September 8, 2020

SELECTA GROUP

SIGNING OF LOCK-UP AGREEMENT BY KEY FINANCIAL STAKEHOLDERS IN SUPPORT OF PROPOSED RECAPITALISATION

SELECTA GROUP B.V. ("**Selecta**", the "**Company**" or, together with its subsidiaries, the "**Group**") is pleased to announce that a substantial amount of holders of its (i) €865,000,000 $5^7/_8$% Senior Secured Notes due 2024 (ISIN XS1756356371 and XS1756356611, the "**Euro Fixed Rate Notes**"), (ii) €375,000,000 Senior Secured Floating Rate Notes due 2024 (ISIN XS1756359045 and XS1756359391, the "**Euro Floating Rate Notes**") and (iii) CHF 250,000,000 $5^7/_8$% Senior Secured Notes due 2024 (ISIN XS1756227309 and XS1756298078, the "**CHF Notes**", and together with the Euro Fixed Rate Notes and the Euro Floating Rate Notes, the "**Notes**") have executed a binding lock-up agreement with the Company (the "**Lock-Up Agreement**"), pursuant to which the parties agree to support a comprehensive recapitalisation transaction (the "**Transaction**").

Overview of the Transaction

Selecta is pleased to announce a proposed comprehensive recapitalisation of the Group, which is launched with the full backing of its shareholders, all lenders under its revolving credit facility (the "**RCF**") and a substantial amount of holders of the Notes.

The Transaction will provide a stable and strong platform upon which the Company can forge a path through the COVID-19 pandemic and from which to launch future growth by:

(i) the provision of €125m new capital from its shareholders, in addition to the €50m liquidity facility provided in March 2020;

(ii) the relief of material cash interest;

(iii) an extension of debt maturities through to 2026;

(iv) a significant deleveraging of the balance sheet at the level of the operating business; and

(v) demonstrating broad support from all key stakeholders (RCF lenders, holders of the Notes and shareholders).

These key tenets provide meaningful operating flexibility and runway to allow Selecta, together with its clients, hardworking and loyal employees, stakeholders and local partners to emerge as a stronger company from the current situation.

As a result, Selecta will be more resilient, and better positioned to invest in, and take advantage of, future business opportunities and will be well positioned to execute its strategic business plan and to work with its clients and its business partners to deliver an industry-leading consumer experience and service.

Joe Plumeri, Executive Chairman, said: "In common with many companies, Selecta has been significantly impacted by COVID-19, and over the past six months we have had to take a number of actions to manage the effect this has had on our business and our people.

We are therefore delighted with the supportive response of our banks, noteholders and shareholders in providing additional new capital for the business, extending the maturity of debt obligations and significantly deleveraging the Company's balance sheet. These actions ensure we are now on a very stable footing and allow us to deliver on our strategic business plan as we traverse the post-COVID-19 operating landscape.

We are confident in our plans to build on the strong foundations already in place, and this transaction will enable us to drive further value for the benefit of all stakeholders."

Christian Schmitz, Chief Executive Officer, said: "We are delighted to receive support from key financial stakeholders for this comprehensive recapitalisation transaction, which will significantly strengthen the balance sheet.

We are also grateful for the continued support of our employees, suppliers and clients whose commitment and loyalty have helped position Selecta as Europe's leading route-based unattended self-service retailer.

As the leadership team we are committed to leveraging the Company's leading market position to transform the business through its 'One Selecta' strategy, and are confident our unique business model and underlying business fundamentals mean we are well positioned to succeed over the long-term."

Full terms of the Transaction can be found below.

Support for the Lock-Up Agreement

The Company is pleased to announce that:

- a group of Noteholders (as defined below) (the "**Ad Hoc Group**") holding a substantial amount of the Notes (the "**Consenting Noteholders**");

- the Company's relevant Group entities; and

- shareholder entities committing new money to the Transaction,

have negotiated the terms of, and executed, the Lock-Up Agreement, pursuant to which the parties have agreed to support the Transaction.

The Transaction is proposed to be effected in part by an English law scheme of arrangement under the Companies Act 2006 (the "**Scheme**"). The Scheme will enable the Transaction in respect of the Notes to be implemented upon obtaining the necessary majority creditor consents (being 75% by value and a majority by number of those creditors voting in each scheme class). Details of the convening hearing and creditor meetings required for the Scheme will be published in due course. However, it is anticipated that the practice statement letter launching the Scheme will be issued in due course, the convening hearing will take place on 2 October 2020 and the scheme meetings on 21 October 2020.

The Transaction will also provide for additional support from funds managed or advised by KKR Credit Advisors (US) LLC ("**KKR**"), the majority shareholder of the Group, which will invest a total of €175m of new money by way of a cash funding of €125m and the settlement of €50m outstanding under a super senior liquidity facility made available by KKR to the Group in March 2020 (the "**KKR Liquidity Facility**"), in consideration for the issuance of €175m of Preference Shares (as defined below) by a newly-formed Luxembourg holding company of the Group ("**HoldCo**").

In addition, all of the lenders under the Company's €150m RCF have agreed to certain amendments to the RCF as part of the Transaction, as described below.

The Company encourages all holders of the Notes (collectively, the "**Noteholders**") who have not yet signed the Lock-Up Agreement and wish to support the Transaction to take the actions set out in "*Next Steps*", below.

The parties to the Lock-Up Agreement have confirmed that they will support the implementation and consummation of the Transaction on the basis of the agreed terms set out below.

Key Terms of the Transaction

It has been agreed that the Transaction will involve:

- a change of the governing law of the indenture governing the Notes (the "**Indenture**"), the Notes and the guarantees of the Notes to the laws of England and Wales and the accession of a co-issuer incorporated in the U.K. to the Indenture and the Notes (the "**Co-Issuer**") effected by way of a consent solicitation to be launched by Selecta, with such changes being made in order to facilitate the implementation of the Scheme;

- the exchange of all outstanding Notes, plus accrued and unpaid interest on the Notes to, but excluding, the closing date of the Transaction, for:

- Approx. €693m (includes interest payable on the Notes on 1 October 2020 and interest to assumed Transaction closing at 29 October 2020)[1] (equivalent) euro-denominated first lien notes (the "**First Lien Notes**") to be issued by the Company and consisting of fixed rate first lien notes bearing interest at a rate equal to 3.500% per annum, payable in cash, plus 4.500% per annum, payable in kind, prior to January 2, 2023, and at a rate equal to 8.000% per annum, payable in cash, afterward. Holders of CHF-denominated Notes may elect to receive CHF-denominated First Lien Notes. The First Lien Notes will mature on April 1, 2026.

- €240m (equivalent)[2] euro-denominated second lien notes (the "**Second Lien Notes**") to be issued by the Company and bearing interest at a rate equal to 10.000% per annum, payable in kind, prior to January 2, 2023. Starting on January 2, 2023, interest shall in the sole discretion of the Company be payable entirely in cash at a rate equal to 9.250% per annum or entirely in kind at a rate equal to 10.000% per annum, or in a combination of in cash and in kind. Holders of CHF-denominated Notes may elect to receive CHF-denominated Second Lien Notes. The Second Lien Notes will mature on July 1, 2026.

- €241m (equivalent)[3] euro-denominated preference shares (the "**Preference Shares**") to be issued by HoldCo and bearing a dividend accruing at a rate equal to 12.000% per annum. Holders of CHF-denominated Notes may elect to receive CHF-denominated Preference Shares. The Preference Shares will have a redemption date of October 1, 2026.

- the extension and reinstatement of the Company's €150m RCF (the "**Amended RCF**") to, among other things, amend the maturity to January 1, 2026 and replace the existing financial covenant draw stop with new financial maintenance covenants; and

- the investment by KKR of a total of €175m by way of a cash funding of €125m and the discharge of €50m outstanding under the KKR Liquidity Facility in consideration for the issuance of €175m of Preference Shares by HoldCo.

Ranking

The Amended RCF, the First Lien Notes and the Second Lien Notes will rank pari passu as to right of payment. The Amended RCF will rank senior to the First Lien Notes, and the First Lien Notes will rank senior to the Second Lien Notes as to proceeds of enforcement of security.

The Preference Shares will be issued by HoldCo and will therefore sit outside the consolidation perimeter of the operating group and be structurally subordinated to the Amended RCF, the First Lien Notes and the Second Lien Notes.

Guarantees and Security

The Amended RCF and the First Lien Notes will be guaranteed on a senior secured basis by the same entities that currently guarantee the RCF and the Notes and the Co-Issuer (the "**Guarantors**"), and will benefit from first priority liens over certain assets of the Group.

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[1] This represents €471 for each €1,000 of outstanding Notes.

[2] This represents €163 for each €1,000 of outstanding Notes.

[3] This represents €164 for each €1,000 of outstanding Notes.

The Second Lien Notes will also be guaranteed by the Guarantors, and will benefit from second-priority liens over the assets of the Group securing the Amended RCF and the First Lien Notes.

The Preference Shares will not be guaranteed and will be unsecured.

Key Lock-Up Agreement Terms

Under the terms of the Lock-Up Agreement:

- the Consenting Noteholders and the KKR Liquidity Facility providers have given certain forbearances in connection with the implementation of the Transaction and have agreed not to take any enforcement action against the Group (subject to certain customary exceptions);

- the parties thereto have agreed to take all actions that are reasonably necessary in order to support, facilitate, implement, consummate or otherwise give effect to all or any part of the Transaction;

- the parties thereto have agreed not to take, encourage, assist, support or engage in any action that would or would reasonably be expected to delay, impede or prevent the implementation or consummation of the Transaction;

- the Consenting Noteholders may not transfer or sub-participate any of their debt that is subject to the Lock-Up Agreement unless the relevant transferee or sub-participant agrees to be bound by the terms of the Lock-Up Agreement, subject to certain exceptions;

- certain customary termination events apply (some of which are automatic and some of which are voluntary and exercisable by different parties), including but not limited to automatic termination on 29 October 2020 (unless extended to 30 November 2020 and/or 31 December 2020 with certain majorities of the Consenting Noteholders), material non-compliance with the terms of the Lock-Up Agreement by certain parties, and the occurrence of an insolvency event with respect to certain Group companies (subject to customary exceptions); and

- Consenting Noteholders who have entered or acceded to the Lock-Up Agreement by 15 September 2020 will be entitled to receive a lock-up fee equal to 0.25% of the total outstanding amount of the locked-up Notes, payable on consummation of the Transaction.

All conditions to the effectiveness of the Lock-Up Agreement have been satisfied.

Next Steps

Noteholders that have not yet signed the Lock-Up Agreement and wish to support the Transaction and receive the lock-up fee will need to complete and execute a consenting creditor accession letter to the Lock-Up Agreement in their capacity as Noteholder and provide evidence of their beneficial holdings via the clearing systems to Lucid Issuer Services Limited (acting as Calculation Agent under the Lock-Up Agreement) no later than 4:00 p.m. London time on 15 September 2020.

Lucid Issuer Services Limited

Email: selecta@lucid-is.com

Website: www.lucid-is.com/selecta

Telephone: + 44 20 7704 0880

Attention: Thomas Choquet / Jacek Kusion

Any holders of the Notes who wish to discuss supporting the Transaction should contact PJT Partners (UK) Limited, who are acting as financial advisors to the Company:

Tom Campbell / campbell@pjtpartners.com / +44 20 3650 1166

Markus Freund / markus.freund@pjtpartners.com / +44 20 3650 1311

Noteholders should contact Kirkland & Ellis International LLP, who are acting as legal advisors to the Company at selecta@kirkland.com to access further information relating to the Transaction.

Noteholders may wish to contact Perella Weinberg UK Limited, who are acting as financial advisors to the Ad Hoc Group, and Latham & Watkins (London) LLP, who are acting as legal advisors to the Ad Hoc Group, for more information about the Lock-Up Agreement and the Transaction:

Guy Morgan / gmorgan@pwpartners.com / +44 20 7268 2956

Simon Baskerville / simon.baskerville@lw.com / +44 20 7710 3033

The Group is targeting the completion of the Transaction in the coming weeks and will continue working with the Ad Hoc Group and other stakeholders to finalise and implement the Transaction.

- ENDS -

For media enquiries, contact Hudson Sandler

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About Selecta Group

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

For more information, please visit www.selecta.com

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The completion of the Transaction is subject to various conditions, including but not limited to the approval of the Transaction and agreement of its terms by prescribed percentages of the Group's creditors. Notwithstanding the support of a substantial number of the Groups' creditors, there can be no assurance that the Transaction will be completed on the terms currently envisaged, or at all.

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