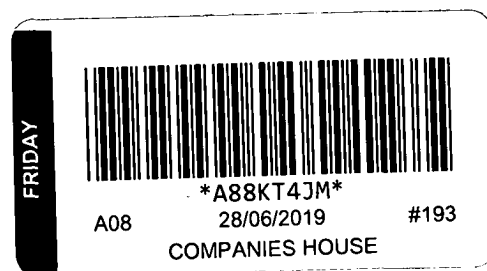


Selecta Holding Limited

Annual report and financial statements

Registered number 06279842

30 September 2018



Contents

Directors' Report	3
Strategic Report	4
Statement of directors' responsibilities in respect of the annual report and the financial statements	5
Independent auditor's report to the members of Selecta Holding Limited	6
Profit and Loss Account and Other Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the financial statements	11

Annual Report and Financial Statements 2018

Officers and Professional Advisers

Directors

JM Vrijlandt
D Abrahams

Registered office

Apollo House
Odyssey Business Park
West End Road
Ruislip
Middlesex
HA4 6QD

Bankers

National Westminster Bank Plc
City of London Office
PO Box 12258
1 Princes Street
London
EC2R 8PA

Auditor

KPMG LLP
Arlington Business Park
Theale
Reading
RG7 4SD

Directors' Report

The directors present their Directors' Report, and the financial statements for the year ended 30 September 2018.

Results and dividends

The results of the company for the year are shown in the profit and loss account on page 9. The profit for the year after taxation was £623,000 (2017: loss £165,000). During the year the Company transferred its investment in Selecta UK Limited to Select UK Holdings Limited in return for consideration of loan notes amounting to £18.31 million. After this date the company no longer held any investments. No dividend has been proposed in the current year (2017: £nil).

Going concern basis

The company has net assets of £14,998,000 (2017: £14,375,000). As described in note 1 the directors have decided not to use the going concern basis.

Directors

The directors who served during the year and to the date of this report were as follows:

JM Vrijlandt
D Abrahams
M Williams (resigned 16 April 2018)

Charitable and political donations

The Company made no political contributions or charitable donations during the current or prior year.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.


Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 5.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



D Abrahams
Director

Apollo House
Odyssey Business Park
West End Road
Ruislip
Middlesex
HA4 6QD

28 / 6 / 2019

Strategic Report

Principal activity and review of the business

The principal activity during the year, until the transfer of the investment in Selecta UK Limited, was that of a holding company.

The directors monitor KPIs regarding interest income and interest costs against its strategic plan. Such income and costs are in line with expectations for the year.

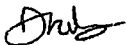
Principal risks and uncertainties

The Company's activities are now limited to holding several intercompany balances with Group companies therefore is reliant of the performance of these entities.

Future developments

Following the transfer of the investment the directors are considering the future plans for the company and therefore the accounts are not prepared on the going concern basis.

By order of the board



D Abrahams
Director

Apollo House
Odyssey Business Park
West End Road
Ruislip
Middlesex
HA4 6QD

28/6/2019

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. As explained in note 1 the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Selecta Holding Limited

Opinion

We have audited the financial statements of Selecta Holding Limited ("the company") for the year ended 30 September 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and related notes, including the accounting policies in note 1. These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of Selecta Holding Limited (continued)

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Terri Coughlan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Arlington Business Park
Theale
Reading
RG7 4SD
28 June 2019

Profit and Loss Account
for year ended 30 September 2018

	<i>Note</i>	2018 £000	2017 £000
Interest receivable	4	670	-
Interest payable	5	(47)	(165)
		<hr/>	<hr/>
Profit / (loss) on ordinary activities before taxation	2,3	623	(165)
Tax on profit / (loss) on ordinary activities	6	-	-
		<hr/>	<hr/>
Profit / (loss) for the financial year		623	(165)
		<hr/>	<hr/>

All the above results have been derived from continuing operations.

Other Comprehensive Income
for year ended 30 September 2018


There were no items of other comprehensive income for the year ended 30 September 2018 (2017: £nil).

The notes on pages 11 to 16 form an integral part of these financial statements.

Balance Sheet
at 30 September 2018

		2018 £000	2017 £000
Current assets			
Investments	7	-	18,311
Debtors	8	18,981	-
Cash at bank and in hand		-	3
		<hr/> 18,981	<hr/> 18,314
Creditors: amounts falling due within one year	9	(3,983)	(3,939)
Net current assets		<hr/> 14,998	<hr/> 14,375
Total assets less current liabilities		<hr/> 14,998	<hr/> 14,375
Net assets		<hr/> <hr/> 14,998	<hr/> <hr/> 14,375
Capital and reserves			
Called up share capital	10	1,094	1,094
Share premium account		108,272	108,272
Profit and loss account deficit		(94,368)	(94,991)
Total shareholders' funds		<hr/> <hr/> 14,998	<hr/> <hr/> 14,375

These financial statements were approved by the board of directors on 28/6/2019 and were signed on its behalf by:



D Abrahams
Director

Company registered number: 06279842

The notes on pages 11 to 16 form an integral part of these financial statements.

Statement of Changes in Equity

	Called up Share Capital	Share Premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
Balance at 1 October 2016	1,094	108,272	(94,826)	14,540
Total comprehensive income for the period				
Profit or loss	-	-	(165)	(165)
Total comprehensive income for the period	-	-	(165)	(165)
Total contributions by and distributions to owners	-	-	-	-
Balance at 30 September 2017	1,094	108,272	(94,991)	14,375
	Called up Share Capital	Share Premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
Balance at 1 October 2017	1,094	108,272	(94,991)	14,375
Total comprehensive income for the period				
Profit or loss	-	-	623	623
Total comprehensive income for the period	-	-	623	623
Total contributions by and distributions to owners	-	-	-	-
Balance at 30 September 2018	1,094	108,272	(94,368)	14,998

The notes on pages 11 to 16 form an integral part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Selecta Holding Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The Company's parent undertaking, Selecta Group BV includes the Company in its consolidated financial statements. The consolidated financial statements of Selecta Group BV are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from Selecta's website <http://www.selecta.com/investors/>

In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Cash Flow Statement and related notes;
- Key Management Personnel compensation; and
- Related party transactions entered into between two or more wholly owned members of the group.

As the consolidated financial statements of Selecta Group BV include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 12.

Notes (continued)

1 Accounting policies (continued)

1.1 Measurement convention

The financial statements are prepared under the historical cost convention.

1.2 Going concern

On 31 October 2017 the company transferred its £18.31 million holding in Selecta UK Ltd to Selecta UK Holdings Limited in return for consideration of loan notes amounting to £18.31 million. After this date the company no longer held any investments and so ceased activity as a holding company. Therefore, the directors have not prepared the financial statements on a going concern basis. The directors have assessed that no restatements are required.

1.3 Foreign currency

Monetary assets and liabilities in foreign currencies are translated into Sterling at the rate of exchange at the balance sheet date. Other foreign currency transactions have been translated at the actual rate of exchange on the date of the transaction. Differences arising on translation are dealt with in the profit and loss account.

1.4 Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition, if required, they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

1.5 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

1.6 Taxation

Current and deferred taxation provisions are based on the results of the period and include all taxation liabilities accruing to the date of the accounts.

Deferred taxation is provided using the liability method in respect of all material timing differences to the extent that they are expected to reverse in the future without being replaced, with the exception of pension timing differences which are provided in full, calculated at the rate at which it is anticipated the timing differences will reverse.

Deferred taxation assets are only recognised if recovery without replacement by equivalent debit balances is reasonable certain. Deferred tax assets and liabilities are not discounted.

Notes (continued)

2 Auditor's remuneration

The audit fees of £2,000 (2017: £2,000) for the year were borne by Selecta UK Limited, one of the company's fellow group undertakings.

3 Information regarding directors and employees

The company has no employees. The amount of remuneration received by the directors for their services as directors to the company is £nil (2017: £nil). The directors are remunerated by other group undertakings. No specific allocation has been made for their services to the company given that the level of service completed by them to the company is minor in relation to their responsibilities at other group undertakings.

4 Interest receivable

	2018 £000	2017 £000
Intercompany interest receivable	670	-
Total other interest receivable and similar income	<u>670</u>	<u>-</u>

5 Interest payable

	2018 £000	2017 £000
Intercompany interest payable	47	165
Total interest payable and similar charges	<u>47</u>	<u>165</u>

Notes (continued)

6 Tax on loss on ordinary activities

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2018 £000	£000	2017 £000	£000
<i>Current tax</i>				
Current tax on income for the period		-		-
		<hr/>		<hr/>
Total current tax		-		-
<i>Deferred tax</i>				
Origination and reversal of timing differences	-		-	
Change in tax rate	-		-	
	<hr/>		<hr/>	
Total deferred tax	-		-	
		<hr/>		<hr/>
Total tax		-		-
		<hr/>		<hr/>

Reconciliation of effective tax rate

	2018 £000	2017 £000
Profit / (loss) on ordinary activities before taxation	623	(165)
Tax using the UK corporation tax rate of 19% (2017: 17%)	118	(28)
Current year gains / (losses) for which no deferred tax asset was recognised	(118)	28
	<hr/>	<hr/>
Total tax expense included in profit or loss	-	-
	<hr/>	<hr/>

A deferred tax asset has not been recognised in respect of timing differences relating to tax losses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is approximately £1,952,000 (2017: £2,058,000).

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

The deferred tax asset which has not been recognised at 30 September 2018 has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

Notes (continued)

7 Investments held as current assets

	2018 £000	2017 £000
Cost		
As at 1 October 2017	96,772	96,772
Disposal	(96,772)	-
As at 30 September 2018	-	96,772
Provision for impairment		
Opening as at 1 October 2017	78,461	78,461
Disposal	(78,461)	-
Closing as at 30 September 2018	-	78,461
Net book value		
As at 30 September 2018	-	18,311
As at 30 September 2017	18,311	18,311

On 31 October 2017 the company transferred its investment in Selecta UK Limited to Selecta UK Holdings Limited (formerly named Pelican Rouge Coffee Solutions Ltd) in return for consideration of loan notes amounting to £18.31 million. After this date the company no longer held any investments and so ceased activity as a holding company.

8 Debtors: amounts falling due within one year

	2018 £000	2017 £000
Loan notes due from fellow group undertakings	18,981	-

The balance comprises loan notes amounting to £18,311,000 due from Selecta UK Holdings Limited (formerly named Pelican Rouge Coffee Solutions Ltd) and interest charged at an average rate of 4% on intercompany balances.

Amounts due from group undertakings stated above are repayable on demand and are thus payable within one year.

Notes (continued)

9 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Amounts due to fellow group undertakings	3,241	-
Amounts due to subsidiary undertakings	-	3,244
Amount due to immediate parent undertaking	742	695
	<u>3,983</u>	<u>3,939</u>

Interest has been charged at an average rate of 6.62% (2017: 4.35%) on intercompany balances.

Other amounts due to group undertakings stated above are repayable on demand and are thus payable within one year.

10 Capital and reserves

	2018 £000	2017 £000
<i>Issued and fully paid:</i>		
109,365,633 ordinary shares of £0.01 each	1,094	1,094
	<u>1,094</u>	<u>1,094</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

11 Ultimate controlling party

Selecta Group BV is the intermediate parent company and parent of the largest and smallest Group for which consolidated financial statements are drawn up for the financial year ended 30 September 2018 and of which the Company is a member. Selecta Group BV is a company incorporated in The Netherlands, (Company Number: KvK-nummer 34256233).

The financial statements can be obtained from that company's registered address:
Selecta Group BV
Overschiestraat 61-5
Amsterdam 1062 XD
The Netherlands.

12 Accounting estimates and judgements

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below

There are no significant estimates made in the preparation of these financial statements.

Critical accounting judgements in applying the Company's accounting policies

There are no such judgements in either the current or prior year.