue Growth Driven by

- ✓ Comprehensive product and concept portfolio in all countries
- ✓ Stronger service capabilities
- ✓ Stronger sales force coverage and capabilities

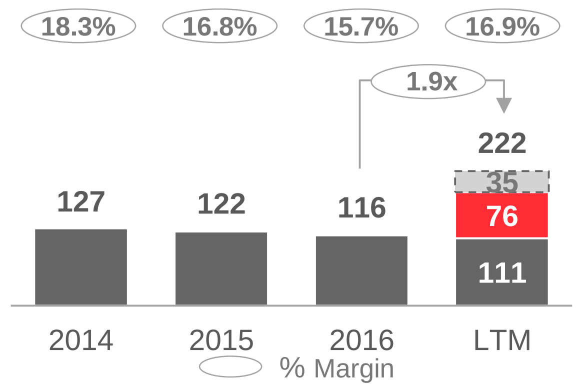
Pro Forma Financial Profile

The combined company would have an optimal capital structure and improved cash flow generation

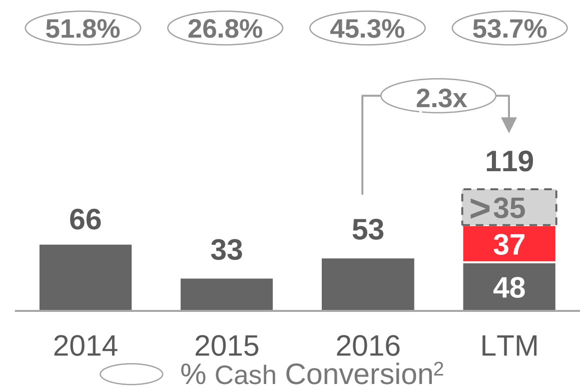
Revenue *(€m)*



EBITDA *(€m)*



EBITDA – Net Capex[1] *(€m)*

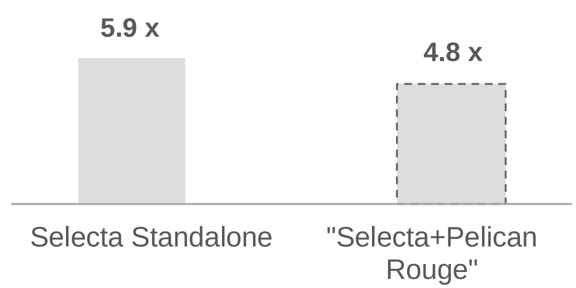


■ Selecta ■ Pelican Rouge ■ Synergies

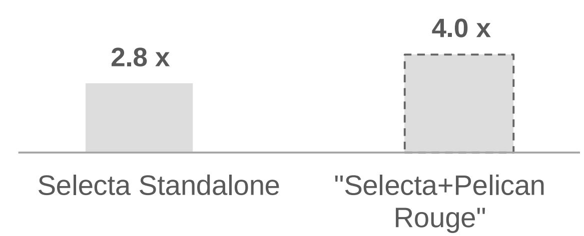
Highlights

- ✓ Strong and resilient financial profile
- ✓ Achieves sustainable capital structure with clear path to further deleveraging

Gross Leverage



Cash Interest Coverage



Note: Selecta 2014-2016 financials are based on FYE September. Selecta LTM financials adjusted for the disposal of Baltics. LTM as of 31 December 2016.

[1] Selecta net capex defined as purchases and finance lease of PP&E and intangible assets less proceeds from sale of PP&E. Pelican Rouge capex defined as funded plus non funded capex less disposals.

[2] Defined as (EBITDA – Net Capex) / EBITDA.

Transaction Timeline

The transaction is expected to close by June 2017

Key Events / Milestones	Timing
Signing of Signing Protocol	Today
Various Implementation Steps Including: — Scheme Process (if required[1]) — Antitrust Filing — Pension Trustees — Works Council	At least until end of May
Signing of the SPA	End of May
Expected Transaction Close[2]	June

1. A Scheme in relation to PR-related debt may be required to implement the proposed Transaction in case unanimous consent is not obtained from certain groups of lenders to the Target Group.
2. Closing is subject to antitrust/regulatory approvals and other conditions.

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