

Company number 13931732

SELINA HOSPITALITY PLC
Annual report and consolidated financial statements
for the year ended 31 December 2022

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Officers and professional advisors

Company registration number

13931732

Registered office

27 Old Gloucester Street, London, United Kingdom
WC1N 3AX

Directors

Rafael Museri (appointed 26 March 2019)
Daniel Rudasevski (appointed 26 March 2019)
Alan Bowers (appointed 17 March 2023)
Catherine Dunleavy (appointed 27 October 2022)
Eric J. Foss (appointed 27 October 2022)
Eileen Moore Johnson (appointed 27 October 2022)
Adi Soffer Teeni (appointed 27 October 2022) (resigned 10 August 2023)
Richard S. Stoddart (appointed 27 October 2022)
Yoav Gery (appointed 26 March 2019) (resigned 27 October 2022)
Donald Mauch Jr. (appointed 14 January 2020) (resigned 27 October 2022)
Sagar Desai (appointed 15 October 2019) (resigned 27 October 2022)
Edouardo Cortina (appointed 26 March 2019) (resigned 27 October 2022)
Jerome Joseph Letter (appointed 15 January 2021) (resigned 27 October 2022)
Nori Gerardo Lietz (appointed 11 November 2021) (resigned 27 October 2022)
Chen Moravsky (appointed 26 March 2021) (resigned 31 March 2022)

Independent Auditor

MHA
Statutory Auditor
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Bankers

Barclays Bank Plc
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Secretary

Jonathon Grech (appointed 22 February 2022)

Strategic Report

Introduction

Selina is one of the world's fastest-growing hospitality brands, blending beautifully-designed accommodation options with coworking, recreation, wellness, and local experiences. Custom-built for today's nomadic traveler, Selina provides guests with a global infrastructure to seamlessly travel and work abroad. Founded in Latin America in 2014, each Selina property is designed in partnership with local artists, creators and tastemakers, breathing new life into existing buildings in interesting locations around the world - from urban cities to remote beaches and jungles. Selina is dedicated to creating meaningful and authentic connections between travelers and local communities.

Selina offers a global network of hyperlocal properties that enables guests to seamlessly travel and work abroad. Selina operates and manages its properties using data-driven technology that drives efficient operations. This software enables us to efficiently scale our destination offerings by identifying former or underperforming hotels in desired areas through real-time market analytics. We then work directly with our real estate partners to lease these properties and convert them into exceptional accommodations featuring cutting-edge designs. From post-acquisition and redevelopment to our cutting-edge design standards, our technology-driven model allows us to operate Selina destinations efficiently and drive a differentiated margin profile, substantially improving the efficiency of the properties acquired compared to their performance under prior ownership.

As of 31 December 2022, Selina was operating 118 locations in 24 countries across 6 continents.

Business Review

Selina (the "Company" or the "Group") operates in the hospitality and real estate industries and its operations are divided into four main types of activities:

- Operations, which include accommodation, food and beverage, events, coworking, wellness, tours and related services to guests and customers at Selina locations;
- Real estate, which include entering into transactions involving property, development, refurbishment and improvements in existing properties, bringing new life to distressed assets, as well as sourcing, negotiating and arranging real estate deals with third-party investors;
- Product, which include developing and marketing new hotel or food and beverage products, concepts or brands, as well as developing new software, applications and technologies serving these purposes; and
- Corporate services for the benefit of the three activities above.

The principal activity of Selina Hospitality PLC (the "Parent Company") is that of a holding company. The Group operates in the hospitality and real estate industries. As of December 31, 2022, Selina was operating 118 locations throughout Mexico, South America, Central America, North America (the U.S.), Europe & Africa, Israel and Asia Pacific (APAC).

Selina hotels tell stories. We like quirky spaces and buildings with history and our model fits almost anywhere. Our locations are usually existing hotels, hostels, student residences or conversions if the asset and location are a good fit for our brand and growth strategy. To follow our mission, all hotels are characterized by their common spaces such as kitchens, courtyards, basements and meeting rooms that can be upcycled into exciting spaces for our guests to create authentic, meaningful connections. Selina thrives in vibrant communities where like-minded locals add to the vibe just as much as our travelers do.

Selina uses local designers and global know-how to create spaces that add value at the asset level and serve our guests' changing needs. Selina's renovation model is fast, non-intrusive and adds value to the asset without tearing it down. Selina is the world's first holistic ecosystem for modern travelers.

Results and recent developments

In connection with the Business Combination with BOA Acquisition Corp. (BOA), effective October 27, 2022, Selina and its wholly owned subsidiary, Merger Sub completed the previously announced Business Combination with BOA and the transactions ancillary thereto. In connection with the completion of the Transaction, Merger Sub merged with and into BOA, with BOA surviving the Business Combination as our wholly owned subsidiary. Prior to the completion of the Business Combination, holders of approximately 95.8% of the BOA Class A Common Stock issued and outstanding as of such time elected to redeem such shares in accordance with BOA's amended and restated certificate of incorporation. Following the completion of the Business Combination, the security holders of BOA immediately prior to such completion became security holders of Selina, pursuant to the terms of the Business Combination Agreement. The completion of the Business Combination is further described in Note 14 of the financial statements. On October 27, 2022, after consummation of the Business Combination with BOA, Selina's Ordinary Shares and Public Warrants began trading on The Nasdaq Global Market ("Nasdaq") under the symbols "SLNA" and "SLNAW," respectively.

Group assets increased from \$476.6 million as of December 31, 2021 to \$638.3 million as of December 31, 2022 as the Group pursued its expansion strategy. The Group entered into new lease agreements, which contributed to an increase of right of use assets by \$109.2 million (net of depreciation, lease terminations and impairment write-offs).

Total liabilities increased from \$799.9 million as of December 31, 2021 to \$803.0 million as of December 31, 2022. The increase is primarily due to i) Group's expansion and additional loans received from banks and debtholders to allow new location openings and comprised both debt raised centrally by the corporate subsidiaries and financing arrangements with local partners at location or country level ii) the New Convertible Note proceeds (CLN 2022) in connection with the completion of Business Combination and its related Warrant Instruments iii) new lease agreements which contributed to an increase of lease liabilities and iv) trade payables and other liabilities have increased due to longer settlement periods as a result of COVID negotiations and to an increase of the business activity in 2022. The increase in total liabilities in the period is off set by; i) the conversion into equity upon completion of the Business Combination of the existing convertible instruments, as the Convertible Note Instrument -CLN 2020-, the Term Loan Agreement, the PIPE Investor advanced funding and the existing warrants (the Warrant Instrument attached to the CLN 2020 and the Bridge Loan Facility warrants), ii) the repayment of loans in the period and iii) lease liabilities payments.

Equity increased from \$(323.2) million as of December 31, 2021 to \$(163.6) million as of December 31, 2022 mostly as a result the consummation of the Business Combination in October 27, 2022, as described in Note 23 and 24 of the financial statements, as well as equity from stock compensation expense, as described in Note 28 of the financial statements, off set by the total comprehensive loss in the year 2022. Non-controlling interest decreased due to a loss attributable to minority shareholders and represents the value of accumulated comprehensive loss and historical equity contributions from partners in subsidiaries not fully controlled by the Group.

As further described in section "Financial key performance indicators" below, in 2022, total revenue increased by 98.3% compared to 2021, driven primarily by an increase in bedspaces from new opened locations, higher occupancy rates, and higher total revenue per bedspace. Selina opened 18 properties during 2022, ending the year with 118 properties, 29,600 open bedspaces, and 19,975 open beds (vs 23,408 open bedspaces and 18,438 open beds at December 31, 2021). In 2021, Selina already started its recovery from the impact of the COVID-19 outbreak, which led to a significant decrease in revenues, and continued to grow its asset base organically, with the exception of the acquisition of R.A.Y. Enterprise Michmoret Ltd., a company that operates and manages, directly or by joint ventures, four hotels in Israel.

Costs of sales increased from \$11.3 million in 2021 to \$25.4 million in 2022 mainly due to the increase in food and beverage sales over the same period. Remote Year contributed in the year ended December 31, 2022 with \$6.3 million to the increase in cost of sales.

Payroll and employees expenses increased from \$57.2 million in 2021 to \$95.9 million in 2022, primarily due to costs related to additional headcount. The increase in payroll and employee expenses included a \$30.9 million increase in wages and salaries, a \$7.4 million increase in social security costs and employee benefits and travel, and a \$0.4 million decrease in stock compensation resulting from new incentive plans approved in the year ended December 31, 2022.

Insurance, Utilities and Other Property Maintenance Costs increased from \$31.5 million in 2021 to \$45.9 million in 2022. However, as a percentage of revenue reduced from 33.9% to 25.0%. Fixed costs remained relatively stable, whereas the variable operating costs including maintenance fees, electricity, gas, laundry, linen, cleaning supplies and security among others accounted for 108.5% of the year-over-year increase in costs and resulted from the increase in rooms, food and beverage and other revenue realized in the year ended December 31, 2022.

Legal, marketing, IT and other operating expenses increased from \$33.7 million in 2021 to \$49.6 million in 2022. Non-recurring public company readiness costs contributed to \$4.4 million of the increase year-over-year with \$7.1 million comprising sales and marketing costs, \$3.8 million comprising Information Technology expenses and the remainder primarily due to incremental other operating costs associated with new properties which opened during the year ended December 31, 2022, and with the growth in bookings and in our non-rooms services during the period.

Depreciation and Amortization increased from \$31.2 million in 2021 to \$33.0 million in 2022, primarily due to the increase in property plant and furniture.

Impairment and Write-Off of Non-Current Assets increased from \$11.2 million in 2021 to \$12.7 million in 2022, primarily due to i) an increase in the number of right of use assets impaired in the period, offset by the reversal of impairment losses previously recognized and ii) a decrease in property, equipment and furniture write-offs. The impairment loss of \$14.2 million in the year ended December 31, 2022, related to right-of-use assets (\$5.1 million in the year ended December 31, 2021) represents impairment losses on 13 properties (11 properties for the year ended December 31, 2021). In addition, the right-of-use assets impairment loss is offset by reversals of impairment losses previously recognized of \$4.2 million in the year ended December 31, 2022 (\$0 million in the year ended December 31, 2021), which represent impairment reversals on 7 properties (0 properties in the year ended December 31, 2021). Property, equipment and furniture and other non current assets write-offs in the year ended December 31, 2022 represents approximately \$2.7 million (\$6.1 million in the year ended December 31, 2021).

Government Grants decreased from \$2.1 million in 2021 to \$1.7 million in 2022. These represent certain COVID-19 governmental aids received in the form of subsidies and loans. These include: subsidies delivered by the UK for property and labor remuneration assistance; loans granted by the Government of Peru that were issued at a flat rate with deferrable payment periods for employee compensation commitments and general operating expenses; and in the U.S., loan proceeds under the Paycheck Protection Program (“PPP”), which was established as part of the Coronavirus Aid, Relief and Economic Security Act and is administered through the Small Business Administration (“SBA”). Government loans that met eligibility criteria for forgiveness were recognized as income from government grants.

Finance Income increased from \$0.1 million in 2021 to \$75.0 million in 2022. The increase in finance income was primarily due to gains on extinguishment of debt of \$8.8 million, gains on derecognition of lease liabilities of \$1.5 million, and finance income on the Convertible Note Investment 2022 (“CLN 2022”) of \$64.7 million, which is measured at fair value. There were no gains on extinguishment of debt and on derecognition of lease liabilities in the year ended December 31, 2021.

Finance Costs increased from \$99.5 million in 2021 to \$123.3 million in 2022. The increase in the year ended December 31, 2022, was primarily due to a \$12.0 million increase in interest expense on debt related to convertible financial instruments, an additional \$16.9 million in interest expense on loans from debtholders, Real Estate Partner Loans and bank and government loans, a \$5.7 million increase in interest expense on lease liabilities, and an increase in finance expense on financial liabilities at fair value through profit or loss of \$0.8 million for the year ended December 31, 2022, compared to the year ended December 31, 2021. These increases were offset by a \$8.0 million decrease in unrealized foreign exchange losses on revaluation of lease liabilities. Additionally, in the year ended December 31, 2021, there was a \$3.6 million loss on extinguishment of debt related to amendments to the Term Loan Agreement.

Share Listing Expense contains a one-time non-cash expense of \$74.4 million was recognized as a share listing expense in the Consolidated Statement of Profit or Loss for the year ended December 31 2022, based on the excess of the fair value of

Selina Hospitality PLC shares issued considering a fair value of \$9.75 per share (opening stock price of Selina Hospitality PLC shares at the Closing Date) over the fair value of BOA's identifiable net assets acquired.

Gain on Net Monetary Position increased from \$1.7 million in 2021 to \$3.2 million in 2022, primarily due to adjustments reflecting the purchasing power of the assets of our Argentinian subsidiaries.

Other Non-Operating Income / (Expense), Net increased approximately \$3.1 million from 2021 to 2022, primarily due to a net gain attributable to lease agreement indemnities and other non-operating income.

The loss for the year, after taxation, amounted to \$198.1 million in 2022 (2021 loss - \$182.3 million).

In June 2023, Selina secured agreements for a strategic investment totaling up to \$50 million led by an affiliate of Global University Systems ("GUS" or the "Investor"), a leading global higher education platform. This funding is part of the Company's plan to strengthen its balance sheet as it continues on its path to achieving profitability and cash flow positive operations. The investment by GUS will be completed in multiple tranches as follows:

- The first tranche comprises an immediate \$10.0 million in funding under a secured convertible debt instrument.
- After securing an additional \$20.0 million in PIPE equity or other funding from parties other than the Investor or any of its affiliates and satisfying other funding conditions, the Investor commits to an additional tranche of \$10.0 million via a private investment in public equity ("PIPE") and an additional \$10.0 million in PIPE investment and/or convertible debt.
- The arrangements also provide for an optional third tranche that includes \$20.0 million from the Investor, consisting of PIPE investment and/or convertible debt, in each case generally on the same terms as the initial convertible debt and PIPE funding.
- Should all investments be completed, including the additional \$20.0 million in conditional funding required to unlock the second tranche of investments, Selina will have secured \$50-\$70 million of additional capital.

As part of its investment, the Investor will receive warrants to acquire additional shares in the Company at a premium to the current trading price and have the ability to appoint two directors to Selina's Board of Directors.

On June 27, 2023, the first tranche, comprised of \$10.0 million in funding under a secured convertible debt instrument issued (the "First Convertible Note"). In August 2023, the Company and GUS entered into a new Convertible Note subscription agreement, on substantially the same terms as those agreed for the First Convertible Note, pursuant to which GUS invested an additional \$4.0 million in return for the issuance of a second convertible note (the "Second Convertible Note"). In connection with the funding of the Second Convertible Note, GUS will receive further warrants to acquire additional shares in the Company at a premium to the current trading price.

In connection with the Second Convertible Note, the parties amended and restated a future funding letter ("Amended Future Funding Letter") entered into by the Company, Selina Operations US Corp., GUS and Ludmilio Limited, as collateral agent, which updates the terms of the initial future funding letter (the "Initial Future Funding Letter") entered into on June 26, 2023. Under the Amended Future Funding Letter, GUS will continue to have the right or, upon satisfaction of certain funding conditions by the Company, the obligation to fund a total of \$20.0 million as part of its second tranche of investment, and so long as GUS funds a minimum of \$5.0 million in equity investment as part of that second tranche, then at GUS's election at such time, a principal amount of \$4.0 million of the Second Convertible Note shall be deemed to have been repaid by the borrower, with a principal amount of \$0.4 million plus accrued and unpaid interest remaining unpaid, and in exchange GUS will be entitled to receive an aggregate of \$4,000,000 of the Company's shares under the previously agreed terms for a PIPE investment. In addition, if the Company raises equity investment(s) totaling at least \$5.0 million from bona fide third party investors by October 1, 2023, GUS agrees to fund to the borrower an additional amount of \$1.0 million under a new convertible note, to be issued in the original principal amount of \$1.1 million, on substantially similar terms as the previous convertible notes.

Additionally, in June 2023, Selina entered into a second amendment to a separation agreement with YAM at Selina Ops, L.P. ("YAM"). Pursuant to the second amendment and an equity subscription agreement entered into between the Company and YAM, the Company will issue to YAM 6,248,840 ordinary shares of the Company to be sold by YAM, with the proceeds to be applied towards the payment of \$9,502,244 owed to YAM. These shares are in addition to 1,400,000 ordinary shares previously granted to YAM under a first amendment to a separation agreement, which shares are to be applied towards the payment of \$2,761,955 in amounts owed to YAM as of the date of the first amendment.

Principal risks and uncertainties

Below we have identified the principal risks and uncertainties that are regarded as the most relevant for the Group. The principal risks should be viewed as the risks that we see as being material to our business at this time.

The order in which risks and uncertainties are presented below is not necessarily an indicative of the relative potential impact to the Group. The risks and uncertainties may, to varying degrees, impact the Group's revenues, profits, net assets, operations, guests, employees, partners and/or reputation. New risk factors emerge from time to time and it is not possible to predict all such risk factors, nor can we assess the impact of all such risk factors on our business.

Not all potential risks are listed below; some risks have been excluded because they are not considered to be material to the Group's long-term strategy, performance or viability. In general, our processes aim to provide reasonable, not absolute, assurance that the principal risks that are significant to our business have been identified and addressed.

- our actual results may differ materially from our forecasts and projections;
- our results could be negatively affected by a decline or disruption in the travel and hospitality industries or economic downturn;
- we may be unable to negotiate satisfactory leases or other arrangements to operate new properties, onboard new properties in a timely manner, or renew or replace existing properties on satisfactory terms or at all;
- delays in real estate development and construction projects related to our leases could adversely affect our ability to generate revenue from such leased buildings;
- newly leased properties may generate revenue later than we estimated, and may be more difficult or expensive to integrate into our operations than expected;
- our limited operating history and evolving business make it difficult to evaluate its future prospects and challenges;
- we may not be able to manage its expected growth, which could adversely affect our results of operations;
- our growth depends, in part, on our ability to increase revenues generated by its existing hotels;
- our history of losses has raised substantial doubt regarding our ability to continue as a going concern, and we may be unable to achieve profitability for the foreseeable future;
- our ability to obtain funding or raise capital to fund our operations and growth;
- costs relating to the opening, operation and maintenance of our leased properties could be higher than expected;
- we depend on landlords to deliver properties in a suitable condition and to manage and maintain our properties;
- under certain circumstances, our leases may be subject to termination prior to the scheduled expiration of the term, which can be disruptive and costly;
- we operate in the highly competitive lodging industry;
- we use third-party distribution channels to market our units, and these channels have historically accounted for a substantial percentage of our bookings;
- our long-term success depends, in part, on our ability to expand internationally, and our business is susceptible to risks associated with international operations;

- our business depends on our reputation and the strength of our brand, and any deterioration of our current brand standards could adversely impact our market share, revenues, business, financial condition, or results of operations;
- adverse incidents at, or adverse publicity concerning, our properties or brands could harm our reputation and the reputation of our brands, as well as adversely affect our market share, business, financial condition, or results of operations;
- we are subject to claims and liabilities associated with potential health and safety issues and hazardous substances at our properties;
- we must attract and retain sufficient, highly skilled personnel and are subject to risks associated with the employment of hospitality personnel, including unionized labor;
- information technology system failures, delays in the operation of our information technology systems, or system enhancement failures could reduce our revenues and profits and harm the reputation of our brands and business;
- cyber risk and the failure to maintain the integrity of customer, colleague, or company data could adversely affect Selina's business, harm Selina's reputation, and/or subject Selina to costs, fines, penalties, investigations, enforcement actions, or lawsuits;
- our business is highly regulated across multiple jurisdictions, which may cause increased costs, reduced profits, limited growth, disruption in business or exposure to increasingly complex, onerous or uncertain tax obligations;
- our ability to continue to meet Nasdaq listing standards;
- our ability to recognize the anticipated benefits of the Business Combination (as described herein), which may be affected by, among other things, competition and the ability of the combined company to grow and manage growth profitably, maintain relationships with customers and retain its management and key employees;
- the impact of the ongoing COVID-19 pandemic and any other adverse public health developments on our business; and
- risks associated with our environmental, social, and governance ("ESG") and sustainability initiatives and activities, including efforts to reduce single-use plastic consumption and efforts to measure greenhouse gas ("GHG") emissions and reduce our carbon footprint, and our ability to achieve any specific outcome at all or within a certain timeframe.

The Board retains overall responsibility and accountability for the effectiveness of the risk management framework and internal control systems. Supporting the Board, the Group's Executive Committee, which is chaired by the Chief Executive Officer and is comprised of operational and functional heads, has accountability for ensuring effective risk management at the operational level.

In addition to the above operational and compliance risks, the Group faces the following financial market-related risks.

Financial market risk

- Foreign exchange risk - The Group operates internationally and is exposed to foreign exchange risk. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The most significant exposures of the Group are in currencies that are freely convertible. The Group's cash and cash equivalents are predominantly held in USD. The Group's loans and borrowings are also denominated predominantly in USD. The risk is measured through a forecast of highly probable foreign currency expenditures. Therefore, main market risk arises from

Group's financial results being subject to exchange rate fluctuations, particularly in Latin American countries, where the currencies have proven to be volatile. The Company does not enter into cash flow or net investment hedging.

- Cash flow and fair value interest rate risk - The Group's main interest rate risk arises from long-term borrowing with variable rates. The Group has not entered into significant agreements with a variable interest rate applicable, and hence the Group does not see a significant interest rate risk as the majority of interest on debt is being charged on a fixed rate basis. The Group does not enter into interest rate hedging transactions through the use of interest rate swaps or other derivative instruments.
- Price risk - The Group's financial instruments do not have any significant exposure to price risks (e.g. exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet either as at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVPL)).

Going concern

We have incurred an accumulated deficit of \$725.2 million from inception to December 31, 2022 (\$519.0 million as of December 31, 2021), and the total shareholders' deficit amounted to \$163.6 million as of such date (\$323.2 million as of December 31, 2021). Our current assets amounted to \$79.7 million as of December 31, 2022 (\$46.4 million as of December 31, 2021) and our current liabilities amounted to \$188.9 million as of such date (\$214.1 million as of December 31, 2021) and our financial debt was \$182.8 million as of December 31, 2022 (\$246.5 million as of December 31, 2021) of which \$45.6 million was current financial debt as of such date (\$19.5 million as of December 31, 2021). In addition, we are a growth company and do not yet have sufficient revenue to cover our operating expenses. These factors raise substantial doubt about our ability to continue as a going concern for a period of 12 months following the date of this Annual Report. The ability to continue as a going concern is dependent upon generating profitable operations in the future and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next twelve months with increased revenue and through the capital markets, when necessary. While we intend to obtain the necessary financing and generate revenue to fund our operations and achieve commercial goals, there are no assurances that such additional funding will be achieved and that we will succeed in our future operations.

In March 2023, we held a general meeting at which shareholders passed ordinary and special resolutions authorizing the directors to allot, on a non-preemptive basis, up to 60,900,000 Ordinary Shares for fundraising and other initiatives. The authority will, unless renewed, varied or revoked, expire on March 8, 2028, save that Selina shall be entitled to, before such expiry date, enter into agreements before such date that require equity securities to be allotted after such date, notwithstanding that the authority conferred by the resolutions has expired.

Further details explaining the assessment are provided in the Note 2(b) of the financial statements.

Credit risk

Credit risk represents the financial loss the Group would experience if a counter-party to a financial instrument, in which the Group has an amount owed from the counterparty, failed to meet its obligations in accordance with the terms and conditions of its contracts with the Group. Overall credit risk of the Group is low as most guests are charged either in cash or by credit card, and supplier or other lenders to the Group are highly diversified, with low concentration.

The Group's credit risk is primarily attributable to its accounts receivable as cash balances are deposited with reputable financial institutions. The accounts receivable amounts disclosed in the financial statements are net of allowances for doubtful accounts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The Group writes off financial assets that are past due for more than one year and for which there will be no further collection activities. In addition, the Group writes off financial assets for which the Group believes the likelihood of collection is nil, for example, in situations in which the borrower is in liquidation or bankruptcy proceedings.

Cash at bank and in hand, short-term deposits, trade and other receivables are subject to the expected credit loss model requirements of IFRS 9. Other receivables typically comprise of arrangements with landlords or partners where the Group might be providing loans for development or refurbishment purposes. Outstanding debts are monitored and expected credit losses are periodically assessed for recoverability. The expected credit loss is considered to be immaterial.

The Group's financial instruments are exposed to concentration risk. The Group assesses the inherent concentration risk as low due to the fact hospitality services are provided to multiple customers or guests at many locations and the vast majority of payments are processed in cash or by credit card. Receivables from guests on the balance sheet have arisen in the last days of December prior to year end and have either not yet been charged from guests or from institutions in charge of processing card payments. Due to the nature of the Group's operations and cash flow monitoring, it is unlikely that debtors will remain outstanding long term.

Liquidity risk

The Group's liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Our primary source of liquidity and capital resources comes from cash and its financing activities. Our cash and cash equivalents are held in short-term deposits, mostly in USD ("USD" refers to U.S. dollars), in banks in the U.K., U.S., and Panama. As of December 31, 2022 and December 31, 2021, we had cash and cash equivalents of \$47.7 million and \$21.9 million, respectively, and outstanding loans and borrowings of \$182.8 million and \$246.5 million, respectively. Cash and cash equivalents include \$2.0 million which is held in a debt service reserve account for a loan. As of December 31, 2022 we also had \$20.6 million undrawn amounts under the \$50 million loan facility entered into in November 2020 with Inter-American Investment Corporation ("IDB"), subject to compliance of covenants and other requirements, including borrowing based restrictions and in May 2023, the Group drew an additional \$10.0 million as part of the sixth disbursement made under the loan facility with IDB, as the lender. As a result of the CLN 2022, the Company is required to maintain \$15 million of unrestricted cash on a consolidated basis through February 27, 2024.

The Group's current operating plan includes various assumptions concerning the level and timing of cash from operating, investing and financing activities. The Group's ability to successfully carry out its business plan is primarily dependent upon its ability to (1) increase its average beds occupancy percentage, driving higher revenues for existing and new locations; (2) achieve profitability from its portfolio of hotels, by driving GOP and unit level margins through higher revenues and lower operating costs; (3) continue to reduce corporate overhead expenses as a percentage of total revenues; (4) maintain or enter into new agreements with its local real estate partners to finance its expansion plans; (5) reduce all other capex; (6) reduce its balance of deferred liabilities accumulated through the COVID impacted years; and (7) obtain sufficient additional capital, or secure other sources of funding from financial institutions for working capital or other long-term needs.

The Group has been working on securing additional liquidity resources in the near term in order to support its operating activities and meet its financial obligations.

Management monitors rolling forecasts of the Group's cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the Group, in accordance with practice and limits set by the Group. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans. There are no assurances, however, that the Group will be successful in obtaining an adequate level of financing needed for the long-term expansion of its business (see Note 2b of the Financials Statements)

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (including interest payments):

	Less than one year	1 to 2 years	2 to 3 years	3 to 4 years	> 4 years	Total
(In thousands of US\$)						
December 31, 2022						
Loans payable	46,380	22,993	16,722	18,032	93,632	197,759
Lease liabilities	59,115	55,049	55,417	55,742	780,126	1,005,449
Trade payables and other liabilities	49,343	—	—	—	—	49,343
Accounts payable to related parties	—	—	—	—	—	—
Convertible loans	8,948	8,850	8,850	156,350	—	182,998
	<u>163,786</u>	<u>86,892</u>	<u>80,989</u>	<u>230,124</u>	<u>873,758</u>	<u>1,435,549</u>
December 31, 2021						
Loans payable	22,685	80,437	8,032	9,089	81,097	201,340
Lease liabilities	45,660	45,274	42,993	42,745	607,558	784,230
Trade payables and other liabilities	31,124	—	—	—	—	31,124
Accounts payable to related parties	—	—	—	—	3,472	3,472
Convertible loans	—	176,448	—	—	—	176,448
	<u>99,469</u>	<u>302,159</u>	<u>51,025</u>	<u>51,834</u>	<u>692,127</u>	<u>1,196,614</u>

Financial key performance indicators

In its internal reporting, the Group's main focus is operational efficiency at unit level and maintaining reasonable corporate overheads.

Operating metrics assist management in analysing the operations of a lodging property. These operating metrics relate expenses to business volume and/or revenue and are useful for control purposes when the results are compared to budgeted or planned goals, as well as other competitor and industry averages. Financial key metrics reported internally in Selina are:

-Number of Open Bedspaces, Open Beds and Average Daily Open Beds:

The number of open bedspaces reflects the total number of bedspaces at opened properties at the end of any given period. Bedspaces is a metric we use to measure the potential sleeping capacity of a given property. It is a static capacity measure, and not one reflecting actual capacity in a given period. Every 5.5m² (59.2 ft²) of accommodation (sleeping room) area in a property equals one bedspace. Our rooms are designed to be convertible into different modalities and with distinct bed configurations. Selina offers "Standard" accommodations with one double bed, "Twins" accommodations with two single beds, "Family" accommodations with space designed to accommodate up to four people, and "Community" accommodations with space designed to accommodate up to eight or more people. At the discretion of property managers, the double bed in a "Standard" accommodation can be replaced with a bunk bed for eight guests, for example. Accordingly, management views the number of bedspaces, instead of the number of physical beds, as the static measure of property capacity because it avoids potentially misleading fluctuations that would arise from the changing room configurations in any given property.

Open beds reflects the total number of beds in inventory at opened properties at the end of any given period. As our properties have the ability to convert rooms into different bed configurations, the total number of open beds may fluctuate at any given location over any given period.

Given that a majority of Selina's revenues are derived from the sale of rooms or individual beds which are represented by bedspaces, Selina's management views the number of open bedspaces as one of the most important drivers and indicators of Selina's revenue and as a key indicator of Selina's scale.

Average daily open beds is calculated as the total number of beds in inventory over any given period of time on a daily basis. This metric reflects Selina's daily accommodations capacity and is used in the calculation of occupancy rate.

-Occupancy Rate, Total Daily Revenue Per Occupied Bed (TRevPOB) and Total Daily Revenue Per Occupied Bedspace (TRevPOBs):

Selina's management views occupancy rate, total daily revenue per occupied bed (TRevPOB) and total daily revenue per occupied bedspace (TRevPOBs) as key indicators of revenue, as we believe that these metrics measure our ability to attract guests and guests' spending on property, which in turn directly relate to our revenue and financial performance.

Selina's management defines the Group's occupancy rate as the number of beds sold divided by the total number of open beds, over any given period.

Selina's management defines TRevPOB as total revenue, excluding Remote Year revenue, for any given property, for any given period, divided by the number of beds sold in that same period. This measure removes the impact of occupancy, as it reflects total revenue on a per occupied bed basis. Changes in this metric reflect the variability in our business arising from our ability to change room and bed configurations based on demand.

Selina's management defines TRevPOBs as total revenue, excluding Remote Year revenue, for any given property, for any given period, divided by the number of bedspaces sold in that same period. The number of bedspaces sold is determined by multiplying the occupancy rate for any given period by the average of the total number of open bedspaces at the beginning and end of that period.

-Total Revenue Per Available Bedspace:

Total revenue per bedspace is calculated as total revenue, excluding Remote Year revenue, for any given property, for any given period, divided by the average of the total number of open bedspaces at the beginning and end of that period.

Management views total revenue per bedspace as a useful measure of comparing performance between locations or cohorts over time, as well as providing an indication of future revenue potential as we continue to grow total bedspaces.

Key metrics for the years ended 31 December 2022, 2021 and 2020 are shown in the table below:

Metric	Year Ended December 31,		
	2022	2021	2020
Opened properties (at period end).....	118	100	81
Open bedspaces (at period end).....	29,600	23,408	18,411
Open beds (at period end).....	19,975	18,438	16,138
Average daily open beds.....	19,018	16,017	14,481
Occupancy rate.....	47.5%	32.9%	19.6%
Total daily revenue per occupied bed (TRevPOB)..... \$	52.60	\$ 45.86	\$ 34.03
Total daily revenue per occupied bedspace (TRevPOBs)..... \$	37.76	\$ 35.13	\$ 29.69
Total revenue per bedspace..... \$	6,547	\$ 4,219	\$ 2,118

The following table summarizes Selina's revenue for the periods presented 2022 Vs 2021:

	Year ended December 31,		Variance	
	2022	2021	\$	%
	(in thousands)			
Rooms	\$ 108,602	\$ 51,335	\$ 57,267	111.6
Food and beverage	\$ 50,192	\$ 31,361	\$ 18,831	60.0
Other, net	\$ 25,141	\$ 10,041	\$ 15,100	150.4
Total Revenues	\$ 183,935	\$ 92,737	\$ 91,198	98.3

Revenue increased approximately \$91.2 million, or 98.3%, for the year ended December 31, 2022, compared to the year ended December 31, 2021. On a same store basis (locations operating for the entire comparable periods), revenue increased by \$48.1 million, or approximately 56.8%, driven by an increase in occupancy, from 33.2% to 51.1%, and an increase in TRevPABs from 4,695 to 7,258. Remote Year in the year ended December 31, 2022, contributed with \$10.3 million vs \$4.5 million in the year ended December 31, 2021.

At December 31, 2022, we had approximately 29,600 open bedspaces, compared to 23,408 open bedspaces at December 31, 2021, which represents a 26.5% increase in open bedspaces on a year-over-year basis. We had approximately 19,975 open beds at December 31, 2022 compared to approximately 18,438 open beds at December 31, 2021, representing an increase of 8.3% on a year-over-year basis. These increases were a result of the opening of 18 new Selina locations during the period.

Average daily open beds is calculated as the total number of beds in inventory over any given period of time on a daily basis. This metric reflects Selina's daily accommodations capacity and is used in the calculation of occupancy rate.

For the year ended December 31, 2022, we had 19,018 average daily open beds compared to 16,017 average daily open beds in the year ended December 31, 2021, a 18.7% increase year-over-year. This increase was a result of the opening of 18 new Selina locations.

For the year ended December 31, 2022, our occupancy rate was 47.5%, compared to 32.9% for the year ended December 31, 2021, which represents approximately a 44.4% increase in occupancy rate. This increase was a result of an improved brand awareness and brand loyalty, a dedicated regional sales force and commercial teams, continued seasoning of our recently opened properties, and a pick up in travel after two years that were highly impacted by COVID-19 and travel restrictions.

For the year ended December 31, 2022, our TRevPOB was \$52.60, compared to \$45.86 for the year ended December 31, 2021, an approximately 14.7% increase. For the year ended December 31, 2022, Selina's TRevPOBs was \$37.76, compared to \$35.13 for the year ended December 31, 2021, an approximately 7.5% increase. These increases were mainly a result of a shift in our portfolio composition toward developed markets and continued seasoning of our recently opened properties. Of the 18 new locations opened in the year ended December 31, 2022, 16 locations are situated in developed markets where we are able to achieve higher average room rates.

For the year ended December 31, 2022, we achieved total revenue per bedspace of \$6,547, compared to \$4,219 for the year ended December 31, 2021, representing a 55.2% increase. This increase was primarily driven by the 44.4% increase in occupancy year-over-year, which reflected greater customer demand and a shift in our portfolio composition toward developed markets.

Cash and cash equivalents increased by \$25.7 million from December 31, 2021 to December 31, 2022. This variance is driven by net operating outflow of \$(23.6) million. The negative cash flow from operating activities decreased in cash used of \$7.1 million was primarily due to an improvement of \$8.1 million in Loss from operations activity before impairment, government grants and COVID-related concessions, net of depreciation and amortization, together with a worsening of working capital of \$0.6 million. Cash and cash equivalents increase in the period was followed by a net outflow from investing activities of \$(18.3) million mainly comprised of an increase of approximately \$14.0 million in purchases of property, equipment and furniture and security deposits paid and a decrease of approximately \$3.4 million in the proceeds from sales of property, equipment and furniture. Finally Cash and cash equivalents increase in the period was driven by a net inflow from financing activities of \$83.9 million representing an increase of approximately \$32.6 million to net cash

provided by financing activities for the year ended December 31, 2021, primarily due to an increase net in repayment of loans and interest of approximately \$28.9 million, an increase in proceeds from convertible notes and capital contributions of approximately \$88.6 million offset by an increase in repayment of lease liabilities and transaction costs of equity raise of approximately \$27.1 million.

The following table summarizes Selina's revenue for the periods presented 2021 Vs 2020:

	Year ended December 31,		Variance	
	2021	2020	\$	%
	(in thousands)			
Rooms	\$ 51,335	\$ 22,797	\$ 28,538	125.2
Food and beverage	\$ 31,361	\$ 9,939	\$ 21,422	215.5
Other, net	\$ 10,041	\$ 2,425	\$ 7,616	314.1
Total Revenues	\$ 92,737	\$ 35,161	\$ 57,576	163.7

Revenue increased approximately 57.6 million, or 164%, for the year ended December 31, 2021 compared to the year ended December 31, 2020. The increase in revenue was primarily a result of the recovery in travel globally from depressed levels in 2020 due to COVID-19 pandemic, which restricted and limited travel as well as increased revenue from new locations opened in 2021.

At December 31, 2021, we had approximately 23,408 open bedspaces, compared to 18,411 open bedspaces at December 31, 2020, which represents a 27% increase in open bedspaces on a year-over-year basis. We had approximately 18,438 open beds at December 31, 2021 compared to approximately 16,138 open beds at December 31, 2020, representing an increase of 14.3% on a year-over-year basis. These increases were a result of the opening of 19 new Selina locations during the period.

As above described, average daily open beds is calculated as the total number of beds in inventory over any given period of time on a daily basis. This metric reflects Selina's daily accommodations capacity and is used in the calculation of occupancy rate.

For the year ended December 31, 2021, we had 16,017 average daily open beds compared to 14,481 average daily open beds in the year ended December 31, 2020, a 10.6% increase year-over-year. This increase was a result of the opening of 19 new Selina locations.

For the year ended December 31, 2021, our occupancy rate was 32.9%, compared to 19.6% for the year ended December 31, 2020, which represents approximately a 68.3% increase in occupancy rate during the year ended December 31, 2021, compared to the year ended December 31, 2020. This increase was a result of increased customer demand and recovery from COVID-19 in the year ended December 31, 2020, as well as by the opening of 19 new Selina locations and the addition of 4,997 open bedspaces during the period.

For the year ended December 31, 2021, our TRRevPOB was \$45.86, compared to \$34.03 for the year ended December 31, 2020, an approximately a 34.8% increase during the year ended December 31, 2021, compared to the year ended December 31, 2020. For the year ended December 31, 2021, Selina's TRRevPOBs was \$35.13, compared to \$29.69 for the year ended December 31, 2020, an approximately 22.7% increase during the year ended December 31, 2021, compared to the year ended December 31, 2020. These increases were a result of a shift in our portfolio composition toward developed markets. Of the 19 new locations opened in the year ended December 31, 2021, 11 locations are situated in developed markets where we are able to achieve higher average room rates, but also an improvement on the F&B business.

For the year ended December 31, 2021, we achieved total revenue per bedspace of \$4,219, compared to \$2,118 for the year ended December 31, 2020, representing a 99.2% increase. This increase was primarily driven by the 68.3% increase in occupancy year-over-year, which reflected greater customer demand and a shift in our portfolio composition toward developed markets as well as an improvement in F&B.

Cash and cash equivalents increased by \$8.4 million from December 31, 2020 to December 31, 2021. This variance is driven by net operating outflow of \$(30.4) million mainly caused by operating losses related to the pandemics and corporate overhead expenses, followed by a net outflow from investing activities of \$(12.1) million mainly comprising purchases of property, equipment and furniture and a net inflow from financing activities of \$51.2 million representing a decrease of approximately \$5.8 million to net cash provided by financing activities for the year ended December 31, 2020, primarily due to an increase in repayment of lease liabilities offset by an increase in loans and convertible note proceeds as well as interest paid.

Non-Financial key performance indicators

Selina prioritizes offering guests optimal experiences that satisfy their preferences. Non-Financial key metrics reported internally in Selina are:

-Net Promoter Score (NPS):

NPS is a metric used to measure customer feedback. NPS measures the loyalty of customers to a company. NPS scores are measured with a single-question survey and reported from the range of -100 (detractors) to +100 (promoters), calculated as a simple average. The higher the score, the better. Selina boasts superior levels of customer satisfaction. Our NPS (a key customer loyalty and satisfaction metric) score is 45 as of December 31, 2022, compared to an average of 29 in the hotel industry.

-Direct-booking levels:

Selina also considers direct-booking levels to be a strong indicator of customer satisfaction. Our anticipated revenue growth also depends on our ability to continue to attract new guests and create repeat guests through various channels. We attract customers from a variety of channels, including through Online Travel Agencies (“OTAs”), such as Booking.com and Expedia, as well as directly through our website, app, subscription channels, call centers, and physical locations. Because bookings made through OTAs incur channel fees, direct bookings generally are more financially advantageous as they do not incur such fees.

For the year ended December 31, 2022, Selina experienced high direct booking levels, with approximately 55% of all bookings made directly through Selina channels as opposed to third-party online travel agencies, up from 52% in the year ended December 31, 2021.

-Repeat Guest Rate (RGR):

Repeat guest rate is a metric used to measure the percentage of guests who have stayed in Selina at least once before. Our repeat guest rate increased by 23% approximately with repeat guest accounting for 32% of all guests in the year ended December 31, 2022, compared to 26% in the year ended December 31, 2021.

Subsequent events and future developments

Selina’s expansion strategy for 2023 will focus on three key principles: opening locations that generally ramp faster in occupancy and deliver more attractive financial performance, expanding existing locations with remodels and incremental leased spaces, and leveraging our brand to negotiate flexible lease terms with longer grace periods while shifting to variable rent for some new locations.

While Selina will continue to expand its footprint in 2023, we have moderated our expansion plans. The current expansion plans demonstrate that Selina is both focused on cash flow and remains deeply committed to delivering an incredible experience to hotel guests and the local communities at unique hotels throughout the world, which in turn will drive revenue. The current expansion plan also shows that Selina is intensely focused on its cost structure and cash flow to position the company for achieving and sustaining positive Adjusted EBITDA and Free Cash Flow Before Debt Service going forward.

While Selina’s operating momentum is strong and we continue to see progress in our core objectives, Selina does not yet have sufficient revenue to cover its operating expenses and our ability to achieve our objectives is dependent upon generating profitable operations in the future and obtaining additional equity or debt financing in the near term. During the course of 2023, management intends to raise additional funds through the capital markets, as necessary, and is assessing

other options, including the restructuring of certain of its liabilities and/or the sale of non-core assets. While management believes that its fundraising efforts will be successful, there are no assurances that such additional funding will be achieved.

In 2022, the Group opened 18 hotels with 3,692 bedspaces in a mix of new and existing markets, including 2 properties in the fourth quarter, with a total of 323 bedspaces, in Tel Aviv, Israel and Magnetic Island, Australia and added approximately 2,500 bedspaces to 22 existing properties. As of December 31, 2022, the Group had 118 open hotels in 24 countries across six continents with approximately 29,600 open bedspaces, a 27% increase in bedspaces from the prior year period.

Significant events that occurred following the year end have been described in Note 31 of the financial statements. These include loan facilities and new funding received through additional equity subscriptions.

Section 172 statement

Stakeholder engagement is an important area of focus for Selina. We ensure that we have open communication with our various stakeholder groups, creating mutually beneficial relationships, and we use information gained through these relationships to make informed judgements when making key decisions.

The Directors recognize that the Group is run for the benefit of shareholders as a whole, but that the long-term success of the business is dependent on maintaining relationships with stakeholders and considering the external impact of the company's activities. Further to the above, the Group's Directors understand that while they have a duty to promote the success of the company, they must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so they must have regard (amongst other matters) to:

- the likely consequences of any decision in the long term,
- the interests of the company's employees,
- the need to foster the company's business relationships with suppliers, customers and others,
- the impact of the company's operations on the community and the environment,
- the desirability of the company maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the company.

When making decisions, the Directors and senior management have had regard to the need to foster the Company's business relationships with key stakeholders such as guests, local partners and landlords, suppliers, employees and the communities in which we operate. The following table includes a description of these key stakeholders and how they are important to the Group.

Key stakeholder	Touch points / Methods of engagement	What do they care about?	Why are they important?
Employees	<ul style="list-style-type: none"> · Recruitment and induction · Internal communications (intranet sites, newsletters, email, meetings, etc.) · Training and development · Performance management 	<ul style="list-style-type: none"> · Job security · Reputable employer · Safe working environment · Skills training and career development · Operational excellence · Fair wages 	<ul style="list-style-type: none"> · Serve as key brand ambassadors · Front-line service delivery · Critical to service/hospitality culture · Ability to create unique, authentic and memorable experiences for customers

Customers	<ul style="list-style-type: none"> · Direct sales and marketing (website, advertising campaigns, etc.) · Indirect sales and marketing (public relations, agencies, corporate groups, partnerships/sponsorships, etc.) · Booking process · Pre-stay communications · Stay or meetings and events (on-site use of facilities) · Post-stay communications (e.g., quality survey) · Loyalty programme 	<ul style="list-style-type: none"> · Value for money · Clean and safe environment · Friendly and accommodating service that anticipates customer needs and wants · Location and proximity to relevant destinations (work and leisure) · Unique experiences · Useful facilities and technologies (wellness, co-working, food and beverage, WiFi access, etc.) · Sustainable operations 	<ul style="list-style-type: none"> · Lifeblood of the business and driver of business growth · Serve as key brand ambassadors · Help to foster improvement and innovation through feedback regarding product and service quality · Support for sustainable operations
Suppliers	<ul style="list-style-type: none"> · Bidding/tender process with operations and procurement teams · Provision and receipt of goods and services on-site (hotel and corporate office) · Account management 	<ul style="list-style-type: none"> · Development and growth of a business relationship · Safe working environment · Fair price and payment terms · Meeting sustainable sourcing requirements 	<ul style="list-style-type: none"> · Key part of responsible sourcing efforts and ethical business practices · Potential business opportunities · A component of service and product quality · Help to support health and safety regime and operational excellence
Shareholders	<ul style="list-style-type: none"> · Financial reporting and regular communications · Board observers · Investor meetings 	<ul style="list-style-type: none"> · Good governance · Transparency and accountability · Sustainable operations, strategy and business model underpinning long-term value creation · Profitability and growth · Access to management and relevant and accurate information · Alignment of remuneration with the interests of shareholder 	<ul style="list-style-type: none"> · Funding for business expansion · Promote management accountability as the owners of the company · Provide for enhanced governance · Support sustainable operations · Help to drive economic development and societal change

Regulators	<ul style="list-style-type: none"> · Licensing and compliance activities · Regulatory reporting · Voluntary and mandatory surveys and consultations · Engagement through trade associations · Assistance with economic development initiatives 	<ul style="list-style-type: none"> · Social and economic development (through tax revenue, creation of jobs, etc.) · Transparency and accountability · Regulatory compliance · Environmentally friendly and sustainable operations · Minimise use of state resources 	<ul style="list-style-type: none"> · Promotion of good governance leads to greater investor and customer confidence · Develop policies to help foster growth (economic incentives, such as tax credits, subsidies, trade policies, etc) · Support sustainability through legislation · Help to ensure safety of employees and customers
Local partners, landlords and lenders	<ul style="list-style-type: none"> · Deal negotiation · Ongoing contractual relationship · Regular reporting and meetings 	<ul style="list-style-type: none"> · Efficient, profitable and sustainable operations · Delivering on brand promise · Transparency and integrity of information · Compliance with contractual terms 	<ul style="list-style-type: none"> · Provide growth capital and opportunities · ‘Partner’ to develop the Selina brand · Facilitate entry into new territories
Communities	<ul style="list-style-type: none"> · Local programming and content at the property-level · Local ‘experience board’ to drive community engagement · Participation in local impact programmes and support of charitable organisations 	<ul style="list-style-type: none"> · Environmental impact of the business · Good corporate citizen · Economic development (creation and maintenance of good jobs, local sourcing, etc.) · Minimising disruption (noise, traffic, etc.) 	<ul style="list-style-type: none"> · Source of talent and other resources · Provide potential business opportunities and word-of-mouth marketing channels · Assist with and support the Group’s sustainability efforts

The following describes the main topics considered by the Board in 2022 and how the stakeholders were involved.

Continued impact of, and response to, the COVID-19 pandemic

As our financial results for all of 2020 and 2021 were materially adversely affected by the COVID-19 pandemic, and, although we started to see a return to pre-pandemic business levels by the end of 2022, the pandemic may in the future materially adversely impact our business, financial condition, results of operations, liquidity and cash flows. On that basis the Board continued to monitor the impact of the pandemic and the company’s response to it. The following are some of the ways the Board and senior management team engaged with various stakeholders as part of the Company’s continuing efforts to keep costs under control and ensure that it had sufficient cash to make it through the worst of the pandemic.

- Relationships with local partners and landlords – The senior management team engaged with local partners and landlords, in order to renegotiate lease terms, including rental deferrals and reductions, to help lower operating costs.
- Relationships with customers – We continued to offer flexible cancellation and reservation modification policies to our guests and rolled out new commercial initiatives to try to attract new business and extend the average length of our guests’ stays.
- Relationships with lenders – To help preserve and raise cash, the Company engaged with lenders to renegotiate and extend the terms of existing debt facilities and negotiate and enter into new facilities.
- Impact on employees – The Company continued to defer non-essential international travel, postpone events, and hold virtual ‘connector’ meetings during the year. Where possible, employees were encouraged to continue working remotely.

Fundraising efforts and the business combination

A significant component of the Board discussions during 2022 pertained to raising capital, including working capital and growth capital. The Board and senior management team engaged with existing investors and lenders and potential investors and lenders to explore different fundraising initiatives, from equity to debt raises. As a result of this engagement, effective October 27, 2022, Selina and its wholly owned subsidiary, Samba Merger Sub, Inc. ("Merger Sub"), completed the Business Combination with BOA Acquisition Corp. ("BOA") announced on December 2, 2021 and the transactions ancillary thereto (the "Business Combination"). As a result of the consummation of the transactions, Merger Sub merged with and into BOA, with BOA surviving the Business Combination as the Company's wholly owned subsidiary. Prior to the completion of the Business Combination, holders of approximately 95.8% of the BOA Class A Common Stock issued and outstanding as of such time elected to redeem such shares in accordance with BOA's amended and restated certificate of incorporation. Following the completion of the Business Combination, the security holders of BOA immediately prior to such completion became security holders of Selina, pursuant to the terms of the Business Combination Agreement. After the consummation of the Business Combination with BOA, Selina's Ordinary Shares and Public Warrants began trading on The Nasdaq Global Market ("Nasdaq") under the symbols "SLNA" and "SLNAW," respectively.

In connection with the completion of the Business Combination, the Company issued (i) 5.45 million Ordinary Shares to the PIPE (Private Investment in Public Equity) Investors and 1.23 million additional Ordinary Shares in exchange of the early payment fees for the Investors, at a price per share of \$10.00, (ii) 0.37 million Ordinary Shares pursuant to the warrants issued in connection with a committed bridge loan facility and 0.45 million Ordinary Shares in exchange for a portion of BOA's underwriter fees, (iii) 5.75 million Ordinary Shares to former holders of the BOA Class B Common Stock and (iv) \$147.5 million aggregate principal amount of Convertible Notes (the "CLN 2022") to the Convertible Note Investors for an aggregate purchase price equal to \$118.0 million (as further described in Note 21 of the financial statements). As additional consideration for the purchase price, the Convertible Note Investors received, in addition to other securities, 4,274,929 newly issued Convertible Note Warrants. Also, in connection with the execution of the subscription agreements, the Convertible Note Investors entered into letter agreements with Bet on America LLC, BOA's sponsor, pursuant to which the sponsor agreed to transfer to such investors, at the closing of the Business Combination, 899,125 shares of BOA Class B Common Stock owned by the sponsor, and ultimately Selina ordinary Shares in exchange therefore.

Finally, the Company continued to draw amounts under its \$50 million facility with Inter-American Investment Corporation throughout the year (as further described in Notes 20 and 31 of the financial statements).

These fundraising efforts allowed the Company to manage its commitments to its employees, landlords, suppliers and other parties and grow the business during challenging times.

Engagement with shareholders

The directors and management team engaged extensively with shareholders in 2022, to discuss the potential Business Combination and its impact on the shareholders, as well as other matters relating to the Business Combination and fundraising efforts. As a result of these discussions, key shareholders that held 5% or more of the share capital of the Company entered into transaction support agreements whereby they agreed to support the approval of the Business Combination at a general meeting of shareholders to be held following the execution of the Business Combination Agreement in December 2021. The Company held the following shareholders meetings during the course of the year and the primary topics considered at each are set out below.

General meeting held on 20 January 2022

- Approval of the Business Combination and related transactions, including the redesignation of the different classes of the Company's shares into ordinary shares and the allotment of shares, on a non-preemptive basis, as contemplated by the Business Combination Agreement
- Conversion of the Company from a UK Societas to a public limited company

Annual general meeting held on 13 July 2022

- Receipt of the Company's annual report and accounts for the year ended 31 December 2020
- Reappointment of MacIntyre Hudson LLP as the Company's auditors through the end of the next annual general meeting of shareholders
- Approval of certain amendments to the Business Combination Agreement to reflect, among other things, the Company's listing on the Nasdaq rather than the New York Stock Exchange

- The transactions to be completed in connection with the execution of the CLN 2022, including the potential allotment of ordinary shares on a non-preemptive basis
- Approval of public-company share schemes, including the Selina Hospitality PLC 2022 Omnibus Equity Incentive Plan and the Selina Hospitality PLC Employee Share Purchase Plan
- Adoption of new Articles of Association of the Company to become effective upon the closing of the Business Combination

General meeting held on 21 October 2022

- Receipt of the Company's annual report and accounts for the year ended 31 December 2021
- Approval of the execution by the Company of an equity line of credit of up to \$100 million with Cantor Fitzgerald and authority to allot shares, on a non-preemptive basis, in connection with further fundraising efforts to be undertaken by the Company

Governance structure

In 2022, the Board worked with senior management and key shareholders to review the Company's governance structure and risk management and internal control systems, with a view to improving those elements as it sought to become public-company ready. This assessment included scrutiny of financial reporting processes, integrity of data and related party transactions, as well as increased focus on the audit process and accounting policies adopted by the Group. Another step in this process, as the Company prepared to list on the Nasdaq upon completion of the Business Combination with BOA, involved refreshing the Board to meet Nasdaq governance requirements, including the appointment to the Board of five new independent directors in October 27, 2022, following the resignation of the previous directors other than Messrs. Museri and Rudasevski, the co-founders of Selina and its Chief Executive Officer and Chief Growth Officer, respectively. A sixth independent director was added in March 2023 in connection with the formation of a new Board committee, the Finance & Capital Allocation Committee, at that time, as described below.

Biographical information of the new directors is set forth below.

Alan Bowers currently serves as a non-executive director on the boards of Ocwen Financial Corp (NYSE: OCN) and CWT Travel Holdings, Inc., a private travel-management platform business, where he also chairs the Audit Committees. He formerly served as a non-executive director and chaired the Audit Committees of Walker & Dunlop, Inc. (NYSE: WD), from 2010 until 2022, CorePoint Lodging, Inc. (NYSE: CPLG), from 2018 until 2022, and La Quinta Holdings (NYSE: LQ), from 2013 until 2018.

Additional roles formerly held by Mr. Bowers include director of American Achievement Corp., a privately-held manufacturer and distributor of graduation products; President, Chief Executive Officer and director of Cape Success, LLC, a private equity-backed staffing service and information technology solutions business; President, Chief Executive Officer and director of MarketSource Corporation, a marketing and sales support service firm; and President, Chief Executive Officer and director of MBL Life Assurance Corporation, a life insurance company. Mr. Bowers has been a certified public accountant since 1978 and served as staff auditor, audit partner and managing partner during a 17-year tenure at Coopers & Lybrand, L.L.P. He received a B.S. in accounting from Montclair State University and an M.B.A. from St. John's University.

Catherine Dunleavy is President of JRSK, Inc., which operates as Away, a global lifestyle brand, where she leads finance, strategy, data, consumer insights, accounting, treasury functions, supply chain, IT, legal, real estate and digital products. Before joining Away in 2020, Ms. Dunleavy was CFO for Nike, Inc.'s (NYSE: NKE) Global Operations and Technology Group, and before that was its Vice President of Strategic Investments and the CFO of the Innovation Group at Nike. Prior to Nike, Ms. Dunleavy worked at Comcast as Executive Vice President of Content Distribution of NBC Universal Media, LLC; Executive Vice President and CFO of Cable Entertainment and Production Studios at NBCUniversal Media, LLC; and Executive Audit Manager at General Electric Company (NYSE: GE). Ms. Dunleavy is a University of Kentucky graduate, where she received a B.A. in electrical engineering. She went on to obtain a M.A. in environmental engineering from the University of Tennessee.

Eric J. Foss has been Chairman and CEO of two Fortune 500 companies. Mr. Foss is a highly successful leader with a proven track record of driving growth, creating sustainable shareholder value, building diverse, inclusive, engaged and high-performance teams and creating a purpose-driven legacy for global at-scale companies. Mr. Foss served as Chairman of the Board of Aramark from February 2015 and as Chief Executive Officer and President from May 2012, until his retirement in August 2019. Mr. Foss also served as Chief Executive Officer of Pepsi Beverages Company from 2010 until

December 2011. He served as Chairman and CEO of the Pepsi Bottling Group from 2008 until 2010, Chief Executive Officer and President from 2006 until 2008, and as Chief Operating Officer from 2005 until 2006. Mr. Foss has broad-based public Board experiences regarding governance, risk management, technology, financial oversight and strategic planning. He currently serves on the Board of Directors of The Cigna Group (NYSE: CI). He also serves as Chairman of the Board at Diversey Holdings, Ltd. (Nasdaq: DSEY) and serves on the National Board of Directors at Back on My Feet.

Eileen Moore Johnson currently serves as the General Manager of the Vegas Loop, the first all-electric, zero emissions underground public transportation system. She also sits on the Board of Nogin Inc. (Nasdaq: NOGN), an e-commerce, technology platform provider, where she is a member of the Audit Committee and Nominating and Corporate Governance Committee and chairs the Compensation Committee. Throughout her career Ms. Johnson has worked for and developed some of the best hospitality and gaming brands in the world, including a 21-year tenure with Caesars Entertainment, where she had oversight across four large casino resorts, including Flamingo, Harrah's, LINQ, and Cromwell. Her diverse experience spans across corporate strategy, communications, operations, marketing, information technology and revenue management. Most recently, Ms. Johnson also served as the Executive Vice President and Chief Human Resources Officer for Scientific Games Corporation from June of 2020 until July of 2022. Reporting to the CEO, she led a global workforce of 9,250 employees in 34 countries and a team of approximately 110 professionals across human resource functions, including human resources business partners and operations, executive development, succession planning, compensation and benefits, talent acquisition, learning and training, and corporate social responsibility. She received her Bachelor of Science degree from Cornell University School of Hotel Management and Masters of Business Administration from Kellogg School of Management at Northwestern University.

Adi Soffer Teeni has served as the Vice President and General Manager Israel, for Meta Platforms Inc., a company that builds applications and technologies that help people connect, find communities and grow businesses, since 2014. Mrs. Soffer Teeni served as the Managing Director for 888.com, the B2C division of 888 Holdings Plc from 2008 to 2011. Prior to her time at 888 Holdings Plc, Mrs. Soffer Teeni served as Chief Executive Officer for the Kidum Group from 2002 to 2007, and for Wall Street Institute from 1998 to 2001. She also served as the Executive Chairwoman at Ginger Software, an American and Israeli start-up specializing in natural language processing and AI. Mrs. Soffer Teeni earned an LL.B. at Tel Aviv University in 1997 and a M.B.A. from Northwestern University and Tel Aviv University in 2003.

Richard S. Stoddart is Chair of Hasbro Inc.'s (Nasdaq: HAS) Board of Directors and most recently served as the company's interim CEO from October 2021 to February 2022. Prior to that, Mr. Stoddart served as President and CEO of InnerWorkings, Inc. (Nasdaq: INWK), a global marketing execution firm, from 2018 until its acquisition in 2020. Prior to that, Mr. Stoddart served as President of Leo Burnett North America from 2005 until he was appointed CEO in 2013, and as CEO and Global President of Leo Burnett Worldwide, one of the world's largest advertising agencies, from 2016 to 2018. Mr. Stoddart brings to Selina extensive experience leading and driving profitable growth at global organizations, as well as strong expertise in brand-building, integrated marketing, business transformation, strategic planning, M&A, marketing supply chain management and building global teams. Mr. Stoddart received his B.A. in American government from Dartmouth College.

In order to satisfy the Nasdaq corporate governance requirements and to further enhance the Company's governance structure, an Audit Committee, a Human Capital Management and Compensation Committee, and a Nominating and Corporate Governance Committee were established effective as of the closing of the Business Combination and listing of the Company on 27 October 2022. The Board established a fourth committee, the Finance & Capital Allocation Committee, in March 2023. The composition and remits of these committees are described further below.

Audit Committee

Selina has established an audit committee which is composed of four independent directors, and is chaired by one of the independent directors. All of the independent directors satisfy the "independence" requirement of the listing standards of Nasdaq and meet the independence standards under Rule 10A-3 under the Exchange Act. The audit committee has a written charter that is available without charge at Selina's corporate website. The purpose of the audit committee is, among other things, to appoint, retain, set compensation of, and supervise Selina's independent accountants, review and approve related party transactions in accordance with Nasdaq requirements, review the results and scope of the audit and other accounting related services and review Selina's accounting practices and systems of internal accounting and disclosure controls.

Subject to the one-year phase-in period under Rule 10A-3 of the Exchange Act, the audit committee is composed exclusively of "independent directors," as defined for audit committee members under Nasdaq listing standards and the

rules and regulations of the SEC, who are “financially literate,” as defined under Nasdaq’s listing standards. Nasdaq’s listing standards define “financially literate” as being able to read and understand fundamental financial statements, including a company’s balance sheet, income statement and cash flow statement. In addition, Selina is required to certify to Nasdaq that the audit committee has, and will continue to have, at least one member who has past employment experience in finance or accounting, requisite professional certification in accounting, or other comparable experience or background that results in the individual’s financial sophistication. Our Board of Directors has determined that all the members of the Audit Committee (i.e., Alan Bowers (current Chair), Eileen Moore Johnson, Richard Stoddart and Catherine Dunleavy) meet the requirements of an “audit committee financial expert” as such term is defined by Item 16A of Form 20-F and the Nasdaq governance requirements.

The Board also has determined that each member of the audit committee is “independent” as defined under the applicable Nasdaq listing standards and Exchange Act rules and regulations.

Human Capital Management and Compensation Committee

The Selina Board has established a human capital management and compensation committee. The compensation committee consists of three members and is chaired by an independent director. Each appointed independent director satisfies the “independence” requirement of the listing standards of Nasdaq and meets the independence standards under Rule 10A-3 of the Exchange Act. The compensation committee has a written charter that is available without charge at Selina’s corporate website. The purpose of the compensation committee is to review and approve compensation paid to Selina’s senior officers and directors and to administer Selina’s incentive compensation plans, including authority to make and modify awards under such plans. Additionally, the compensation committee assists the board in determining its responsibilities in relation to remuneration, including, among other matters, making recommendations to the Selina Board on Selina’s policy on executive compensation, determining the individual remuneration and benefits package of each of the executive directors and recommending and monitoring the remuneration of senior management below board level.

The members of the compensation committee are Richard Stoddart and Eileen Moore Johnson, with Ms. Johnson serving as the chair. The Selina Board also has determined that each member of the human capital management and compensation committee is “independent,” as defined under the applicable Nasdaq listing standards and Exchange Act rules and regulations.

Nominating and Corporate Governance Committee

The Selina Board has established a nominating and corporate governance committee. The nominating and corporate governance committee comprises three members and is chaired by an independent director. Each appointed independent director satisfies the “independence” requirement of the listing standards of Nasdaq and meets the independence standards under Rule 10A-3 of the Exchange Act. The nominating and corporate governance committee has a written charter that is available without charge at Selina’s corporate website. The nominating and corporate governance committee assists the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees.

The members of the nominating and corporate governance committee are Eric Foss, Eileen Moore Johnson, and Richard Stoddart, with Mr. Stoddart serving as the chair. The Selina Board also has determined that each member of the nominating and corporate governance committee is “independent” as defined under the applicable Nasdaq listing standards and Exchange Act rules and regulations.

Finance and Capital Allocation Committee

In March 2023 the Selina Board established the finance and capital allocation committee to assist the Board in overseeing the Company’s annual and longer-term financial plans and fundraising needs, capital allocation decisions, use of funds, investments, financial risk management, and proposed significant transactions.

The finance and capital allocation committee consists of two members and is chaired by an independent director. Each appointed independent director satisfies the “independence” requirement of the listing standards of Nasdaq and meets the independence standards under Rule 10A-3 of the Exchange Act. The committee has a written charter that is available without charge at Selina’s corporate website.

The members of the finance and capital allocation committee are Alan Bowers and Catherine Dunleavy, with Catherine Dunleavy serving as the chair. The Selina Board also has determined that each member of the committee is “independent,” as defined under the applicable Nasdaq listing standards and Exchange Act rules and regulations.

Environmental, Social and Governance (“ESG”)

Selina strives to foster sustainable operations and a caring culture in order to positively impact the environment, the local communities in which we operate, our people, and other stakeholders.

We are subject to certain requirements and potential liabilities under various non-U.S. and U.S. federal, state and local environmental, health and safety laws and regulations and incur costs in complying with such requirements. These laws and regulations govern actions including air emissions; the use, storage, and disposal of hazardous and toxic substances; and wastewater disposal. In addition to investigation and remediation liabilities that could arise under such laws, we may also face personal injury, property damage, or other claims by third parties concerning environmental compliance or contamination. We use and store hazardous and toxic substances, such as cleaning materials, pool chemicals, heating oil and fuel for back-up generators at some of our facilities, and we generate certain wastes in connection with our operations. Some of our properties include older buildings, and some may have, or may historically have had, laundry and dry-cleaning facilities and underground storage tanks for heating oil and back-up generators.

From time to time, we have been responsible for investigating and remediating contamination at some of our facilities, such as contamination that has been discovered when we have removed underground storage tanks, and we could be held responsible for any contamination resulting from the disposal of waste that we generate, including at locations where such waste has been sent for disposal. In some cases, we may be entitled to indemnification from the party that caused the contamination pursuant to our management or franchise contracts, but there can be no assurance that we would be able to recover all or any costs we incur in addressing such problems. From time to time, we may also be required to manage, abate, remove, or contain mold, lead, asbestos-containing materials, radon gas or other hazardous conditions found in or on our properties. We have implemented an ongoing operations and maintenance plan at each of our owned and managed properties that seeks to identify and remediate these conditions as appropriate. Although we have incurred, and expect that we will continue to incur, costs relating to the investigation, identification and remediation of hazardous materials known or discovered to exist at our properties, those costs have not had, and are not expected to have, a material adverse effect on our consolidated financial position, results of operations or cash flows.

In light of the United Nations Sustainable Development Goals, we have joined global efforts to reduce negative impacts on the environment and to foster resilience and prosperity in the communities in which we operate, while respecting and integrating local cultures and building an inclusive and diverse environment with individuals from different nationalities, ethnicities, genders and special needs.

Environmental

With respect to environmental initiatives, we are installing tools to reduce our carbon footprint and water consumption in our locations. In 2022, we conducted a pilot program at 10 hotels in Latin America to measure greenhouse gas emissions and water consumption, and will be assessing those results and potential recommendations and how we can expand that program more broadly. We intend to leverage innovative technologies and products, such as "Internet-of-Things" sensors, to enable us to better track energy use in our locations and control its usage in common areas as well as in guest rooms.

We also are committed to waste reduction. While we have already made strides to reduce single-use plastics over the years, including the implementation of reusable shampoo and soap dispensers, we aim to continue to reduce the use of single-use plastics even more by the end of 2025, by utilizing more reusable and bio-degradable products within our food and beverage operations, for instance. We also focus our development efforts on sustainable conversion of underperforming assets into relevant spaces that cater to our guests, visitors and the local community. Our upcycling efforts are not limited to the hotels, but also extend to furniture, fixtures and equipment, including, where possible, the reuse of existing pre-conversion furniture or using second-hand furniture, kitchenware and design items from other hotels and restaurants.

Social

Regarding our social initiatives, we inspire meaningful connections where 63% of our guests have confirmed that they made a friend during their stay when visiting a Selina in 2022 (January through August 2022), based on the results of guest satisfaction surveys conducted by Selina. Our NPS score as of December 31, 2022 was 45.

Our unit-level eNPS rating as of December 31, 2022 was 31, which shows the commitment of our employees and their satisfaction with the Selina brand and their workplaces. Moreover, diversity, equity and inclusion form an important part of our values and culture. As of December 31, 2022, 50% of employees and 43% of the Board of Directors self-identified as female. We are striving to include other under-represented groups in our teams and activities as well.

With regard to the local communities in which we operate, we are committed to being a good corporate citizen, and we strive to positively impact those communities by leveraging our people and our venues. Our programs are designed to make a positive difference, with a focus on strengthening our personal relationships and engaging authentically with our stakeholders, shedding light on local, social, environmental, and economic challenges, and promoting a company culture of giving back. Below are some of our specific engagement programs:

- **Selina Gives Back (“SGB”) program:** Our flagship job readiness program, Selina Gives Back, prepares local unemployed community members to enter the hospitality job market. SGB aims to decrease unemployment and encourage economic opportunity for all by providing a free job-training program for vulnerable community members. The program consists of free mentoring, hands-on training, hospitality theory workshops, and job placement assistance. Through our specialized program, until December 31, 2022, we trained a total of over 750 local community members since inception of the SGB program, helping them to attain key hospitality skills and be in a better position to find employment.
- **Impact programming:** We strengthen communities by providing free, education-based programming at our locations, with a focus on creating a positive socio-economic and environmental impact within the local communities in which we operate. Our programming includes, among other initiatives, reforestation activities, beach and forest clean-up activities, free hospitality career training programs, arts and crafts workshops, wellness classes, swimming lessons, cooking classes, surfing lessons, English classes and more. In 2022, we hosted 1,092 impact programs globally, where our guests, staff, and local community members offered their time and expertise, with an estimated 46,225 beneficiaries in the local communities.
- **Community engagement:** We create, maintain, and foster relationships with local businesses, schools, non-government organizations, and governmental and neighborhood stakeholders. Based on this engagement, we tailor the support we provide based on the needs of the local communities.
- **Volunteerism:** Our hotel connectors strive to volunteer a portion of their time to environmental and social initiatives of their choice within the communities in which we operate. In 2022, we estimate that we donated 31,813 hours of Selina staff time to these initiatives in total.

Governance

Selina is committed to operating in a transparent and ethical manner, with proper decision-making and review processes to promote accountability. We continue to develop and roll-out policies that support these endeavors, including, among others, policies relating to data privacy, anti-bribery, information security, ethics, and whistleblowing, as well as enhancing our internal control and risk-management systems and processes. Good governance starts with a commitment by those who lead an organization, and following Selina’s listing on Nasdaq Global Market in October 2022, five new independent directors were appointed to Selina’s Board of Directors and one new independent director was appointed in March 2023. In August 2023, one independent director resigned such that the Board is now composed of seven directors in total, including the two founders of Selina-Rafael Museri, the Chief Executive Officer; and Daniel Rudasevski, the Chief Growth Officer. As part of the restructuring of the Board, an Audit Committee, a Finance and Capital Allocation Committee, a Human Capital Management & Compensation Committee, and a Nominating & Corporate Governance Committee, all composed of only independent, non-executive directors, were formed to better support the operation of the Board and implement effective corporate governance practices. The Nominating & Corporate Governance committee is responsible for overseeing the implementation of our ESG strategies and program. The roles of these committees is described in further detail above.

In connection with the strategic investment of up to \$50 million by Osprey Investment Limited, the first tranche of which, comprised of a convertible loan in the principal amount of \$11.1 million, was funded in June 2023, the investor and Selina entered into an investors' rights agreement that grants to the investor the right to appoint two directors to the Company's Board and requires the Company to reduce the size of its Board to seven directors in total. The Company and the investor are in discussions over those appointment rights.

The Company released its first annual ESG report in Q3 2022.

Other stakeholder engagement

In addition to the specific stakeholder engagement initiatives described above, the Company continued to engage with its customers and employees, or 'connectors', on a regular basis.

With a community of over a million unique guests, as part of our staff training, we emphasize the importance of engaging with customers throughout their experience. We provide a full-service experience at a democratized price point that is accessible to Millennials and Gen Z customers, and we carry out a number of guest satisfaction surveys.

As part of these surveys, we started to track how many of our guests made a friend during their stay. This information gives us greater clarity on how well we are succeeding in making memorable experiences for our guests and in fostering social connections.

As a diverse company with operations in numerous countries, remote working is part of our ethos. However, the ability to connect and engage with our employees frequently, and keep them informed about the performance of the Group and new happenings, is critical to our success. In 2022 we held several 'connector' calls and conducted quarterly employee pulse surveys to gauge the sentiments of our employees.

Employees

We believe the strength of our workforce is critical to our success. We all have a vital role to play in creating an environment where everyone feels respected and empowered while we continue to grow as a community that promotes individuality and diversity. We celebrate the diversity of one through the inclusion of many. Approximately half of our workforce is female as of the end of 2022, and to help us continue to strengthen and celebrate our diverse workforce, we have created a working group on Diversity, Equality, and Inclusion that includes members from the human resources, operations and ESG teams. Additionally, we believe in supporting diversity outside of our organization.

Our values are the heart and soul of Selina. They are what guide our passion for what we do. As part of the Selina community, employees are not only expected to know them, but to live by them, demonstrating them in every action they take.

We engaged with our employee regularly during the course of the year. In 2022, the Company held 9 "Connect" calls with members of the management team and 4 "eBonfire" calls with corporate and country-level connectors. The purpose of these calls was to provide timely and regular updates to employees about the state of the Company's business and other key events. In addition, the Company conducted quarterly culture surveys during the year in order to solicit feedback from connectors on benefits, employee resources, company culture and matters of concern and measure employee net promoter and department satisfaction scores. Our unit-level eNPS rating as of December 31, 2022 was 31.

The number of persons, including non-executive directors, who were employed by or served as directors for the Group during the year, categorized by sex, was as follows:

Year ended 31 December 2022	Female	Male	Non-Binary	Did Not Disclose Gender
Part I:				
Directors of the Selina Hospitality PLC	4	10	0	0
Part II				
Executive Officers	2	7	0	0
Part III				
Locations and Admin. Employees	1,354	1,322	5	80

Year ended 31 December 2021	Female	Male	Non-Binary	Did Not Disclose Gender
Part I:				
Directors of the Selina Hospitality PLC	1	8	0	0
Part II				
Executive Officers	2	7	0	0
Part III				
Locations and Admin. Employees	1,152	1,071	3	2

Wellness: It is not only about being healthy with one’s body and mind, but about being in harmony with the elements that surround us. For us, wellness is a holistic concept. In Selina, we cultivate wellness by striving for balance. Balance with our environment, within ourselves and believing that all the good energy we give, we will receive back.

Authenticity: To be authentic is to be completely honest about oneself. Ultimately, we cannot help it. We are bona fide creators of experiences, and we got here by following our truth. Our authenticity is our strength and differentiation.

Adventurism: We dare to take risks. We are willing to push the boundaries of what is possible. We are curious and continually exploring new things.

Simplicity: For us, simplicity is key. Simple comes closest to honest. As travelers, we have learned to value the simple details in life, which, in our opinion, are what make everything worthwhile and memorable.

Impact & Integrity: We strive to make an impact on our people and our communities. Integrity is the cornerstone of our beliefs because being legitimate, having strong principles and convictions, will always assure our authenticity and rightfulness. We know that every honest and ethical act helps to form the foundation of our collective behavior.

Adaptability & Flexibility: We support people who experiment and take risks because they inspire us to be better and continuously improve as individuals and as a collective. For travelers and nomads, being able to adapt to different environments, societies, and cultures is vital. Selina opens its doors to everyone and anyone that can enrich the Selina community. Selina is committed to foster an environment in which no applicant, employee, service provider or contractor is banned from participation and/or discriminated against in any external or internal selection process on the basis of race, color, age, culture, national origin, physical appearance, physical or mental disability, religious belief, gender, sexual orientation, political inclination or affiliation or any other protected characteristic as established by law. The Company’s Equal Opportunity Policy applies to the administration of all policies and procedures at Selina as well as all decisions regarding recruitment and hiring, compensation, benefits, termination, and all other terms and conditions of employment, as well as those policies that refer to the selection of contractors, consultants and service providers.

Selina has zero tolerance for discrimination and harassment. Employees are prohibited from engaging in any discrimination or harassment, whether sexual, physical or emotional towards another employee, service provider, contractor, client, guest or visitor of Selina, no matter what their position in the organization is. No employee shall engage in verbal, physical, or visual, discrimination or harassment on the basis of race, religion, color, sex, sexual orientation, national origin, marital status, citizenship status, military service status, age, disability, individual work performance or any other legally protected status.

Employment of disabled persons

Selina's Equal Opportunity Policy and anti-harassment policy apply to the hiring and promotion and other aspects of employment of disabled persons and those with special needs and Selina provides training on these policies on a regular basis. In 2023, Selina intends to implement a more comprehensive diversity, equity and inclusion policy as Selina's Board and management understand the importance of fostering an environment where colleagues, including disabled persons, are free to share different perspectives and that greater diversity allows us to better understand and serve the communities in which we operate.

Other policies

As noted above, Selina strives to act with integrity at all times and we take our legal and ethical obligations seriously. We expect our employees to be committed to operating in an honest and open manner, in compliance with applicable laws and moral and ethical principles and in accordance with our values. We have policies in place that govern ethical operations, anti-bribery and corruption, data protection, theft, fraud and embezzlement, discrimination and harassment and other similar matters. Underpinning these policies are training programmes as well as a whistleblowing policy that allows employees to report matters of wrong-doing, via a whistleblowing hotline, in an anonymous way.

This report was approved by the Board and signed on its behalf.

DocuSigned by:
Rafael Museri
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DIRECTOR

Date: 11 September 2023

Directors' report

Selina Hospitality PLC (the “Company”) is a public limited company incorporated in England and Wales, originally as Selina Holding Company, SE, under the Companies Act 2006, having company number 13931732 and its registered office at 27 Old Gloucester Street, London, WC1N 3AX, United Kingdom since 6 June 2023 (previously registered at 6th Floor, 2 London Wall Place, Barbican, London, EC2Y 5AU, United Kingdom). These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the ‘Group’ or ‘Selina’).

The Company originally was incorporated as a Sociedad Anonima (public limited company) in Panama. The Company was then redomiciled to Luxembourg on 29 October 2018, converted to a Societas Europaea on 8 January 2019, and subsequently transferred its registered office into the UK on 26 March 2019. On 31 December 2020, the Company automatically converted into a UK Societas pursuant to Articles AA1 and AAA1 of the EC Regulation on the European Public Limited-Liability company as amended by the European Public Limited-Liability Company (Amendment Etc.) (EU Exit) Regulations 2018. On 22 February 2022, the company converted to its current form and name.

The directors present their report and the financial statements for the year ended 31 December 2022. The comparative figures relate to the years ended 31 December 2021 and 31 December 2020.

Principal activity

The principal activity of the Company during both the year and the prior year was that of a holding company.

The principal activity of the Group during both the year and the prior year was the provision of hospitality services.

Directors

The directors who served during the year or were appointed following the end of the year were:

Rafael Museri
Daniel Rudasevski
Alan Bowers (appointed 17 March 2023)
Catherine Dunleavy (appointed 27 October 2022)
Eric J. Foss (appointed 27 October 2022)
Eileen Moore Johnson (appointed 27 October 2022)
Adi Soffer Teeni (appointed 27 October 2022) (resigned 10 August 2023)
Richard S. Stoddart (appointed 27 October 2022)
Yoav Gery (resigned 27 October 2022)
Donald Mauch Jr. (resigned 27 October 2022)
Sagar Desai (resigned 27 October 2022)
Edouardo Cortina (resigned 27 October 2022)
Jerome Joseph Letter (resigned 27 October 2022)
Nori Gerardo Lietz (resigned 27 October 2022)
Chen Moravsky (resigned 31 March 2022)

Results and dividends

The loss for the year, after taxation, amounted to \$198,082 thousand (2021 loss - \$182,272 thousand and 2020 loss - \$142,754 thousand).

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

The Directors are responsible for preparing the Group's Strategic Report, the Directors' Report, the Directors' Remuneration Report and the Group and Company 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, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) adopted in the United Kingdom ("UK adopted IFRS") and those parts of the Companies Act 2006 that are relevant to companies that report in accordance with UK adopted IFRS. 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 Group and of the profit or loss of the Group 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 International Financial Reporting Standards (IFRSs) adopted in the United Kingdom ("UK adopted IFRS") and those parts of the Companies Act 2006 that are relevant to companies that report in accordance with UK adopted IFRS have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for ensuring that management keeps adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and Group and enable them to ensure that its financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and Group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditor

As required by Section 418 of the Companies Act 2006, each Director serving at the date of approval of the financial statements confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Subsequent events

Significant events that occurred following the year end have been described in Note 31 to the financial statements and within the Strategic Report in accordance with Section 414C(11) of the Companies Act 2006.

Research and development

The business continues to invest in research and development activities, comprising mainly of specialised information technology and product solutions for the hotel industry, including the WinksHotels property management system, which is owned by the Group.

Donations

The Group has made no donations to political and non-political parties exceeding £2,000 threshold.

Going concern, future developments, and risk management

In accordance with Section 414C(11) of the Companies Act 2006, the Directors have elected to provide within the Strategic Report information relating to going concern, future developments, and our policies for managing exposure to risk.

Financial instruments

In accordance with Section 414C(11) of the Companies Act 2006, the Directors have considered within the Strategic Report management's objectives and policies with respect to the exposure of both the Company and the Group to financial instruments.

Third party qualifying indemnity provision

Directors' and officers' insurance cover has been established for all Directors to provide appropriate cover for their reasonable actions on behalf of the Company. In addition, the Articles of Association of the Company permit it to indemnify the Directors of the Company against certain liabilities and deeds of indemnity in favour of the Directors, which deeds include qualifying third-party indemnity provisions as defined by section 234 of the Companies Act 2006, were in force during the 2022 financial year for the former Directors of the Company and were executed in 2023 in respect of the current Directors of the Company. No claim was made under any such insurance policy or indemnity during the year.

Share capital

As at 31 December 2022, the Company's share capital consisted of 97,865,777 ordinary shares having a nominal value of \$0.005064 each (rounded to six decimal places). The Company did not purchase or acquire any of its own shares during the year.

Energy and carbon reporting

The Company and Group have assessed their energy and carbon usage for the period applying an operational control approach. The directors, in their assessment, have concluded that the Company qualifies as a low energy user and has therefore taken advantage of the exemption from reporting on its own usage. The applicable UK based members of the Group are, individually, not obliged to report on their own energy and carbon usage, and as a result, the directors have taken advantage of the option to exclude this information from the Group report.

Engagement with employees and with others

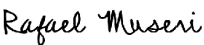
In accordance with Section 414C(11) of the Companies Act 2006, the Directors have outlined within the Strategic Report how the Company encourages engagement with employees and other stakeholders.

Company branches

The Company did not have any branches operating outside of the UK during the year.

Auditors

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA.

DocuSigned by:

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Director

Date: 11 September 2023

Directors' Remuneration Report and Remuneration Policy

Chair Statement

Dear Shareholders,

As Chair of the Human Capital Management and Compensation Committee (the "Committee") of Selina Hospitality PLC (the "Company"), I am pleased to present our first Directors' Remuneration Report, including our initial Remuneration Policy, as a public company.

A new milestone

2022 was an exciting year for Selina as the business combination between the Company and BOA Acquisition Corp. (the "Business Combination"), initially announced in December 2021, and the listing of the Company on the Nasdaq Global Market ("Nasdaq") completed on 27 October 2022, which is when I was appointed as a Director. Since that time, I and the other members of the Committee have sought to review the compensation landscape at Selina and the rewards programmes that apply to our Executive Directors as well as the broader workforce. Since Selina is a diverse company, operating 118 locations in 24 countries as of the end of 2022, this was no small feat and there is much work to do as we continue our journey to operating as a publicly traded company.

Overview of 2022 performance

In 2022, we saw a marked improvement in performance over 2021, when the performance of the Company and the hospitality industry as a whole was greatly impacted by the Covid-19 pandemic and the travel and other restrictions that ensued. The Company had total revenues of \$183.9 million and a loss from operating activity of \$76.7 million for 2022 compared to \$92.7 million in revenues and a loss from operating activity of \$81.2 million for 2021. In addition, the Company opened 18 properties in 2022, a remarkable achievement.

Developing our remuneration philosophy

With that in mind, we have designed our first Remuneration Policy to provide us with flexibility during this transitional period, while at the same time having regard to our competitors and best practice guidance and aiming to provide enhanced transparency with regard to, and governance over, our remuneration practices. As a company that is not yet free cash flow positive, but which is making progress against our three strategic imperatives to (i) enhance cash flow, (ii) improve our unit level economics and corporate overhead costs as we work on achieving profitability, and (iii) continue building a leading lifestyle brand to meet the needs of millennial and Gen Z travelers, the Committee remains mindful that we must be creative in how we compensate the Executive Directors, and in turn, the management team, in order to hire and retain appropriate talent and incentivize them to keep driving performance in a challenging economic and capital markets environment.

To that end, in May 2023, we approved our first grants under the Selina Hospitality PLC 2022 Omnibus Equity Incentive Plan, which included the first annual long-term incentive award as well as grants that recognize the efforts of the Executive Directors and management team in completing the Business Combination and listing of the Company on the Nasdaq, and we plan to review the remuneration of our non-executive Directors later this year.

Shareholder engagement

We look forward to holding our Annual General Meeting in September 2023 and receiving your support for our initial Directors' Remuneration Report and Remuneration Policy. We welcome any feedback that you may have and engaging with you in the future.

Yours faithfully,

DocuSigned by:

Eileen Moore

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EILEEN MOORE JOHNSON

Director and Chair of the Human Capital Management and Compensation Committee

Structure and Role of Committee and Approach to Remuneration Matters

The Committee currently is comprised of two non-executive Directors, Eileen Moore Johnson, who chairs the Committee, and Richard Stoddart. Adi Soffer Teeni was a member of the Committee from 27 October 2022 through 10 August 2023, when she resigned as a director. The charter for the Committee complies with Nasdaq governance requirements and the members of the Committee are considered independent as defined in Rule 10A-3 under the US Securities Exchange Act of 1934.

The primary responsibilities of the Committee are to:

- establish and review the objectives of the Company's management compensation programs;
- determine, or recommend to the Board for determination, the compensation of the Chief Executive Officer and all other executive officers of the Company;
- review and approve corporate goals and objectives relevant to the compensation of the executive officers, including annual and long-term performance goals and objectives;
- review and approve any employment, compensation, benefit or severance agreement with any executive officer;
- evaluate the performance of the Chief Executive Officer and other executive officers against corporate goals and objectives and determine and approve the compensation arrangements for the executive officers based on this evaluation;
- determine and approve the compensation levels for other members of the senior management team and review at least annually the compensation arrangements for other employees;
- review, approve and recommend to the Board the adoption of any equity-based compensation plan for employees of or consultants to the Company;
- administer the Company's equity-based compensation plans for employees and consultants;
- review, approve and recommend to the Board the adoption of any non-equity-based incentive compensation plan for employees or consultants;
- review, approve and recommend to the Board the adoption of any employee retirement plan, and other material employee benefit plan;
- review the Company's compensation policies and practices for executives and employees generally to assess whether such policies and practices could lead to excessive risk taking behaviour;
- review the engagement and the nature of any services provided by the Committee's compensation consultant;
- review the form and amount of director compensation at least annually;
- oversee and monitor other compensation related policies and practices of the Company;
- oversee stockholder communications relating to executive compensation;
- prepare, review and recommend to the Board for approval, at least every three years, a forward-looking remuneration policy and an annual remuneration report; and
- review the talent and human capital strategy, including the Company's commitment to diversity, equity and inclusion.

The Committee's approach to remuneration matters is to enable the Company to attract and retain talent, incentivise long-term value creation and effectively manage the Company's capital. It is the view of the Committee that this is best achieved through focusing on variable rather than fixed compensation elements (base salary, pension and benefits), providing the flexibility to align pay and performance through well considered variable pay, both annual and longer-term.

When applying this Policy to Executive Directors, the Committee will look to the Nasdaq corporate governance requirements and guidelines, having regard for the nature, size and complexity of the Company and its associated needs and requirements, as well as the requirements under English company law. The Committee acknowledges that the Company operates in numerous jurisdictions, where markets for talent differ, and the Committee is mindful of the need to balance its role in setting and overseeing an appropriate remuneration Policy for a global organisation that from a governance perspective is governed by both U.K. and U.S. standards.

The charter governing the operation and remit of the Committee can be found on our website at: <https://investors.selina.com/corporate-governance/documents-charters>.

Policy Overview

This part of the Directors' Remuneration Report sets out the Remuneration Policy (the "Policy") for the Company's Directors and Executive Directors and has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. The administration of the Policy is overseen by the Committee.

The following Policy will be put forward for approval by shareholders in a binding vote at the forthcoming Annual General Meeting which is scheduled to be held in September 2023. If approved, it is intended that the Policy will take effect from the date of approval and apply for a period of three years (or until a revised Policy is approved by shareholders).

The Policy is designed to:

- Attract, retain and motivate outstanding individuals who have the skills and experience to support Selina in achieving its core objectives and becoming a profitable business;
- Be competitive against appropriate market benchmarks;
- Encourage a corporate culture that promotes the highest level of integrity, teamwork and ethical standards;
- Take due account of good governance practices that promote the long-term success and stability of the Company;
- Have a strong link to performance and align Executive Directors' incentives to shareholder value creation; and
- Encourage equity ownership by Executive Directors to motivate and align them with the overall interests of shareholders and the Company.

In seeking to achieve the above objectives, the Committee is mindful of the views of a range of stakeholders in the business and accordingly takes account of a number of factors when setting remuneration including:

- market conditions;
- pay and benefits in relevant comparator organisations;
- terms and conditions of employment across the Company;
- the Company's risk appetite;
- the expectations of institutional shareholders and proxy advisory firms; and
- any specific feedback received from shareholders and other stakeholders.

Remuneration Policy for Executive Directors

Currently the Company has two Executive Directors and six independent, non-executive Directors, but the Policy will apply equally to any additional Director who may be appointed in the future. The Committee regularly reviews the operation of the remuneration packages to ensure they are operating within an acceptable risk profile and that they do not inadvertently encourage any economic, social or governance issues.

The total remuneration for the Executive Directors is made up of the following elements:

1. Salary;
2. Benefits;
3. Annual bonus;
4. Equity incentive awards; and
5. Pension.

The current Executive Directors have waived their eligibility to participate in the Company's pension plan. The Company's shareholders approved the adoption of the Selina Hospitality PLC 2022 Omnibus Equity Incentive Plan ("2022 Plan") at the Company's Annual General Meeting held on 13 July 2022 and the 2022 Plan became effective on 27 October 2022, upon the completion of the Business Combination and listing of the Company on the Nasdaq. The initial awards granted under the 2022 Plan were approved in May 2023.

Element	Purpose and Link to Strategy
Salary	Provides market competitive fixed remuneration, set at a level sufficient to attract and retain high calibre executives who are capable of delivering the Company's strategic objectives and driving the Company's success. Salary reflects the responsibilities of the role undertaken, the experience of the individual and performance in the role over time.
Benefits	Provides market competitive, yet cost-effective employment benefits to assist with recruitment and retention.
Annual Bonus	To incentivise and reward delivery of the Company's strategy and short-term corporate objectives on an annual basis.
Equity Incentives	To align the interests of Executive Directors and management with long-term shareholder interests and to attract, incentivise and retain staff. To facilitate share ownership and to incentivise and recognise achievement of longer-term corporate objectives and sustained shareholder value creation. Share-based compensation allows the Company to effectively manage its cash resources.
Pension	To provide a tax-efficient vehicle to allow Executive Directors to save for their retirement on the same basis as other employees. The availability and nature of this benefit depends on the custom and practice and applicable legal requirement in each jurisdiction in which Selina operates
Share Ownership Guidelines	Encourages Executive Directors to build up a meaningful shareholding so as to further align their interests with those of shareholders.

Element	Operation
Salary	To be reviewed annually taking into account individual responsibilities, experience, performance, inflation and market rates. The Committee also will consider the pay and employment conditions in the wider workforce when determining Executive Director salaries. Where there has been a change in role, or the individual is new to the role, increases could be higher. Salary increases normally will be effective from 1 January each year.
Benefits	For Executive Directors this currently includes private health insurance and access to vehicles leased by the Company for personal use from time to time. Executive Directors may become eligible for other benefits in the future where the Committee deems it appropriate. Where additional benefits are introduced for the wider workforce, Executive Directors may participate on broadly similar terms. Any reasonable business-related expenses incurred by Executive Directors may be reimbursable to them on a gross-of-tax basis.
Annual Bonus	Annual bonus performance targets normally are set at the start of the year by the Committee, from a mix of financial, operational and qualitative targets, and performance against the objectives will be assessed by the Committee after the end of the relevant financial year, although the Committee retains discretion to amend objectives during the year if it considers that objectives are no longer appropriate. Different performance measures and weightings may be used each year, as agreed with the Committee, to take into account changes in the business strategy. Bonuses normally are paid in cash after the award has been approved by the Committee, but may be paid partially or wholly in the form of equity awards, at the discretion of the Committee, and are not pensionable. Bonuses paid or awarded on or after 31 March 2023 will be subject to malus and claw-back provisions (see 'Malus and claw-back provisions' in the 'Notes to the policy table below for further details).

Equity Incentives	<p>Executives are eligible to receive annual equity awards under the Company’s equity compensation plans, including the 2022 Plan. The awards may be in the form of time-based restricted stock units (“RSUs”), performance-based restricted stock units (“PSUs”), stock grants and/or stock options (“Options”). The RSUs generally will vest ratably over a total period of at least three years, and the PSUs typically will vest ratably over a period of three to five years or at the end of such period, in each case based on the Company’s achievement of specified performance metrics the relevant performance period or periods. Options also will vest ratably over a total period of at least three years. The vesting periods and other terms of equity awards will be determined by the Committee and set out in a grant agreement to be agreed by the Executive Director.</p> <p>Exceptionally, during the 2023 financial year and due to the listing of the Company on the Nasdaq in October 2022, Executive Directors were granted RSU and PSU awards that had vesting periods of less than three years.</p> <p>Equity awards are not subject to any post-vesting holding period unless the Committee determines otherwise. Awards paid or awarded on or after 31 March 2023 will be subject to malus and clawback provisions (see ‘Malus and clawback provisions’ in the ‘Notes to the policy table’ below for further details). Any share-based entitlements granted to an Executive Director under the Company’s share plans will be treated in accordance with the relevant plan rules and applicable grant agreement. Under the terms and conditions of the 2022 Plan, unvested RSUs, PSU and Options normally will lapse upon an Executive Director ceasing to remain employed by the Group or serve as a director of a Group company, but vested Options may be exercisable within a period as set out in 2022 Plan rules.</p> <p>The Committee retains the discretion to (i) vest awards in full or on a pro-rata basis (and measure performance accordingly) on cessation of service; however, it is envisaged that this would only be applied in exceptional circumstances; and/or (ii) to approve exceptional grants for Executive Directors (each an “Exceptional Award”) for one-time recruitment purposes or the successful completion of significant transactions.</p> <p>Executive Directors also will be eligible to participate in any all-employee share purchase plan, which may be adopted for the wider workforce in the future.</p>
Pension	<p>Executive Directors are eligible to join a qualifying pension scheme for the purposes of the Pensions Act 2008 (“Pension Plan”) or other applicable legislation, so that the Company can comply with its statutory obligations, subject to the Executive Director’s right to opt out of participating in such Pension Plan. Only base salary will be pensionable. Currently, Executive Directors have opted out of participating in such pension arrangements.</p>
Share Ownership Guidelines	<p>Shares owned outright by Executive Directors or their connected parties are included. Unvested share awards and vested in-the-money share option awards are not included.</p>

Element	Maximum Potential Value
Salary	<p>There is no prescribed maximum annual salary or salary increase. Whilst there is no prescribed formulaic maximum, any increases will take into account prevailing market and economic conditions and the approach to employee pay throughout the organisation. Base salary increases are awarded at the discretion of the Committee; however, salary increases will normally be no greater than the general increase awarded to the wider workforce, in percentage of salary terms. However, a higher increase may be made where an individual had been appointed to a new role at below-market salary while gaining experience. Subsequent demonstration of strong performance may result in a salary increase which is higher than that awarded to the wider workforce.</p>
Benefits	<p>There is no formal maximum level of benefits provided to an Executive Director, as the value of benefits typically will be based upon the cost from third-party providers, which will vary from year-to-year. Executive Directors will be entitled to up to 34 days of holiday in accordance with the Company’s holiday policy and jurisdictional requirements. The benefits offered to Executive Directors may vary depending on their country of employment.</p>
Annual Bonus	<p>The normal operating maximum for annual bonus payments to be made to an Executive Director will be equal to 150% of his or her annual base salary, but the Committee retains discretion to increase the maximum to 175% of base salary in exceptional circumstances.</p>

Equity Incentives	The total number of awards made under the 2022 Plan and any subsequent equity incentive plan shall be subject to the overall limits set out in the plan, subject to adjustment as provided under the plan. Under the 2022 Plan, 9,646,567 ordinary shares initially were reserved for awards and the number of shares reserved and available for issuance under the plan may increase by such number of shares as is equal to 1.5% of the issued shares as at the end of the previous year. There is no formal level of maximum equity awards for Executive Directors under the 2022 Plan; however, prior to making any award, the Committee generally will assess the position at similar sized comparator companies to ensure that any awards are aligned to the market and consider the potential dilutive impact of an award given the prevailing market price of the Company's and in any event, the value of any annual awards granted to an Executive Director are not expected to exceed an amount equal to six times the then applicable annual base salary of the Executive Director save that the Committee retains discretion to make Exceptional Awards at a value higher than six times the annual base salary of the Executive Director.
Pension	The maximum pension contribution, cash supplement (or combination thereof) payable by the Company is 10% of the Executive Director's annual base salary.
Share Ownership Guidelines	Executive Directors will be required to build-up, within a period of five years from their appointment as a Director, and maintain, personally and with any of their connected parties, a shareholding equivalent to at least 300% of their annual base salaries.

Element	Performance Metrics
Salary	The overall performance of the individual and Company, including against individual performance objectives, is a key determinant for salary increases.
Benefits	Not applicable.
Annual Bonus	Performance measures are determined by the Committee each year and may vary to ensure that they promote the Company's business strategy and the building of long-term shareholder value. Details of the performance measures for the current year are provided in the Remuneration Report, subject to any nondisclosure on the basis of commercially sensitive information. Bonus measures are reviewed annually, and the Committee has the discretion to vary the mix and weighting of measures or to introduce new measures, based on the strategic focus of the Company at that time. The payment of any bonus is at the absolute discretion of the Committee, which has the discretion to override formulaic outcomes of the bonus if appropriate to do so, having regard to matters including but not limited to factors such as the underlying financial and operational performance of the Company and individual performance.
Equity Incentives	<p>The extent to which the vesting of any equity award is subject to both time and performance-based conditions, the applicable measures, their weightings and the period over which performance is tested will be determined by the Committee. The 2023 PSU awards made under the 2022 Plan, for instance, have targets that are based on the Company's budget, with the initial metrics having an equal weighting between Free Cash Flow and Unit Level Contribution Margin (as such terms are defined in the Company's 2022 annual report on form 20-F), and the level of achievement will be measured following the 2023 financial year while the targets for 2024 and 2025 will be set at the end of 2023. The Committee will select the most relevant targets for each year or over the three-year period of each award, as the case may be.</p> <p>Vesting of equity incentive awards generally is subject to continued employment and may be on a time-phased basis or subject to performance conditions aligned with the Company's strategic plan, as determined at the discretion of the Committee. Vesting of equity awards may be accelerated in part or in full in connection with certain corporate events, such as a change of control.</p>
Pension	Not applicable.
Share Ownership Guidelines	There are no formal shareholding requirements for the non-executive Directors; however, they are encouraged to hold shares in the Company in order to align their interests with those of shareholders.

Remuneration Committee Discretions

The Committee operates under the powers the Board delegates to it from time to time. In addition, it must comply with rules that are either subject to shareholder approval or by approval from the Board. These rules provide the Committee with certain discretions, which serve to ensure that the implementation of the Remuneration Policy is fair, both to the individual Director and to the shareholders. The Committee also has discretions to set components of remuneration within a range, as determined by the Committee from time to time. The extent of such discretion is set out in the relevant rules adopted by the Board from time to time, the terms of any equity incentive plan that apply to awards made to Directors, and the Policy. To ensure the efficient administration of the variable incentive plans outlined above, the Committee will apply certain operational discretions, including the following, in each case subject to the Policy and the terms and conditions of the relevant incentive plan:

- selecting the participants in the plans;
- determining the timing of grants of awards and/or payments;
- determining the quantum of awards and/or payments;
- determining the applicability, choice (and adjustment) of performance measures and targets for each award;
- determining the extent of vesting based on the assessment of performance and measurement of performance in certain corporate events, such as a change of control;
- overriding formulaic outcomes where the value of any payment or award would otherwise be inappropriate;
- the application of malus and/or clawback provisions to any award in the relevant circumstances and, if applied, the extent to which such provisions shall be applied;
- making the appropriate adjustments required in certain circumstances, for instance for changes in the Company's capital structure;
- determining "good leaver" status for incentive plan purposes and applying the appropriate treatment; and
- undertaking the annual review of performance measures and setting targets for the annual bonus plan and other incentive schemes, where applicable, from year to year.

If an event occurs which results in the annual bonus plan or equity incentive plan and/or targets being deemed no longer appropriate, as a result of a material acquisition or divestment, for instance, the Committee will have the ability to make appropriate adjustments to the measures and/or targets and alter weightings, provided that the revised conditions are not materially less challenging than the original conditions. Any use of the above discretion would, where relevant, be explained in a future Director Remuneration Report and may, where the Committee deems it appropriate, be the subject of consultation with the Company's major shareholders.

The Committee reserves the right to make minor amendments to the Policy (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

Differences in Remuneration Policy Between Executive Directors and Other Employees

The Company seeks to operate a holistic approach to remuneration across the Company. Employees are eligible to participate in different compensation plans and to receive equity incentive awards based on their level within the organisation and/or role. Equity incentive awards encourage broad employee share ownership and alignment with the Company's objectives and success. Although the Committee may not consult with employees directly, it is appraised of any decisions relating to pay in respect of the broader workforce and will consider pay conditions throughout the Group when making decisions on remuneration for the Executive Directors.

Illustrations of Application of Remuneration Policy

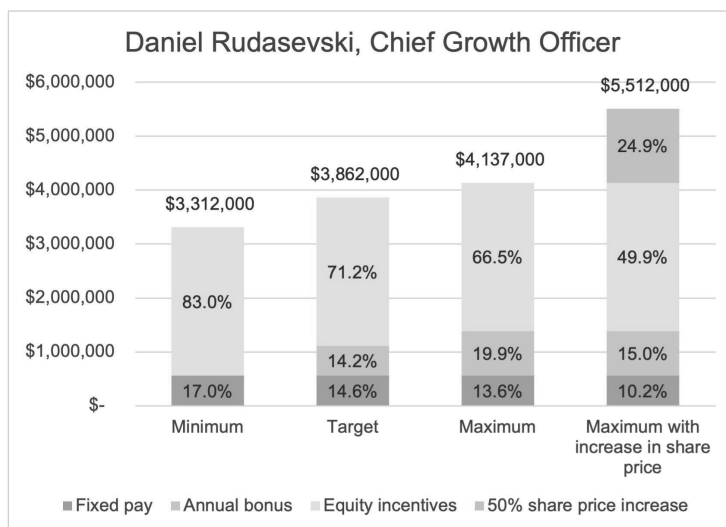
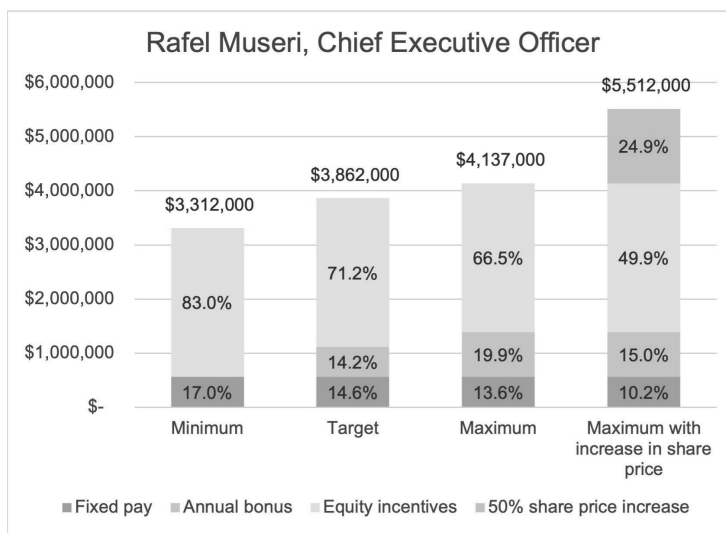
The charts below sets out, for illustrative purposes only, an estimate of the 2023 remuneration packages for the Chief Executive Officer ("CEO") and Chief Growth Officer ("CGO"), the two Executive Directors, under four performance scenarios, based on the Policy set out above.

The scenarios are defined as follows for both the CEO and CGO:

- **Minimum** - Includes fixed pay, including base salary, benefits and pension, plus equity incentives. Pension payments are not reflected in the fixed compensation arrangements for Messrs. Museri and Rudasevski as they

currently are not a part of any pension schemes administered by the Group, and the equity incentives assume all awards are granted as RSUs and have a fair market value equal to 100% of their initial grant value.

- **Target** - Includes the compensation components from the minimum scenario plus an annual bonus calculated as 100% of base salary.
- **Maximum** - Includes the compensation components from the minimum scenario plus an annual bonus calculated as 150% of base salary, the maximum bonus opportunity as set out in the Executive Directors' existing employment contracts.
- **Maximum with increase in share price** - Includes the compensation components from the maximum scenario and assumes a 50% increase in the share price as applied to the equity incentives granted to the Executive Directors.



Legacy Arrangements

For the duration of this Policy, the Company may honour commitments made in respect of current or former Directors before the date on which either: (i) the Policy becomes effective; or (ii) an individual becomes a Director, even where such commitments are not consistent with the Policy set out in this report or prevailing at the time any such commitment is fulfilled.

Choice of Performance Measures for Executive Directors' Awards

The choice of annual bonus performance metrics reflects the Committee's belief that any incentive-based remuneration should be appropriately challenging and tied to the delivery of key corporate and strategic objectives and they are intended to ensure that Executive Directors are incentivised to deliver across a range of matters for which they are accountable. The Committee has retained some flexibility on the specific measures to be used to ensure that any measures are fully aligned with the strategic imperatives prevailing at the time they are set.

The targets for the bonus scheme for the forthcoming year will be set out in general terms, subject to limitations with regards to commercial sensitivity. Short-term corporate objectives in any given year may include targets relating to financial and operational objectives and objectives relating to the strength of the Company's brands and/or the performance of the Company's stock. Additional details of the targets will be disclosed when they are no longer considered to be commercially sensitive, usually following the end of the relevant financial year in the appropriate Directors' Remuneration Report.

Where used, performance conditions applicable to PSU awards will be aligned with the Company's objective of delivering long-term value to shareholders. For the 2023 PSU awards made under the 2022 Plan, for instance, the targets include a combination of Free Cash Flow and Unit Level Contribution Margin, equally weighted, over a one year performance period. It was determined that these were aligned with the Company's strategic imperatives following its listing in October 2022.

The Committee will review on an annual basis the calibration of targets applicable to the annual bonus and the performance measures that apply to any PSU grants to ensure they remain appropriate and sufficiently challenging, taking into account the Company's strategic objectives and the interests of shareholders and any significant changes to the Company or within the broader market over the prior year.

Malus and Clawback Provisions

Cash bonuses paid and equity awards made to Executive Directors on or after 31 March 2023 will be subject to recovery and withholding provisions that permit the Committee, in its discretion, to reduce the size of any payments or awards or claw-back any payments or awards in the event of, among other things, (i) a restatement of or material misstatement within the financial results of the Company, (ii) a material inaccuracy or error in the information or assumptions upon which a bonus payment or equity award was calculated where the inaccuracy or error leads to the payment or award being greater than it should have been absent the inaccurate or erroneous information, (iii) a situation resulting in the appointment of an administrator or liquidator in respect of all or a substantial portion of the Company's assets or in the Company entering into a compromise arrangement with its creditors or other insolvency process, in each case provided that the situation was at least partly due to a failure of the Company's management, (iv) the Executive Director committing an act of serious misconduct or a material breach of the Executive Director's service agreement.

The Committee is aware of potential changes to listing standards in respect of claw-back policies and will review its Policy over 2023 to ensure that it is compliant with any required standards or new requirements.

Remuneration on Recruitment

The Committee's approach when considering the overall remuneration arrangements in the recruitment or promotion of an Executive Director is to take account of the calibre, expertise and responsibilities of the individual, his or her remuneration package in his or her prior role and the prevailing market rate for similar roles. Remuneration will be in line with our Policy and the Committee will not pay more than is necessary for a successful recruitment. It is recognised that in order to attract and recruit talented individuals the Policy must allow sufficient flexibility with respect to remuneration on recruitment.

The following policies apply to the remuneration on recruitment of new Executive Directors or the promotion of an individual to an Executive Director:

Salary: Base salary will be determined based on the responsibilities of the role, experience of the individual and current market rates. It may be considered necessary to appoint a new Executive Director on or below market rates (e.g., to reflect limited board experience). In such circumstances, phased increases above those of the wider workforce may be required over an appropriate time period to bring the salary to the desired market level, subject to the continued development in the

role. In exceptional circumstances, the Committee has the ability to set the salary of a new Executive Director at a rate higher than the market level to reflect the criticality of the role and the experience and performance of the individual.

Annual bonus: The ongoing annual bonus maximum will be in line with that outlined in the policy table for existing Executive Directors, pro-rated to reflect the period of service. Depending on the timing or nature of an appointment it may be necessary to set different initial performance measures and targets for the first year of appointment.

For internal appointments, annual bonuses awarded in respect of an individual’s prior role may be paid according to their existing terms. In addition, any other contractual remuneration obligations existing prior to appointment may continue to be honoured.

Equity incentive awards: Incentive plan awards will be granted in line with the policy outlined for existing Executive Directors. An award may be made shortly following an appointment. The Committee maintains discretion over the type and terms of equity awards granted to new Executive Directors or to those who are promoted to an Executive Director, as well as the timing of awards. For internal appointments, existing awards will continue in effect under their original terms.

Benefits: Benefits provided should be in line with those of existing Executive Directors. For external and internal appointments, where required to meet business needs, reasonable relocation support, including tax or legal support, may be provided. In addition, additional benefits may be provided to an individual to reflect local market norms or legal requirements.

Pension: A company contribution or cash supplement may be made to new Executive Directors up to the maximum as outlined in the Policy, although the Committee retains discretion to structure any arrangements as necessary to comply with the relevant legislation and market practice. For any internal appointment, the individual’s existing pension arrangements may continue to apply.

Sign-on payments and buy-out awards: To enable the recruitment of exceptional talent, the Committee may offer additional cash and/or share-based remuneration to take account of and compensate for remuneration that the Executive Director is required to relinquish when leaving a former employer. When exercising its discretion, the Committee will carefully consider the balance between the need to secure an individual in the best interests of the Company against the concerns of shareholders over the quantum of remuneration. Where appropriate, any equity incentive awards will be granted under the equity incentive plan in effect at the time; however, the Committee will have discretion to make awards outside of the relevant equity incentive plan so long as such awards comply with applicable securities laws.

The fees for any new non-executive Director appointments will be set in accordance with the prevailing Policy and at a level that is consistent with those of the existing non-executive Directors.

Employment Contracts and Payments for Loss of Office

The current Executive Directors are employed under contracts of employment, with a notice period of 90 days from the executive and from the Company. At its discretion, upon receipt of written notice, or as an alternative to providing notice, the Company may terminate the employment of the current Executive directors with immediate effect and make a payment in lieu of notice, comprising their base salaries only, for the notice period (or remainder thereof, should notice have been given). In the event of a breach of service agreement or other summary termination of employment, no such payments will be made.

Executive Director	Date of Current Employment Agreement	Date of Director Appointment
Rafael Museri	27 October 2022	26 March 2019
Daniel Rudasevski	27 October 2022	26 March 2019

The Company’s policy on remuneration for Executive Directors who leave the Company is set out in the table below. The Committee will exercise its discretion when determining amounts that should be paid to leavers, taking into account the facts and circumstances of each case and the terms of any applicable employment contracts. Generally, in the event of termination, the Executive Directors’ service contracts provide for payment of basic salary in instalments over a period of time following termination. The Company may elect to make a payment in lieu of notice equivalent in value to basic salary for any unexpired portion of the notice period. The current notice period applicable to the existing Executive Directors is 90 days in respect of any notice given by the executive or the Company, and upon termination, the Executive Directors are subject to a 12-month non-competition restriction. Generally an Executive Director will not be entitled to any bonus

payment while he or she is under a notice of termination (whether such notice has been provided by the Company or the Executive Director) and unvested equity awards will lapse in full unless determined otherwise by the Committee. In the event of termination due to death or disability, salary is payable to the termination date. Executive Directors will be entitled to vested equity awards in accordance with the Policy.

Remuneration Element	Termination without cause or with Good Reason ¹	Termination for Cause	Termination without cause or with Good Reason ¹ in connection with change in control ²
Salary	A payment of up to 1.5 times the annual base salary payable in monthly instalments over a period of up to 18 months. Payment will begin within 60 days following the termination date, following any applicable notice period and in addition to any payments made in lieu of notice.	No payment	A payment up to 1.5 times the annual base salary plus the target annual bonus for which the Executive Director was eligible during the year of termination. If the termination occurs during the relevant protection period, but prior to a change of control, such amounts will be payable in monthly instalments until the change of control occurs, with any remaining amounts to be paid in a lump sum within 60 days after the change of control. If the termination occurs after the change in control, the payment shall be made in a lump sum within 60 days following termination
Annual Bonus	Generally bonus payments will not be payable while an Executive Director is under a notice of termination.	No payment	See above
Equity Incentive Awards	Unvested awards generally will lapse on the termination date, but the Committee may exercise discretion to allow for a full or partial accelerated vesting upon termination	Unvested awards lapse in full	The Committee may determine, among other things, that (i) outstanding awards shall be assumed by, or replaced with grants that have comparable terms by, the surviving entity; (ii) outstanding Options shall automatically accelerate and become fully exercisable and the restrictions and conditions on outstanding award shall lapse immediately prior to the change of control; and (iii) the performance period applicable to outstanding PSUs will lapse in full or in part and/or that performance conditions shall be deemed satisfied at target, maximum or any other level

1. *Includes, among others, a reduction in salary, diminution in role or mandated relocation, as defined by contract.*
2. *A qualifying termination is defined as within 120 days prior to or within 18 months following the effective date of a change in control.*

Additional Payments

The Committee reserves the right to make payments it considers reasonable under a settlement agreement, including payment or reimbursement of reasonable legal and professional fees, payments for accrued, but untaken holiday and a payment a compensation for the settlement of potential claims against the Company and/or other companies within the Group. Payment or reimbursement of reasonable relocation and outplacement fees also may be provided.

Policy on External Appointments

The Board believes that it may be beneficial to the Company for Executive Directors to hold non-executive directorships outside the Company. Any such appointments are subject to approval by the Board or its designated committee and the Executive Director may retain any fees or other remuneration received in connection with such appointments at the discretion of the Board.

The Policy for Non-Executive Directors

The Board approves the fees payable to the Company's non-executive Directors.

Remuneration Element	Purpose and Link to Strategy	Operation and Maximum	Performance Related
Fees and Benefits	To attract non-executive Directors who have a broad range of experience and skills to provide independent judgement on issues of strategy, performance, resources and standards of conduct. Supports the retention of non-executive Directors with the required skills and experience to support the growth and development of the Company.	<p>Remuneration for non-executive Directors comprises a basic annual fee, which typically will be payable on a quarterly basis, and additional fees for additional roles, including serving as Board chair, serving as the senior independent or lead director and serving as a chair or member of a Board committee. Fees are reviewed by the Committee on a periodic basis relative to peer organisations to ensure they remain competitive and adequately reflect the time commitments and scope of the roles, with any increases typically effective as of the annual general meeting. Fees typically are payable via a mix of cash and RSUs.</p> <p>Additional fees may be payable in relation to extra responsibilities undertaken in the future, such as chairing a new Board committee, or significant unforeseen time commitments beyond those anticipated when the fees were last set. If business needs arise, non-executive Directors also may also be engaged to provide limited consulting services outside their director responsibilities and receive fees for those services. In addition, travel, hospitality and other modest benefits may be payable on occasion. Non-executive Directors may not receive any pension benefits or cash in lieu thereof.</p> <p>Additionally, non-executive Directors may be entitled to reimbursement of reasonable business-related expenses (including taxes thereon).</p>	No
Non-Executive Director Equity Incentive Awards	To facilitate share ownership by non-executive Directors in the Company and provide alignment with shareholders.	<p>Equity incentive awards, typically in the form of RSUs, may be granted to non-executive Directors to compensate them for their services. Such grants shall have a vesting period of no longer than one year and the amount of such grants shall be reviewed by the Committee on an annual basis</p> <p>Subject to adjustment as described in the 2022 Plan or subsequent equity incentive plan, the maximum aggregate value of an equity award that may be made to any non-executive Director during any calendar year, taken together with any cash fees earned by such non-executive Director for services rendered during the calendar year, shall not exceed \$700,000 in total value; provided that with respect to the calendar year in which the non-executive Director is first appointed to the Board, such limit shall be equal to \$1,000,000.</p>	No

Non-Executive Directors' Terms of Engagement

We have entered into appointment letters with all of our non-executive Directors. The letters provide for compensation as determined by the Committee from time to time and the terms of appointment for new non-executive Directors shall be in accordance with the Policy for non-executive Directors.

The following summarises the current compensation arrangements that apply to the non-executive Directors generally:

1. a \$75,000 cash retainer, payable in quarterly instalments; and
2. a \$125,000 equity grant of RSUs that have a one-year vesting period.

In addition, certain roles include an additional premium as follows:

1. \$100,000 cash premium plus an additional \$25,000 grant of RSUs, with a one-year vesting period, for chairing the Board;
2. \$25,000 cash premium for serving as lead Director;
3. \$15,000 cash premium for chairing the Audit Committee;
4. \$10,000 cash premium for serving on the Audit Committee;
5. \$12,000 cash premium for chairing the Human Capital Management & Compensation Committee;
6. \$8,000 cash premium for serving on the Human Capital Management & Compensation Committee;
7. \$10,000 cash premium for chairing the Nominating & Corporate Governance Committee;
8. \$7,000 cash premium for serving on the Nominating & Corporate Governance Committee;
9. \$10,000 cash premium for chairing the Finance & Capital Allocation Committee; and
10. \$7,000 cash premium for serving on the Finance & Capital Allocation Committee.

A non-executive Director's appointment may be terminated in accordance with the Company's Articles of Association and applicable law.

Non-Executive Director	Effective Date of Appointment	Date of Director Appointment Letter (Date of Board approval)
Alan Bowers ¹	17 March 2023	17 March 2023 (17 March 2023)
Catherine Dunleavy ¹	27 October 2022	2 August 2022 (24 October 2022)
Eric Foss ¹	27 October 2022	14 September 2022 (24 October 2022)
Eileen Moore Johnson ¹	27 October 2022	28 August 2022 (24 October 2022)
Adi Soffer Teeni ^{1, 3}	27 October 2022	24 September 2022 (24 October 2022)
Richard Stoddart ¹	27 October 2022	29 July 2022 (24 October 2022)
Chen Carlos Moravsky ²	26 March 2021	Not applicable
Sagar Desai ²	15 October 2019	Not applicable
Donald Mauch Jr. ²	14 January 2020	Not applicable
Edouardo Cortina ²	26 March 2019	Not applicable
Jerome Letter ²	15 January 2021	Not applicable
Yoav Gery ²	26 March 2019	Not applicable
Nori Gerardo Lietz ²	11 November 2021	Not applicable

¹ Current Director

² Director resigned effective as of 27 October 2022 except for Chen Carlos Moravsky, who resigned as of 31 March 2022

³ Director resigned effective as of 10 August 2023

Director letters of appointment are available for inspection at the Company's corporate office during normal business hours and copies may be requested from the Company Secretary.

Statement of Consideration of Employment Conditions Elsewhere in the Company

The Company does not formally consult with employees when establishing the Policy. However, the Committee is made aware of employment conditions in the wider Group. The principles that apply to Executive Directors under the Policy also apply to the wider employee population. However, the remuneration for the Executive Directors has a stronger emphasis on variable pay than for other employees. In particular, the following approach is used for the wider employee population in the Group:

- Salaries, benefits and pensions are compared to appropriate market rates and set at approximately mid market level with allowance for role, responsibilities and experience.
- When setting salary levels for the Executive Directors, the Committee considers the salary increases provided to other employees.
- Annual bonus plans are available to eligible employees at consistent percentages of base salaries based on seniority and/or role levels and, for certain roles, commission structures. Bonuses generally are based on performance and may include both individual and company performance objectives. Payments under the non-commission based bonus plans are discretionary.
- Annual three-year equity awards may be made to eligible members of the management team and other key employee populations.

Statement of Consideration of Shareholder Views

The Board is committed to dialogue with shareholders. The Committee will consider shareholder feedback received following its Annual General Meeting, as well as any additional feedback and guidance received from time to time. This feedback will be considered by the Committee as it develops the Company’s remuneration framework and practices going forward. The guidance from shareholder representative bodies also will be considered on an ongoing basis. More specifically, the Committee will strive to consult with major shareholders, as appropriate, when proposing any significant changes to the Policy in the future.

The attendees of the Human Capital Management and Compensation Committee meetings in 2022 were as follows:

Director	Total meetings / Meetings attended
Eileen Moore Johnson	2/2
Richard Stoddart	2/2
Adi Soffer Teeni	2/2

During 2022, previous to the closing of the Business Combination and listing of the Company on Nasdaq, the Compensation Committee, which was comprised of Rafael Museri, Yoav Gery and Eduardo Cortina, considered various matters on three different occasions during the year.

Annual Report on Remuneration

Single total figure of remuneration for each Executive Director (Audited)

Executive Director	2022 Salary	2022 Benefits ¹	2022 Pension	2022 Subtotal Fixed Pay	2022 Bonus	2022 Equity Awards	2022 Subtotal Variable	2022 Total ²
Rafael Museri	\$483,566	\$118,826	-	\$602,392	-	-	-	\$602,392
Daniel Rudasevski	\$480,398	\$118,826	-	\$599,224	-	-	-	\$599,224

¹ For Messrs. Museri and Rudasevski, this includes (i) the value of Luna loyalty tokens granted each of them during 2022, as well as the costs of vehicles which were leased by the Company and used by them, for a total of \$14,340 each, and (ii) the value of 5,291 phantom shares that were granted to each of them under the Global Phantom Equity Incentive Plan (the “Phantom Plan”) that was in place prior to the closing of the Business Combination in respect of salary reductions taken by Messrs. Museri and Rudasevski in 2020 and 2021. The value of the phantom shares was \$17.50 per share at the time of the grant and was adjusted to \$19.748 at the closing of the Business Combination in accordance with the terms of the Phantom Plan such that the value of each of their grants in 2022 was \$104,486. Messrs. Museri and Rudasevski each hold a total of 7,618 phantom shares, including 2,327 phantom shares granted to each of them prior to 2022, all of which remain pending to be paid.

² Since the Company was not a publicly listed company in 2021, comparator data for the 2021 financial year has not been provided, but comparator data will be provided in future Directors’ Remuneration Reports.

Annual Bonus

In light of the challenging market conditions in which the Company went public in October 2022 and the need for the Company to conserve cash, no annual bonuses have been paid to Rafael Museri, Chief Executive Officer and co-founder and Daniel Rudasevski, Chief Growth Officer and co-founder in 2023 in respect of the 2022 financial year.

Equity Incentive Awards Made During the 2022 Financial Year (Audited)

The Executive Directors were granted equity awards in August 2022 as indicated in the following table. These awards, which were granted under the Selina Hospitality PLC Amended and Restated 2018 Global Equity Incentive Plan that was in effect prior to the Company's listing on Nasdaq, were in respect of bonuses earned by the Executive Directors for the 2021 financial year and were calculated based on 30% achievement of their maximum bonus opportunities, which was 150% of base salary for Mr. Museri and 90% of base salary for Mr. Rudasevski, in line with other executives to reflect the efforts expended by the management team in driving the business following the Covid-19 pandemic, preparation of the Company for its potential listing and the execution of the Business Combination Agreement with BOA Acquisition Corp. in December 2021.

Executive Director	No. of RSUs ¹	Value on Grant Date ¹	Value on Distribution Date ²	Vesting Date
Rafael Museri	19,764	\$175,140	\$24,309	28 February 2023
Daniel Rudasevski	11,858	\$105,088	\$14,585	28 February 2023

¹ On 5 August 2022, Mr. Museri was granted 10,008 RSUs and Mr. Museri was granted 6,005 RSUs at a fair market value of \$17.50 per share. Upon the closing of the Business Combination, the ordinary shares of the Company were subdivided using a conversion factor of 1.974 and Messrs. Museri and Rudasevski's equity awards were subdivided in the same manner.

² The awards were distributed on 17 May 2023 and the closing share price of the ordinary shares of the Company on the day prior to the disbursement date was \$1.23 per share.

Initial Equity Incentive Awards Made during the 2023 Financial Year (Audited)

In order to recognize the efforts of the Executive Directors in completing the Business Combination and listing of the Company in 2022, and in order to retain them for the near to medium term, in May 2023 the Committee approved the following awards under the 2022 Plan. These have been included in this Directors' Remuneration Report since they, in part, relate to events occurring in 2022.

One-time closing award:

Executive Director	No. of RSUs	Value on Grant Date ¹	Vesting Period	Vesting Date
Rafael Museri	785,714	\$974,285	One year from the Company's listing date	27 October 2023
Daniel Rudasevski	785,714	\$974,285	One year from the Company's listing date	27 October 2023

¹ Based on a closing share price of \$1.24 on 15 May 2023, the date the award was approved.

One-time retention grant:

Executive Director	No. of RSUs	Value on Grant Date ¹	Vesting Period	Vesting Date
Rafael Museri	330,000	\$409,200	One year from the Company's listing date	27 October 2023
Daniel Rudasevski	330,000	\$409,200	One year from the Company's listing date	27 October 2023

¹ Based on a closing share price of \$1.24 on 15 May 2023, the date the award was approved.

Annual incentive award:

Executive Director	No. of RSUs / PSUs ¹	Value on Grant Date ²	Vesting Period ¹	Vesting Date
Rafael Museri	412,500 RSUs and 137,500 PSUs	\$682,000	One year from 1 April 2023	1 April 2024
Daniel Rudasevski	412,500 RSUs and 137,500 PSUs	\$682,000	One year from 1 April 2023	1 April 2024

¹ The initial award consists of an award of RSUs, representing 75% of the full award, and PSUs, representing 25% of the full award. This structure was approved on an exceptional basis in light of the awards being made during the Company's first year as a public company and uncertainty around the performance of the Company and market conditions. The performance conditions for the PSUs consist of a Free Cash Flow target and Unit Level Contribution Margin target, with each having a 50% weighting. The measurement period for the PSUs will be the 2023 financial year and the results will be based on the Company's audited consolidated financial statements for the relevant year. It is anticipated that future long term incentive awards will consist of a mix of RSUs and PSUs, with the RSUs and PSUs having three-year ratable vesting periods. The targets for the PSUs are considered to be commercially sensitive and will be disclosed in the Directors' Remuneration Report for the year in which the vesting of the awards is assessed.

² Based on a closing share price of \$1.24 on 15 May 2023, the date the award was approved, and assuming the performance conditions attached to the PSUs are satisfied in full.

Single total figure of remuneration for each non-executive Director (Audited)

Non-Executive Director*	Board / Committee Appointments ¹	2022 Fees	2022 Benefits	2022 Equity Awards ²	2022 Total
Alan Bowers ³	-	-	-	-	-
Catherine Dunleavy ⁴	Chair of AC	\$16,274	-	-	\$16,274
Eric Foss ⁴	Chair of Board and member of NC	\$32,910	-	-	\$32,910
Eileen Moore Johnson ⁴	Chair of CC and member of AC and NC	\$18,805	-	-	\$18,805
Richard Stoddart ⁴	Chair of NC and member of AC and CC	\$18,625	-	-	\$18,625
Adi Soffer Teeni ⁴	Member of CC	\$15,008	-	-	\$15,008

* This table only includes information on the non-executive Directors who served following the closing of the Business Combination and the listing of the Company on 27 October 2022.

¹ "AC" refers to the Audit Committee, "NC" refers to the Nominating and Corporate Governance Committee and "CC" refers to the Human Capital Management and Compensation Committee.

² The non-executive Directors did not receive any equity awards in 2022, but they did receive awards of RSUs in 2023 in respect of their first year of service as Directors. These will be reported in the Directors' Remuneration Report for 2023.

³ Mr. Bowers was appointed on 17 March 2023 and was not entitled to any compensation in 2022.

⁴ Director was appointed on 27 October 2022 and the fees include the base fees paid to each Director plus the premiums paid to him or her for additional responsibilities, such as a chair role and/or committee membership.

Payments to Past Directors (Audited)

There were no payments made to past Directors during the financial year ending 31 December 2022 and no such payments have been made in the period between 31 December 2022 and the date of this Directors' Remuneration Report.

Payments for Loss of Office (Audited)

There were no payments for loss of office made to past Directors during the financial year ending 31 December 2022 and no such payments have been made in the period between 31 December 2022 and the date of this Directors' Remuneration Report.

Statement of Directors' Shareholding and Share Interests (Audited)

A policy on Executive Directors' shareholding requirements is being introduced in the proposed Directors' Remuneration Policy. The table below details the total number of shares owned, (including any beneficial interests), the total number of share options held, the number of share options which have vested but which were not yet exercised and the total number of vested and unvested equity awards held, in each case as of 31 December 2022.

Director	Beneficial Shareholding	Options	Date of Grant	Exercise Price	Vested Options	Expiration Date	Other Equity Awards	Date of Grant	Vesting Date
Rafel Museri	29,010,484 ¹	470,860	21 August 2020	\$2.77	470,860 ²	21 August 2030	19,764 ³	5 August 2022	28 February 2023
Daniel Rudasevski	28,998,804 ¹	470,860	21 August 2020	\$2.77	470,860 ²	21 August 2030	11,858 ³	5 August 2022	28 February 2023
Alan Bowers ⁴	-	-	-	-	-	-	-	-	-
Catherine Dunleavy ⁴	-	-	-	-	-	-	-	-	-
Eric Foss ⁴	-	-	-	-	-	-	-	-	-
Eileen Moore Johnson ⁴	-	-	-	-	-	-	-	-	-
Richard Stoddart ⁴	-	-	-	-	-	-	-	-	-
Adi Soffer Teeni ^{4,5}	-	-	-	-	-	-	-	-	-

¹ The securities reflected herein for are comprised of (i) 14,991 vested RSUs held by Mr. Museri and 8,994 vested RSUs held by Mr. Rudasevski (after sales of shares to cover taxes); (ii) 470,860 vested options exercisable into ordinary shares of the Company; (iii) the following securities held by Kibbutz Holding S.a.r.l., a company in which Messrs. Museri and Rudasevski have a controlling interest and serve as directors ("Kibbutz"): (a) 1,278,261 ordinary share issuable upon the conversion of certain convertible notes issued by the Company, (b) 426,044 ordinary shares issuable upon the exercise of warrants, and (c) 3,645,179 ordinary shares held outright by Kibbutz; (iv) 15,491,847 ordinary shares held directly by Dekel Development Holding S.a.r.l., a wholly-owned subsidiary of Kibbutz ("Dekel"); (v) 7,674,211 ordinary shares held by Selina Growth Fund S.C.Sp., a fund in which Messrs. Museri and Rudasevski together control 50% of the voting interest in the general partner of the fund; and (vi) 9,091 shares held of record by Mr. Museri's wife and 3,408 shares held of record by Mr. Rudasevski's brother.

² No options were in-the-money as of 31 December 2022.

³ A total of 10,008 RSUs were granted to Mr. Museri and 6,005 RSUs were granted to Mr. Rudasevski in August 2022 in respect of 2021 bonus payments earned by them for total values of \$175,140 and \$105,088, respectively, at the time of grant. Upon completion of the Business Combination, those RSUs were subdivided such that Mr. Museri held 19,764 RSUs and Mr. Rudasevski held 11,858 RSUs, all of which vested on 28 February 2023 and were distributed to Messrs. Museri and Rudasevski in May 2023. The value of each award on the date of distribution was \$24,309 for Mr. Museri and \$14,585 for Mr. Rudasevski.

⁴ Equity incentive awards were granted to the non-executive Directors in May 2023 and will be disclosed in the Directors' Remuneration Report for 2023.

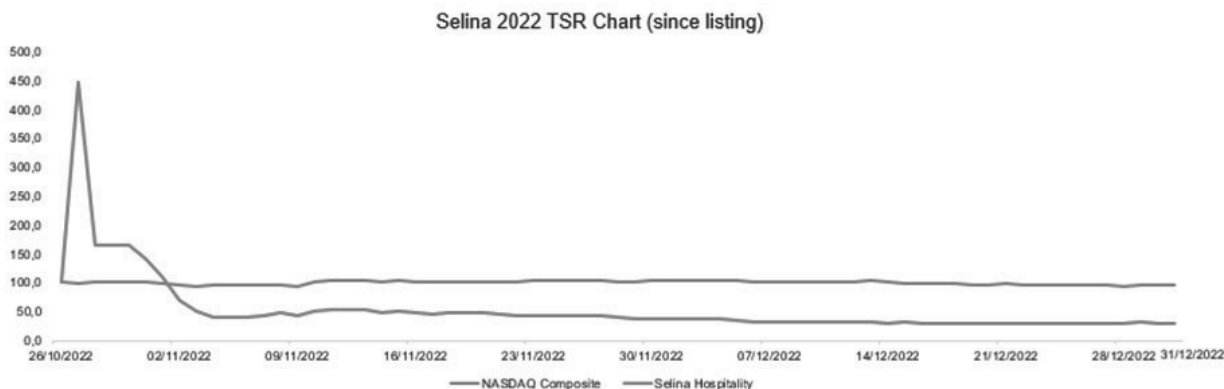
⁵ Ms. Teeni resigned as of 10 August 2023.

Total Shareholder Return

The Company listed on Nasdaq on 27 October 2022, which falls within the financial year covered by this Directors' Remuneration Report.

The chart below shows the total shareholder return of Company compared to the broad Nasdaq index constituents re-based to 100 to reflect the date of the Company’s admission to the financial year-end at 31 December 2022. The broad Nasdaq index was chosen in order to provide shareholders with a general view of relative share price performance for the limited period of time from the Company’s listing to year-end.

TSR Chart (from listing to 31 December 2022)



Return Index was rebased to 100.00 for Selina and the NASDAQ Composite group on Selina’s day prior to listing: 26 October 2022. Source: Refinitiv (Eikon)

Chief Executive Officer Pay Ratio

The average number of persons employed by the Group in the U.K. during 2022 was not more than 250 and therefore the Company is not disclosing CEO pay ratios for the year, but may elect to do so on a voluntary basis in the future or should the Company otherwise be required to disclose such pay ratios.

Chief Executive Officer Total Remuneration History

As 2022 is the first year reported since admission, it is not possible to provide meaningful comparative data for previous financial years. In future reports the Company will disclose remuneration history for 2022 onwards.

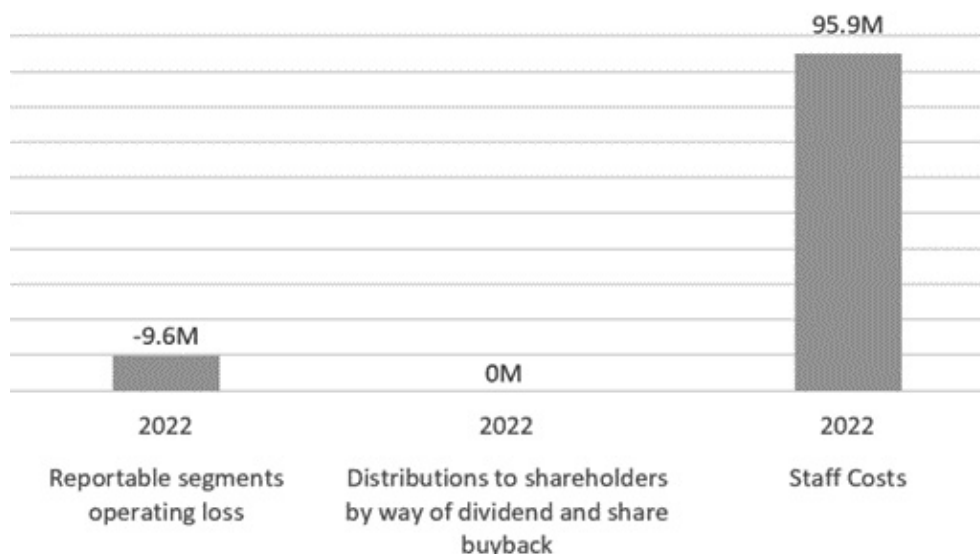
Annual Percentage Change in Remuneration of Directors and Employees

As noted above, because 2022 is the first year that the Company has prepared a Directors’ Remuneration Report, the remuneration history prior to 2022 has not been disclosed as it is not possible to provide meaningful comparative data. Therefore, the percentage change in remuneration of the Company’s Directors and the Company’s employees as a whole cannot be provided. Full disclosure of the percentage change as required from 2022 onwards will be provided in future Directors’ Remuneration Reports.

Relative Importance of Spend on Pay

The table below shows the expenditure on pay by the Company and its subsidiaries, in comparison to distributions to shareholders by way of dividend payments. As this is the first period reported on since the Company’s listing on Nasdaq, it is not possible to provide meaningful comparative data. However, full disclosure of the year-over-year movement will be provided in future Directors’ Remuneration Reports.

Relative importance of spend on pay



Note: absolute values in USD

External Advice

The Committee has not formally appointed advisers to the Committee. Over the course of 2022 the Committee and management received advice and market data from Mercer in respect of pre and post-listing remuneration related issues. The Committee is satisfied that there were no conflicts of interest and that the advice received was both independent and objective. During 2022, fees of \$227,133 were paid to Mercer based on a time and expense basis.

Proposed Application of the Policy for the Year Ending 31 December 2023

Since this is the first year of the first Remuneration Policy, there will be no deviations from the implementation of the Policy over 2023.

The Committee intends to review the remuneration packages for the Executive Directors and non-executive Directors during the course of the 2023 financial year.

Statement of Shareholder Voting

The Policy will be proposed for approval by the Company's shareholders at the forthcoming AGM in September 2023 and will remain in force for three years from that date (until the AGM in 2026), or until a revised Remuneration Policy is put forward for approval by shareholders before the three years.

As this is the first year of the first Remuneration Policy, there is no information regarding previous shareholder votes to disclose.

This report was approved by the Board and signed on its behalf,

DocuSigned by:

Eileen Moore

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Director and Chair of the Human Capital Management and Compensation Committee

Date: 11 September 2023

Independent auditor's report to the members of Selina Hospitality PLC

For the purpose of this report, the terms “we” and “our” denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Selina Hospitality PLC. For the purposes of the table on pages 52 to 57 that sets out the key audit matters and how our audit addressed the key audit matters, the terms “we” and “our” refer to MHA. The Group financial statements, as defined below, consolidate the accounts of Selina Hospitality PLC and its subsidiaries (the “Group”). The “Parent Company” is defined as Selina Hospitality PLC, as an individual entity. The relevant legislation governing the Company is the United Kingdom Companies Act 2006 (“Companies Act 2006”).

Opinion

We have audited the financial statements of Selina Hospitality PLC for the year ended 31 December 2022.

The financial statements that we have audited comprise:

- the Consolidated Statement of Profit or Loss
- the Consolidated Statement of Comprehensive Income or Loss
- the Consolidated Statement of Financial Position
- the Parent Company Statement of Financial Position
- the Consolidated Statement of Changes in Equity
- the Parent Company Statement of Changes in Equity
- the Consolidated Statement of Cash Flows
- the Parent Company Statement of Cash Flows and
- Notes 1 to 33 to the consolidated and company financial statements, including significant accounting policies

The financial reporting framework that has been applied in the preparation of the group and parent company's financial statements is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; 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 under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2b in the financial statements which outlines the Company's going concern position. The financial statements indicate the Group incurred a net loss of \$198,802 thousand during the year ended 31 December 2022 and as of that date, the company had net current liabilities of \$112,231 thousand. The Group has historically experienced significant recurring losses, working capital deficit and faces substantial operating commitments. The ability to operate and meet such commitments is heavily reliant on fundraising, which is not guaranteed. As stated in note 2b, these events and conditions, along with the other matters as set forth in note 2b, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- The consideration of inherent risks to the Group’s and the Parent Company’s operations and specifically their business model.
- The evaluation of how those risks might impact on the available financial resources.
- Where additional resources may be required, the reasonableness and practicality of the assumptions made by the Directors when assessing the probability and likelihood of those resources becoming available.
- Liquidity considerations including examination of cash flow projections at Group level. Review of mathematical accuracy of the cashflow forecast model prepared by management and corroboration of key data inputs to supporting documentation for consistency of assumptions used with our knowledge obtained during the audit.
- Viability assessments at Group level, including consideration of reserve levels and business plans. Challenging management for reasonableness of assumptions in these forecasts and business plans.
- Holding discussions with management and completing reviews of any events after the reporting period to identify if these may impact on the Group and the Parent Company’s ability to continue as a going concern.
- Evaluating the accuracy of historical forecasts against actual results to ascertain the accuracy of management’s forecasts.
- Holding enquiries with internal and external legal counsel to assess the impact of any open litigation at the reporting period and subsequent to the year end.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of our audit approach

Scope	<p>Our audit was scoped by obtaining an understanding of the Group, including the Parent Company, and its environment, including the Group’s system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.</p> <p>We, and our component auditors acting on specific group instructions, undertook full scope audits on the complete financial information of 4 components, specified audit procedures on particular aspects and balances on another 21 components and analytical procedures were undertaken on the remaining 14 components. Components relate to subgroups based on jurisdiction and corporate entities.</p>
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Materiality	2022	2021	
Group	\$3,218,860	\$3,606,350	2022: 1.75% of revenue in the current year 2021: 5% of loss from operating activity before impairment, government grants, and Covid concessions.
Parent Company	\$3,218,859	\$3,606,349	1% of gross assets is the benchmark applied in both 2022 and 2021 but as this is higher than group materiality, the parent materiality is capped at \$1 below group materiality noted above.

Group key audit matters	
Recurring	<ol style="list-style-type: none"> 1. Revenue recognition 2. Management override of controls 3. Accounting for leases in accordance with IFRS 16 4. Impairment of assets (also a Parent Company key audit matter) 5. Accounting and recognition of share based payments 6. Accounting for debt modifications and valuation of debt, warrants and embedded derivatives 7. Tax provisions
Event driven	<ol style="list-style-type: none"> 1. De-SPAC accounting

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those matters which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section we have determined the matters described below to be the key audit matters to be communicated in our report.

Recurring:

Revenue recognition	
Key audit matter description	<p>Across the Group there are a number of different income streams that can be broken down into different components for financial reporting purposes. The main income streams are as follows:</p> <ul style="list-style-type: none"> • Rooms revenue • Food and beverage revenue • T&T Guided Tours revenue • Co-work and other revenue <p>In accordance with ISA (UK) 240 there is a presumed risk of fraud within revenue recognition and due to the high volume of transactions, including cash, this is considered a key risk for an entity like Selina.</p>
How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <ol style="list-style-type: none"> 1. Completed a walkthrough of each of the key revenue streams from start to finish, documenting details of the current internal processes, systems and controls where existent. 2. Test of manual journal entries to revenue which relates to a reconciliation between the revenue recognition software and accounting software. 3. Substantive tests of detail carried out over revenue transactions which involved picking samples from the initial point of sale and tracing to the appropriate supporting documentation.
Key observations	<p>Control weaknesses were identified from our walkthroughs which meant these could not be tested and relied upon for efficiencies of testing. Obtaining the right documentation in multiple jurisdictions took an extensive period of time and in some circumstances resulted in alternative procedures and extension of samples. However, we consider the impact from our sampling results to be immaterial to the audit.</p>

Management override of controls	
Key audit matter description	<p>In accordance with ISA 240 (UK) management override is presumed to be a significant risk.</p> <p>The ability to override controls puts management in a unique position to perpetrate or conceal the effects of fraud. This may take a number of forms such as falsifying accounting entries in order to conceal misappropriation of assets or other manipulation of accounting entries intended to result in the production of financial statements which give a misleading view of the entity's financial position or performance.</p> <p>The Group has a high level of manual processes and there has been instances historically of overriding inbuilt software controls. Lack of existing and consistent application of controls in our system reviews meant we did not and were not able to place any reliance on controls as part of our audit process.</p>
How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <ol style="list-style-type: none"> 1. Review of manual journal entries by all components selected in the audit process – both full scope and specified procedures. 2. Performed fraud enquiries with accounting and non-accounting personnel. 3. Evaluating the business rationale of significant transactions outside the normal course of business and reviewing the reasonableness of accounting estimates for bias. 4. Evaluated the design and implementation of internal controls of the Group, including the Parent Company, which are relevant to our audit, such as those relating to the financial reporting cycle.
Key observations	<p>Despite new processes introduced during the period for journal entry approval processes, the engagement team identified control weaknesses in the consistency in application of these. However, alternative and enhanced reviews were carried out to ensure sufficient coverage and as a result, we consider the impact from our review to be immaterial to the audit and the risk related to this Key Audit Matter reduced to an acceptable level.</p>

Accounting for leases in accordance with IFRS 16	
Key audit matter description	<p>Included within the financial statements of Selina Hospitality PLC are several right of use assets and corresponding lease liabilities.</p> <p>Due to Selina's business model of entering into leases, there are typically a large number of related lease agreements in place, in numerous languages and these are also modified from time to time.</p> <p>Issues have been encountered in previous years surrounding verification of inputs within the IFRS 16 workbook, as well as agreeing the mathematical accuracy of the calculation.</p>

How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <ol style="list-style-type: none"> 1. Obtaining and inspecting new and modified lease agreements entered into during the year. 2. Tested management's IFRS 16 calculations and the significant assumptions therein, including the reasonableness of incremental borrowing rates. 3. The engagement team also assessed the mathematical accuracy of such calculations, including the depreciation of the Company's right-of-use assets and lease liabilities. 4. The engagement team utilized an internal valuation specialist to test the reasonableness of the calculations of significant inputs (i.e. incremental borrowing rate and WACC). 5. Test covering the migration on a sample basis from the previous Excel calculation to Netlease.
Key observations	<p>During our review, we noted that a number of modifications were processed that are not formally documented and assumptions for cost reductions not yet agreed were processed in amortisation schedules. The engagement team also observed that Netlease functionalities are not being used fully, nor effectively and inputs can be overridden so IT control reliance on this system was not possible. Our procedures noted above have enabled the engagement team to conclude the impact of these observations have been addressed appropriately to reduce the risk of misstatement to an acceptable level.</p>

Impairment of assets	
Key audit matter description	<p>The Parent Company holds various investments in subsidiaries and the Group entities have a significantly high number of Right of use assets and Property, equipment and furniture assets that have previously resulted in the recognition of impairments. The prior year gross asset position for Selina Hospitality PLC (group) exceeded \$476m, with the company balance sheet exceeding \$638m.</p> <p>There is the risk that such assets are overstated and exceed their recoverable amount.</p> <p>In respect of the Parent Company standalone financial statements, investments in subsidiaries and receivables held may not be recoverable as this assessment is typically based on how well the underlying entities are performing.</p>

How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <ol style="list-style-type: none"> 1. We obtained an understanding of the design of controls over management’s impairment assessment evaluation, including management’s review controls over financial projections and approval of reasonableness of key assumptions and inputs to the analysis, such as growth rates and weighted-average cost of capital (WACC), along with key performance indicators such as revenue projections. 2. With the assistance of an auditor-employed valuation specialist, we performed procedures on management’s process for determining the WACC. 3. The engagement team evaluated the reasonableness of management’s forecasts of future revenue by comparing this forecast to historical operating results, and whether such assumptions were consistent with evidence obtained in other areas of the audit. The engagement team also compared forecasts to industry published expectations. 4. We tested the mathematical accuracy and completeness of the impairment calculation. 5. In relation to the parent company standalone, we reviewed management’s assessment of impairment which involved cross referencing the discounted cash flow models prepared as part of the Group audit as an indication of recoverability of investments or intercompany debtors as appropriate.
Key observations	No material issues have been identified from the audit procedures carried out on impairment of assets.

Accounting and recognition of share based payments	
Key audit matter description	<p>The group has a number of schemes in place to incentivise both employees and advisors in committing and growing with the Selina brand.</p> <p>Share based payments are typically complex transactions which involve a number of subjective inputs and an element of estimation which results in a risk of management bias. Valuation models are also technically complex and can be very sensitive in terms of inputs. In addition, with such transactions impacting the equity reserve, this is typically very sensitive with shareholders due to dilution of shares and, more so as a result now of the listing, there is also a qualitative risk in terms of disclosure.</p>

How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <ol style="list-style-type: none"> 1. Review of the share based plans in place in the period for key terms to ensure management calculations are consistent with this and the requirements of IFRS 2. 2. Tested a number of new grants issued in the year on a sample basis by vouching to source documentation including grant letters. 3. Reviewed the overall mathematical accuracy of the workbook prepared. 4. Carried out additional checks to ensure opening balances of grants and any changes to existing grants, such as leavers and exercises, are appropriately accounted for. 5. Enlist the assistance of internal Baker Tilly valuation specialists to assist with the review of various inputs within the Black Scholes model such as stock price and volatility at the grant date. 6. Review the financial statements note in relation to this area against the disclosure requirements of IFRS 2.
Key observations	<p>We identified an error that was subsequently corrected in relation to grant date recognition. Our procedures noted above have enabled the engagement team to conclude the impact of these observations have been addressed appropriately to reduce the risk of misstatement to an acceptable level.</p>

Accounting for debt modifications and valuation of debt, warrants and embedded derivatives	
Key audit matter description	<p>The Selina Group has entered into a number of complex debt transactions over the years including convertible debt with various embedded derivatives and warrants attached. These arrangements have also been modified. Generally, this area is technically complex and is based on various inputs and assumptions such as probability scenarios and establishing an equity value. The arrangements also typically have a number of potential outcomes based on certain criteria being met so this again requires management judgement, increasing the potential risk of bias or error. Due to the complexity and legalities of these arrangements, there is also a risk is that the full terms of the agreement have not been appropriately considered in accordance with IFRS 9 and therefore these transactions are materially misstated.</p>
How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <ol style="list-style-type: none"> 1. Obtaining an understanding of the design of controls over management's evaluation, including management's review controls over the accounting and approval of reasonableness of key assumptions and inputs to the fair value determination of the outstanding convertible debt, warrants and embedded derivatives. 2. Inspection of agreements as well as holding inquires with internal legal counsel to ensure the appropriate accounting for the transactions. 3. Utilisation of an internal valuation specialist to test reasonableness of the calculations of the fair value of convertible debt, warrants and embedded derivatives.
Key observations	<p>No material issues have been identified from the audit procedures carried out on debt modifications and valuation of debt, warrants and embedded derivatives.</p>

Tax provisions	
Key audit matter description	<p>The main risk surrounding tax provisions is any unrealised tax profits. This arises as the Group do not have an established transfer pricing arrangement to cover transactions such as interest charged on intercompany loans.</p> <p>As Selina operate in numerous jurisdictions, a further risk is ensuring the Group are keeping on track of any regulatory requirements as appropriate. Determining the figures for areas such as operating losses carried forward and the ability to utilise losses has been difficult in previous years due to a lack of internal tax expertise in establishing accurate tax calculations.</p>
How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <ol style="list-style-type: none"> 1.Performing substantive tests of details over the income tax provision confirming that local tax regulations were considered within the calculation. 2.Enlisting tax specialists in the review of management assumptions to ensure these are appropriate.
Key observations	<p>We identified an immaterial exposure in relation to VAT costs reclaimed due to a lack of application of applicable reverse charge procedures. Lack of an internal tax function makes it difficult for the Group to assess overall tax exposure and position. Our procedures noted above have enabled the engagement team to conclude the impact of these observations have been addressed appropriately to reduce the risk of misstatement to an acceptable level.</p>

Event driven:

De-SPAC accounting	
Key audit matter description	<p>In October 2022, Selina completed a merger with BOA with BOA surviving the business combination as a wholly owned subsidiary of Selina. The determination of the legal acquirer, accounting acquirer, and overall presentation of the financial statements following the business combination involves significant management judgment and is a complex technical analysis.</p>
How the scope of our audit responded to the key audit matter	<p>Our audit work included but was not restricted to the following:</p> <p>The engagement team obtained an understanding of the design of controls over management’s evaluation, including management’s review controls over the accounting and approval of reasonableness of key assumptions and inputs to the DeSPAC transaction.</p> <p>The engagement team obtained and inspected agreements as well as inquired with internal legal counsel to ensure the appropriate accounting and valuation for the transactions.</p> <p>The engagement team utilised an internal valuation specialist to test the reasonableness of the calculations of the fair value of convertible debt, warrants and embedded derivatives which were a part of the DeSPAC transaction.</p>
Key observations	<p>No material issues have been identified from the audit procedures carried out on De-SPAC accounting.</p>

Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Parent Company financial statements
Overall materiality	\$3,218,860 (2021: \$3,606,350)	\$2,318,859 (2021: \$3,606,349)
How we determined it	1.75% of the Group's revenue (2021: 5% of loss from operating activity before impairment, government grants, and Covid concessions)	1% (2021: 1%) of the Parent Company's gross assets, capped at \$1 below group materiality
Performance materiality	\$1,931,316 (2021: \$2,163,810)	\$1,931,315 (2021: \$2,163,809)
How we determined it	60% of overall materiality (2021: 60%)	60% of overall materiality (2021: 60%)

Rationale for benchmarks applied:

- Group:* Revenue was deemed to be the appropriate benchmark for the calculation of materiality as upon review of board and investor presentations, revenue related indicators are stated which are driven by key metrics such as occupancy, average daily open beds and total daily revenue per occupied bed. Whilst Selina are in the growth phase and have undertaken during and subsequent to the COVID-19 pandemic steps to minimise costs, revenue is now the key driver for operations and generation of a breakeven point or positive EBITDA. Revenue related metrics are also the benchmark used in the industry to compare performance with competitors. In our opinion this is therefore the benchmark with which the users of the financial statements are principally concerned.

In the previous year, Selina's operations were significantly impacted by COVID-19 so the business plan was adapted to focus on cost control to minimise fixed costs where high occupancy levels could not be achieved as a result of travel restrictions.

- Parent Company:* Gross assets was selected on the basis the parent company is a holding company with its purpose of existing to facilitate investments in subsidiaries and financing via intercompany transactions. In our opinion this is therefore the benchmark with which the users of the financial statements are principally concerned.

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

We agreed to report any corrected or uncorrected adjustments exceeding \$160,943 in respect of the Group and Parent Company to the Audit Committee as well as differences below this threshold that in our view warranted reporting on qualitative grounds. We also report to management on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Overview of the scope of the Group and Parent Company audits

Our assessment of audit risk, evaluation of materiality and our determination of performance materiality sets our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements. This assessment takes into account the size, risk profile, organisation / distribution and effectiveness of group-wide controls, changes in the business environment and other factors such as recent internal audit results when assessing the level of work to be performed at each component.

In assessing the risk of material misstatement to the consolidated financial statements, and to ensure we had adequate quantitative and qualitative coverage of significant accounts in the consolidated financial statements, Key Audit Matters (as

addressed above) were reviewed by the group auditors. Other areas in addition to the above that were covered by the group auditors include:

1. Gain on net monetary position
2. Assets held for sale
3. Non-current financial assets
4. Provisions, contingencies and commitments

Where each component had a material balance excluding the areas above, we requested audit testing to be carried out:

1. Components covered by the Group engagement team:
 - a. Australia
 - b. Austria
 - c. Germany
 - d. Greece
 - e. Morocco
 - f. United Kingdom
 - g. Selina Management Company UK Ltd
 - h. Selina Operation One (1) S.A.
 - i. Colombia
 - j. Costa Rica
 - k. Panama
 - l. Selina Management Panama, S.A.
 - m. Peru
 - n. United States
 - o. Real Estate
 - p. Selina Global Services Spain SL
 - q. Selina Ventures Holding Ltd
 - r. Selina Hospitality PLC (Parent Company)
2. Components covered by component auditors:
 - a. Argentina
 - b. Brazil
 - c. Ecuador
 - d. Israel
 - e. Selina Services Israel Ltd
 - f. Mexico
 - g. Portugal

The group audit team was involved in the audit work performed by the component auditors across various international jurisdictions through a combination of group planning meetings and calls, provision of group instructions, review and challenge of related component interoffice reporting and of findings from their working papers and weekly interaction on audit and accounting matters which arose. For the year 2022 audit, the group audit team intensified the interaction with local teams to review and direct the audit approach taken in respect of significant and a number of other relevant risks of material misstatement, including assessing sample sizes and testing approach, as well as the appropriateness of conclusions and consistency between reported findings and work performed.

Reporting on other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Strategic report and directors report

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Directors' remuneration report

Those aspects of the directors' remuneration report which are required to be audited have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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 by branches not visited by us; or
- the parent company 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
- the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent 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 the directors either intend to liquidate the Group or Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 these financial statements.

A further description of our responsibilities for the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Identifying and assessing potential risks arising from irregularities, including fraud

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Group's, including the Parent Company's, own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Group focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, UK tax legislation or those that had a fundamental effect on the operations of the Group.
- We enquired of the directors and management concerning the Group's and the Parent Company's policies and procedures relating to:
 - identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce costs, creating fictitious transactions to hide losses or to improve financial performance, and management bias in accounting estimates.

Audit response to risks identified

In respect of the above procedures:

- we corroborated the results of our enquiries through our review of the minutes of the Group's and the Parent Company's board, audit and compensation committee meetings, inspection of legal documents and cases;
- audit procedures performed by the engagement team in connection with the risks identified included:
 - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements.
 - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations;
 - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
 - enquiry of management and legal advisors around actual and potential litigation and claims; and
 - challenging the assumptions and judgements made by management in its significant accounting estimates.
- the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities; and
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members, including experts and the component auditors and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Rajeev Shaunak FCA (Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date:

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS

U.S. Dollars in thousands

	Note	Year ended December 31,		
		2022	2021	2020
Revenue				
Rooms		108,602	51,335	22,797
Food & beverage		50,192	31,361	9,939
Other, net		25,141	10,041	2,425
Total revenue		183,935	92,737	35,161
Costs and expenses				
Cost of sales		(25,370)	(11,311)	(3,762)
Payroll and employee expenses	7	(95,870)	(57,162)	(40,869)
Insurance, utilities and other property maintenance costs		(45,945)	(31,480)	(11,928)
Legal, marketing, IT and other operating expenses		(49,556)	(33,676)	(26,142)
Depreciation and amortization		(32,964)	(31,235)	(21,612)
Impairment losses, reversals and write-off of non-current assets		(12,695)	(11,153)	(19,731)
Government grants		1,739	2,099	1,437
Income from COVID-related concessions		—	—	2,854
Total cost and expenses		(260,662)	(173,918)	(119,753)
Loss from operations activity				
Finance income	6	75,021	90	8,726
Finance costs	6	(123,251)	(99,463)	(66,837)
Share listing expense	14	(74,426)	—	—
Gain on net monetary position	8	3,178	1,725	2,256
Share of profit / (loss) in associates	30	84	62	(42)
Other non-operating income / (expense), net		2,480	(661)	—
Loss before income taxes				
Income tax expense	9	(4,442)	(2,844)	(2,265)
Net loss				
Loss attributable to:				
Equity holders of the parent		(197,107)	(180,901)	(141,550)
Non-controlling interest		(976)	(1,371)	(1,204)
Earnings per share				
Basic and diluted, loss for the year attributable to equity holders of the parent	10	\$ (3.73)	\$ (4.21)	\$ (3.32)

The accompanying notes are an integral part of the consolidated financial statements.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OR LOSS

U.S. Dollars in thousands

	Year ended December 31,		
	2022	2021	2020
Net loss	(198,082)	(182,272)	(142,754)
Other comprehensive (loss) income			
<i>Items that will or may be reclassified to profit and loss</i>			
Exchange gains (losses) on foreign currency translation	(5,916)	2,058	(1,713)
<i>Items that will not be reclassified to profit and loss</i>			
Gains (losses) attributable to changes in the credit risk of convertible notes	(552)	—	—
Total comprehensive loss	(204,550)	(180,214)	(144,467)
Attributable to:			
Equity holders of the parent	(203,574)	(178,843)	(143,263)
Non-controlling interest	(976)	(1,371)	(1,204)

The accompanying notes are an integral part of the consolidated financial statements.

All amounts relate to continuing operations, and there were no gains or losses for 2022, 2021 or 2020, other than those included in the Statement of Comprehensive Income.

The accompanying notes are an integral part of the consolidated financial statements.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

U.S. Dollars in thousands

ASSETS	Note	At December 31,	
		2022	2021
Current assets			
Cash and cash equivalents		47,689	21,943
Trade and other receivables	16	10,543	10,527
Inventory	15	2,286	1,278
Assets held for sale	17	2,500	2,500
Other assets	17	16,681	10,119
Total current assets		79,699	46,367
Non-currents assets			
Property, equipment and furniture	11	111,330	96,450
Right of use assets	12	420,800	311,637
Intangible assets	13	6,424	4,962
Goodwill	13,14	548	622
Trade and other receivables	16	1,671	1,925
Investment in associates and joint ventures	30	3,336	887
Non-current financial assets	18	3,149	3,156
Security deposits		10,910	9,773
Other assets		424	822
Total non-current assets		558,592	430,234
Total assets		638,291	476,601
LIABILITIES AND EQUITY			
Current liabilities			
Trade payables and other liabilities	19	(81,526)	(50,066)
Loans payable	20	(37,678)	(19,458)
Convertible notes	21	(7,914)	—
Lease liabilities	12	(59,115)	(45,660)
Derivative financial liabilities	20,21,30	(1,216)	(76,906)
Warrants	21	(1,481)	(21,975)
Total current liabilities		(188,930)	(214,065)
Non-currents liabilities			
Loans payable, net of current portion	20	(97,996)	(129,714)
Convertible notes, net of current portion	21	(39,182)	(97,316)
Lease liabilities, net of current portion	12	(469,745)	(348,972)
Accounts payable to related parties	27	—	(3,472)
Deferred tax liability	9	(329)	(373)
Employee payables		(6,852)	(6,068)
Total non-current liabilities		(614,104)	(585,915)
Total liabilities		(803,034)	(799,980)
Equity			
Common stock	23	(488)	(236)
Additional paid-in capital	24	(488,784)	(191,113)
Merger reserve	24	(74,426)	—
Currency translation adjustment		1,452	(4,464)
Other reserves		552	—
Accumulated deficit		725,248	518,979
Total equity		163,554	323,166
Non-controlling interest		1,189	213
Total liabilities and equity		(638,291)	(476,601)

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

U.S. Dollars in thousands

The accompanying notes are an integral part of the consolidated financial statements.
The financial statements were approved by the Board of Directors and authorised for issue and were signed on its behalf
by:

DocuSigned by:

Rafael Museri

D6AB956DB5B54EA...

Director

Date: 11 September 2023

The accompanying notes are an integral part of the consolidated financial statements.

DIARIES
PARENT COMPANY STATEMENT OF FINANCIAL POSITION
Company Registration Number 13931732

U.S. Dollars in thousands

ASSETS	Note	At December 31, 2022	At December 31, 2021
Current assets			
Cash		25,732	4,441
Accounts receivable		—	—
Prepaid expenses		2,325	27
Total current assets		28,057	4,468
Non-currents assets			
Accounts receivable from related parties and subsidiaries	27	486,242	410,725
Investment in subsidiaries	29	84,070	44,419
Total non-current assets		570,312	455,144
Total assets		598,369	459,612
LIABILITIES AND EQUITY			
Current liabilities			
Loans payable	20	(2,756)	(660)
Convertible notes	21	(7,914)	—
Accrued expenses and other liabilities	19	(19,933)	(7,396)
Derivative liabilities	21	—	(68,662)
Warrants	21	(1,481)	(21,975)
Total current liabilities		(32,084)	(98,693)
Non-currents liabilities			
Loans payable, net of current portion	20	(1,464)	(41,121)
Convertible notes, net of current portion	21	(39,182)	(86,714)
Accounts payable to related parties and subsidiaries	27	(152,939)	(150,279)
Total non-current liabilities		(193,585)	(278,114)
Total liabilities		(225,669)	(376,807)
Equity			
Common stock	23	(488)	(236)
Additional paid-in capital	24	(460,705)	(162,801)
Merger reserve	24	(74,426)	—
Other reserves		549	—
Retained earnings brought forward		80,233	32,550
Loss for the period		82,137	47,682
Retained earnings carried forward		162,370	80,232
Total equity		(372,700)	(82,805)
Total liabilities and equity		(598,369)	(459,612)

DIARIES

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

Company Registration Number 13931732

The financial statements were approved by the Board of Directors and authorised for issue and were signed on its behalf

by DocuSigned by:
Rafael Museri

R: D6AB956DB5B54EA...

Director

Date: 11 September 2023

The accompanying notes are an integral part of the parent company financial statements.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
U.S. Dollars in thousands

	Common shares	Additional paid in capital	Merger reserve	Currency translation adjustment	Other Reserves	Accumulated deficit	Shareholders' equity	Non-controlling interest
Balance at December 31, 2019	229	184,498	—	4,119	—	(197,405)	(8,559)	1,528
Net loss for the period	—	—	—	—	—	(141,550)	(141,550)	(1,204)
Other comprehensive income for the period	—	—	—	(1,713)	—	—	(1,713)	—
Total comprehensive income for the period	—	—	—	(1,713)	—	(141,550)	(143,263)	(1,204)
Equity contributions	—	—	—	—	—	—	—	631
Share-based compensation expense	—	1,340	—	—	—	—	1,340	—
Shares issued in connection with business combinations (see Note 14)	—	366	—	—	—	—	366	—
Balance at December 31, 2020	229	186,204	—	2,406	—	(338,955)	(150,116)	955
Net loss for the period	—	—	—	—	—	(180,901)	(180,901)	(1,371)
Other comprehensive income for the period	—	—	—	2,058	—	—	2,058	—
Total comprehensive income for the period	—	—	—	2,058	—	(180,901)	(178,843)	(1,371)
Issuance of shares	7	82	—	—	—	—	89	—
Share-based compensation expense	—	2,817	—	—	—	—	2,817	—
Value of conversion rights on investors fund	—	1,926	—	—	—	—	1,926	—
Exercises of share options	—	84	—	—	—	—	84	—
Business combinations (see Note 14)	—	—	—	—	—	877	877	203
Balance at December 31, 2021	236	191,113	—	4,464	—	(518,979)	(323,166)	(213)
Net loss for the period	—	—	—	—	—	(197,107)	(197,107)	(976)
Other comprehensive income for the period	—	—	—	(5,916)	(552)	—	(6,467)	—
Total comprehensive income for the period	—	—	—	(5,916)	(552)	(197,107)	(203,574)	(976)
Issuance of shares	—	307,766	—	—	—	—	307,766	—
Share-based compensation expense	—	2,021	—	—	—	—	2,021	—
Allocation to common stock	252	—	—	—	—	—	252	—
Exercises of share options	—	118	—	—	—	—	118	—
Cost of equity raise	—	(12,234)	—	—	—	—	(12,234)	—
Share listing expense (see Note 14)	—	—	74,426	—	—	—	74,426	—
Business combinations (see Note 14)	—	—	—	—	—	(9,163)	(9,163)	—
Balance at December 31, 2022	488	488,784	74,426	(1,452)	(552)	(725,249)	(163,554)	(1,189)

The accompanying notes are an integral part of the consolidated financial statements.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES
PARENT COMPANY STATEMENT OF CHANGES IN EQUITY
U.S. Dollars in thousands

	Common shares	Additional paid in capital	Merger reserve	Other reserves	Deficit	Total equity
Balance at 31 December 2019	229	156,187	—	—	(9,968)	146,448
Issuance of shares related to acquisition (see Note 14)	—	366	—	—	—	366
Share compensation expense (see Note 28)	—	1,340	—	—	—	1,340
Net loss for the period	—	—	—	—	(22,582)	(22,582)
Balance at 31 December 2020	229	157,892	—	—	(32,550)	125,571
Issuance of shares (see Note 24)	7	82	—	—	—	89
Share compensation expense (see Note 28)	—	2,817	—	—	—	2,817
Exercises of share options (see Note 28)	—	84	—	—	—	84
Value of conversion rights on investors fund	—	1,926	—	—	—	1,926
Net loss for the period	—	—	—	—	(47,682)	(47,682)
Balance at 31 December 2021	236	162,801	—	—	(80,232)	82,805
Issuance of shares (see Note 24)	252	307,999	—	—	—	308,251
Share listing expense (see Note 24)	—	—	74,426	—	—	74,426
Costs of equity raise	—	(12,234)	—	—	—	(12,234)
Share-based compensation expense (see Note 28)	—	2,021	—	—	—	2,021
Net loss for the period	—	—	—	—	(82,138)	(82,138)
Other comprehensive income for the period	—	—	—	(549)	—	(549)
Exercises of share options (see Note 28)	—	—	—	—	—	—
Balance at 31 December 2022	488	460,705	74,426	(549)	(162,370)	372,700

The accompanying notes are an integral part of the parent company financial statements.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

U.S. Dollars in thousands

	Note	Year ended December 31,		
		2022	2021	2020
Cash flow from operating activities:				
Loss for the year		(198,082)	(182,272)	(142,754)
Adjustments to reconcile net loss to operating cash flows:				
Depreciation and amortization expense		32,964	31,235	21,612
Share-based compensation expense	28	5,549	5,194	2,397
Share of profit / (loss) in associates	30	(84)	(62)	42
Impairment and write off of non-current assets		12,695	11,153	19,731
Gain on net monetary position	8	(3,178)	(1,725)	(2,256)
Finance costs	6	123,251	99,463	66,837
Finance income	6	(75,021)	(90)	(8,726)
Share listing expense	14	74,426	—	—
Income from COVID-related rent concessions	12	—	—	(2,854)
Income tax expense charged	9	4,442	2,844	2,265
Changes in working capital				
Trade and other receivables		(265)	(4,662)	1,107
Inventory		(1,008)	71	(125)
Trade payables and other liabilities		6,882	5,723	3,074
Other assets		(5,600)	2,391	(1,466)
Taxes paid		(583)	—	—
Net cash used in operating activities		(23,611)	(30,737)	(41,116)
Cash flow from investing activities:				
Investments in financial assets		(352)	(39)	(240)
Purchases of property, equipment and furniture	11	(26,689)	(14,421)	(16,376)
Security deposits (paid) / returned		(1,137)	561	551
Purchases of intangible assets		(2,663)	(2,298)	(1,527)
Proceeds from sales of property, equipment and furniture		404	3,760	437
Acquisition of business, net of cash acquired	14	—	312	—
Net cash used in investing activities		(30,437)	(12,125)	(17,155)
Cash flow from financing activities:				
Proceeds from loans		66,737	43,005	21,903
Convertible note proceeds	21	82,000	44,350	59,650
Repayment of loans		(46,716)	(5,424)	(5,949)
Interest paid		(17,364)	(6,018)	(3,255)
Repayment of lease liabilities	12	(44,377)	(24,764)	(15,907)
Exercises of share options		118	84	—
Costs of equity raise		(7,470)	—	—
Capital contributions		44,450	—	631
Proceeds from issuing equity instruments (DeSPAC)	14	6,500	—	—
Net cash provided by financing activities		83,878	51,233	57,073
Effect of changes in exchange rates on cash & cash equivalents		(4,084)	—	—
Change in cash and cash equivalents during the year		25,746	8,371	(1,198)
Cash and cash equivalents at start of year		21,943	13,572	14,770
Cash and cash equivalents at end of year		47,689	21,943	13,572
Non-cash transactions: See Notes 14, 20 and 21				

The Group had no bank overdraft as at 31 December 2022, 2021 and 2020. Cash and cash equivalents comprised cash balances held at banks and at locations. The accompanying notes are an integral part of the consolidated financial statements.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

PARENT COMPANY STATEMENT OF CASH FLOWS

U.S. Dollars in thousands

	2022	2021	2020
Cash flow from operating activities:			
Loss for the year	(82,137)	(47,682)	(22,582)
Items not involving cash:			
Impairment and write off of non-current assets	8,174	—	—
Share-based compensation expense (see Note 28)	—	2	96
Finance expense / (income), net	(13,478)	42,106	20,141
Share listing expense	74,426	—	—
Changes in working capital			
Accounts receivable	—	10	320
Current liabilities	7,480	2,985	1,813
Prepayments	(2,297)	2	(21)
Net cash used in operating activities	(7,832)	(2,577)	(233)
Cash flow from investing activities:			
Loans to related parties	(75,767)	(54,154)	(80,150)
Investments in subsidiaries and associates (see Note 29)	(6,437)	(3,374)	—
Net cash used in investing activities	(82,204)	(57,528)	(80,150)
Cash flow from financing activities:			
Loans received	103,969	54,350	55,293
Loans from related parties	2,116	4,063	29,168
Repayment of loans	(24,639)	(97)	(269)
Interest paid	(6,165)	(1,148)	(662)
Capital contributions	43,105	—	—
Costs of equity raise	(7,177)	—	—
Option exercises	118	84	—
Net cash provided by financing activities	111,327	57,252	83,530
Change in cash and cash equivalents during the year	21,291	(2,853)	3,147
Cash and cash equivalents at start of year	4,441	7,294	4,147
Cash and cash equivalents at end of year	25,732	4,441	7,294

The Parent Company had no bank overdraft as at 31 December 2022, 2021 and 2020. Cash and cash equivalents comprised cash balances held at banks.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

NOTE 1:- GENERAL

a. General description of the Group and its operations

The consolidated financial statements of Selina Hospitality PLC (the "Company") and its subsidiaries (collectively, the "Group" or "Selina") for the year ended December 31, 2022 were authorized for issue in accordance with a resolution of the directors.

The Company was originally incorporated as a Sociedad Anonima (public limited company) in Panama. The Company was then redomiciled to Luxembourg on October 29, 2018, converted to a Societas Europaea on January 8, 2019, and subsequently transferred its registered office into the UK on March 26, 2019. On December 31, 2020, the Company was automatically converted into a UK Societas pursuant to Articles AA1 and AAA1 of the EC Regulation on the European Public Limited-Liability company as amended by the European Public Limited-Liability Company (Amendment Etc.) (EU Exit) Regulations 2018. In August 2021, the Company filed draft terms of conversion to convert its corporate form from a UK Societas to a public limited company, under the proposed name of Selina Hospitality PLC, in order to simplify the legal regime applicable to the Company and prepare the Company for a potential public listing. The conversion, which required the Company to adopt new Articles of Association in lieu of the existing Statutes, was approved by the holders of each class of shares of the Company by special resolutions passed on January 20, 2022.

On February 22, 2022, the Company converted to a UK public limited company and is now registered as Selina Hospitality PLC. The change in corporate form and name did not impact any of the Company's contractual rights or obligations or its capital structure. Selina Hospitality PLC is, by operation of law, the legal successor to Selina Holding Company, UK Societas in all respects and is registered with company number 13931732.

On October 27, 2022, after consummation of the Business Combination with BOA Acquisition Corp. , Selina's Ordinary Shares and Public Warrants began trading on The Nasdaq Global Market ("Nasdaq") under the symbols "SLNA" and "SLNAW," respectively (see Note 1 c).

The principal activity of the Company is that of a holding company. The Group operates in the hospitality and real estate industries, blending beautifully-designed accommodation options with coworking, recreation, wellness, and local experiences. Selina provides guests with a global infrastructure to seamlessly travel and work abroad. As of December 31, 2022, Selina was operating 118 locations throughout Mexico, South America, Central America, North America (the U.S.), Europe & Africa, Israel and Asia Pacific (APAC).

b. Effects of the Coronavirus (COVID-19) crisis

In response to the outbreak of the novel strain of the coronavirus, COVID-19 (the "COVID-19 pandemic") in March 2020, as well as subsequent outbreaks driven by new variants of COVID-19, many jurisdictions around the world in which the Company

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

operates implemented a variety of measures to reduce the spread of COVID-19, including restrictions on travel, “stay at home” rules, limitations on the sizes and types of gatherings, restrictions on types of business that may continue to operate, and/or restrictions on the types of construction projects that may continue among others. As a result, the COVID-19 pandemic negatively impacted almost every industry directly or indirectly and has had an outsized impact on the global travel and hospitality industries. Many of our hotels operated at lower occupancy rates in 2020 and 2021 relative to occupancy rates for periods prior to March 2020.

For these reasons, the COVID-19 pandemic resulted in a sharp decline in revenues at our hotels as compared to periods prior to March 2020 and significantly adversely affected our ability to successfully operate our hotels, and had a significant adverse effect on our business, financial condition, results of operations, liquidity and cash flows due to, among other factors:

- a sharp decline in group, business and leisure travel resulting from (i) restrictions on travel imposed by governmental entities, public institutions and employers, (ii) the postponement or cancellation of conventions and conferences, music and arts festivals, sporting events and other large public gatherings, and (iii) the closure or limits on occupancy for tourist attractions;
- negative public perceptions of travel and public gatherings in light of the perceived risks associated with COVID-19; and
- increased operating costs from implementing enhanced cleaning protocols and other COVID-19 mitigation practices as well as employee severance and furlough costs.

In response to the economic challenges and uncertainty resulting from the COVID-19 pandemic and its impact on our business, we implemented cost reduction measures to mitigate the adverse impacts of COVID-19 during 2020 and 2021, which included lower discretionary and overhead spending, including reduced salaries in many cases, as well as an internal reorganization that reduced the size of our workforce, resulting in the elimination of corporate positions, the temporary closure or partial closure of approximately 85% of our hotels in 2020, and the furlough of certain employees. This reduction in workforce impacted most departments and resulted in the loss of institutional knowledge, relationships and expertise with respect to certain key roles, diverted attention from operating our business and had an adverse effect on our ability to further grow or develop certain areas of our business. While operations have partially normalized in 2022 and forward relative to pre-COVID-19 levels, should new COVID-19 variants result in additional significant travel restrictions, we may need to implement similar cost reduction measures in the future, which may have an adverse impact on our business.

The ongoing impact of the COVID-19 pandemic on the global economy over the longer term remains still uncertain and dependent on future developments that cannot be predicted with confidence at this time. Our financial results for all of 2020 and 2021

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

were materially adversely affected by the COVID-19 pandemic. We will continue to monitor potential shifts in 2023 as a result of the external environment.

c. Closing of the Business Combination

On December 2, 2021, the Company entered into a Business Combination Agreement (the "BCA") by and among BOA Acquisition Corp. ("BOA"), the Company and Samba Merger Sub Inc., a direct, wholly-owned subsidiary of the Company. BOA was a blank check company incorporated for the purpose of effecting a merger or similar business combination with one or more businesses operating in the 'PropTech' space.

The Business Combination and related transactions closed on October 27, 2022, Samba Merger Sub, Inc. ("Merger Sub"), merged with and into BOA, with BOA surviving the Business Combination as a wholly owned subsidiary of Selina. Prior to the completion of the Business Combination, holders of approximately 95.8% of the BOA Class A Common Stock issued and outstanding as of such time elected to redeem such shares in accordance with BOA's amended and restated certificate of incorporation. Following the completion of the Business Combination, the security holders of BOA immediately prior to such completion became security holders of Selina.

In connection with the completion of the Business Combination, the Company issued (i) 5.45 million Ordinary Shares to the PIPE (Private Investment in Public Equity) Investors and 1.23 million additional Ordinary Shares in exchange of the early payment fees for the Investors, at a price per share of \$10.00, (ii) 0.37 million Ordinary Shares pursuant to the warrants issued in connection with a committed bridge loan facility and 0.45 million Ordinary Shares in exchange for a portion of BOA's underwriter fees, (iii) 5.75 million Ordinary Shares to former holders of the BOA Class B Common Stock and (iv) \$147.5 million aggregate principal amount of Convertible Notes (the "CLN 2022") to the Convertible Note Investors for an aggregate purchase price equal to \$118.0 million (Note 21). As additional consideration for the purchase price, the Convertible Note Investors received, in addition to other securities, 4,274,929 newly issued Convertible Note Warrants (Note 21). Also, in connection with the execution of the subscription agreements, the Convertible Note Investors entered into letter agreements with Bet on America LLC, BOA's sponsor, pursuant to which the sponsor agreed to transfer to such investors, at the closing of the Business Combination, 899,125 shares of BOA Class B Common Stock owned by the sponsor, and ultimately Selina ordinary Shares in exchange therefore (the "CLN 2022 Sponsor Shares") (Note 21).

Further, immediately prior to the closing of the Business Combination, certain outstanding debt instruments of the Company converted and, as applicable, were discharged in full (to the extent of such conversion) in accordance with their respective terms, in consideration of the issuance to the holders of the convertible instruments of new ordinary shares of the Company (Notes 20 and 21):

- Most of the debt and accrued interest payable to holders of notes under the Convertible Loan Note Instrument (the "CLN 2020") converted into equity, with the \$36 million amount of the proceeds being reinvested (the "Reinvestment Amount") into New Notes issued under the Indenture (the "CLN 2022") (Note 21). Only \$1.1 million

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

amount of Notes under the Convertible Loan Note Instrument, held by one investor, remained unpaid as at the closing of the Business Combination and is due at the end of June 2023.

- The principal and interest under the Mexico Note ultimately was exchanged for New Notes issued under the CLN 2022, with the remaining amounts payable thereunder being repaid in cash, and the Mexico Note was fully satisfied and discharged.
 - 100% of the warrants issued under the Warrant Instrument were exercised for ordinary shares of Selina (Note 21).
 - All pre-funded amounts under the PIPE (Private Investment in Public Equity) Investors (as described in Note 20) converted into ordinary shares of Selina.
 - The investors exercised their rights under the Put and Call Option Agreements such that their investments in Selina Hospitality Operations Mexico, S.A. de C.V. were converted into ordinary shares of Selina.
 - All amounts under the Term Loan Agreement (as described in Note 20) converted into equity and the loan was discharged.
 - All amounts due under the \$25 million committed bridge loan facility entered into by the Company in November 2021 (as described in Note 20), totaling \$26.2 million, were repaid in full and the debt was discharged in full.
 - On October 28, 2022 the outstanding amount of interest totaling \$1 million under the \$5 million Term Loan Note, as described in Note 20, was paid.

In addition, at the closing of the Business Combination, all remaining amounts to be funded by the PIPE Investors were funded and certain key shareholders of Selina entered into an Investor Rights Agreement pursuant to which, among other things, they agreed to certain lock-up restrictions pertaining to their shareholdings in exchange for certain registration rights under a resale registration statement to be filed by Selina following the closing of the Business Combination.

Upon the closing, the holders of BOA common stock and warrants became holders of ordinary shares and warrants in Selina, which instruments began trading on Nasdaq under the ticker symbols "SLNA" and "SLNAW", respectively.

For additional information relating to the Business Combination see Note 14.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

a. Basis of preparation

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRSs) adopted in the United Kingdom ("UK adopted IFRS") and those parts of the Companies Act 2006 that are relevant to companies that report in accordance with UK adopted IFRS. The Group has elected to take the exemption under Section 408 of the Companies Act 2006 not to present the parent company profit and loss account.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

b. Going concern

The Group has incurred an accumulated deficit of \$725.2 million as of December 31, 2022 and incurred recurring operating losses and negative cash flows from operating activities since inception. As of December 31, 2022, the Group's total shareholders' deficit amounted to \$163.6 million. Its current assets amounted to \$79.7 million and its current liabilities amounted to \$188.9 million and its financial debt was \$182.8 million of which \$45.6 million was current financial debt.

Trading in the year 2022 continued to recover with ongoing relaxation of travel restrictions supporting an increasing return of travel demand. During the year ended December 31, 2022, the Group's revenue went up by \$91.2 million, but the Company incurred operating losses before impairment, government grants and COVID-concessions of \$76.7 million, (total losses from operating activities for 2022 amounted to \$76.7 million) and its negative cash flow from operating activities was \$23.6 million.

As stated in the Note 1, on October 27, 2022 the Company closed its Business Combination with BOA and became listed on Nasdaq. The completion of the Business Combination resulted in Selina receiving: (i) the remaining cash proceeds held in the BOA trust account, totaling \$9.6 million, following payments to the redeeming stockholders (95.8% of the BOA Class A Common Stock) and certain service providers; (ii) a total of \$5.25 million (other amounts -\$49.2 million- were prefunded before the completion of the Business Combination) of capital via its private placement financing (PIPE); and (iii) \$82 million net cash proceeds from subscriptions of the New Notes issued, as described in Note 21, following roll over of \$36 million from the previous Convertible Loan Note Instrument and Mexico Notes to the New Notes.

The Business Combination also resulted in a significant change in the Company's capital structure, with various loans being repaid or converted into equity upon closing: (i) the conversion into ordinary shares of the remaining principal and accrued interest amounts of the Convertible Loan Note Instrument (as described in Note 21) with a carrying amount of \$102.68 million (includes loan payable and derivatives components), except for \$0.8 million, which remainder was classified as a current liability in the December 31, 2022 consolidated statement of financial position; (ii) the exercise of the Warrant Instrument that accompanied the Convertible Notes also resulted in the issuance of common shares upon closing of the Business Combination with a carrying amount of \$26.24 million; (iii) all amounts due under the \$25 million committed bridge loan facility entered into by the Company in November 2021 (as described in Note 20), totaling \$26.2 million, were repaid in full; and (iv) the Term Loan Agreement (as described in Note 20), with a carrying amount of \$59.51 million (includes loan payable and derivatives component) was converted fully into ordinary shares, and interest under the \$5 million Term Loan Note, (as described in Note 20) with a carrying amount of \$1.00 million was paid in full.

As of December 31, 2022, the Group's cash and cash equivalents were \$47.7 million. The Company also had \$20.6 million undrawn amounts under its \$50 million loan facility entered into in November 2020 with Inter-American Investment Corporation,

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

subject to compliance covenants and other requirements, including borrowing based restrictions (see Note 20).

In March 2023, the Company held a general meeting at which shareholders passed ordinary and special resolutions authorizing the directors to allot, on a non-preemptive basis, up to 60,900,000 ordinary shares for fundraising and other initiatives. The authority will, unless renewed, varied or revoked, expire on March 8, 2028 save that the Company shall be entitled to, before such expiry date, enter into agreements before such date that require equity securities to be allotted after such date notwithstanding that the authority conferred by the resolutions has expired.

In May 31, 2023, the Company drew \$10.0 million as part of the sixth draw made under the \$50 million loan facility that the Company entered into in November 2020 with Inter-American Investment Corporation ("IDB"), as the lender.

The Group's current operating plan includes various assumptions concerning the level and timing of cash from operating, investing and financing activities. The Group's ability to successfully carry out its business plan is primarily dependent upon its ability to (1) increase its average beds occupancy percentage, driving higher revenues for existing and new locations; (2) achieve profitability from its portfolio of hotels, by driving gross operating profits (GOP) and unit level margins through higher revenues and lower operating costs; (3) continue to reduce corporate overhead expenses as a percentage of total revenues; (4) maintain or enter into new agreements with its local real estate partners to finance its expansion plans; (5) reduce all other capex; (6) reduce its balance of deferred liabilities accumulated through the COVID impacted years; and (7) obtain sufficient additional capital, or secure other sources of funding from financial institutions for working capital or other long term needs.

The Group has been working on securing additional liquidity resources in the near term in order to support its operating activities and meet its financial obligations.

There are no certain assurances that the Group will be successful in obtaining an adequate level of financing needed to cover its contractual commitments and meet its operating needs until the business is able to generate sufficient operating cash flow from its portfolio of hotels. These conditions raise substantial doubt about the Group's ability to continue as a going concern. However, for the reasons explained above, these consolidated financial statements have been prepared on a going concern basis which assumes that the Group will be able to realize its assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future, and therefore they do not include any adjustments relating to the recoverability and classification of assets or liabilities that might be necessary should the Group be unable to continue as a going concern.

c. Basis of consolidation

The consolidated financial statements as of December 31, 2022 include the financial statements of Selina Hospitality PLC and its subsidiaries, which share management and shareholders.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

The Company exercises control over these entities. The control is obtained when the entity:

- Has power over its investment.
- Is exposed, or has the right, to variable returns derived from its participation with said entity, and
- It has the capacity to affect such returns through its power over the entity in which it invests.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. The assets, liabilities and results of the related companies acquired during the year, are included in the consolidated financial statements from the date on which the Company obtained control. The Company will continue to include such statements until the date on which the control ceases.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Non-controlling interest is measured at the proportional share of the identifiable net assets of the controlled entity. Changes in the group's participation in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

There were no significant restrictions on the Group's ability to access or use assets, and settle liabilities, of the group due to protective rights of non-controlling interest. There were no guarantees or other requirements that may restrict dividends and other capital distributions being paid, or loans and advances being made or repaid, to (or from) other entities within the group. There were no significant restrictions, resulting from borrowing arrangements, regulatory requirements or contractual arrangements between investors with significant influence over an associate, on the ability of associates to repay loans or advances made by the entity.

d. Business combinations

The consolidated financial statements incorporate the results of business combinations using the acquisition method. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary

In the Consolidated Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognized at their fair values as of the acquisition date. Goodwill is initially measured at cost, which represents the excess of the acquisition consideration and the amount of non-controlling interests over the net identifiable assets acquired and liabilities assumed, and any goodwill that arises is

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tested annually for impairment. If the cost of acquisition is less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognized directly in the Consolidated Statement of Profit or Loss for the period as a bargain purchase.

Transaction costs are expensed as incurred, except if related to the issuance of debt or equity securities.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 (2008) are recognized at their fair value at the acquisition date, except:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with International Accounting Standard (IAS) 12, Income Taxes, and IAS 19, Employee Benefits, respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share based payment awards are measured in accordance with IFRS 2 Share Based Payment;
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and
- right of use assets and their respective liabilities, which are accounted for in accordance with IFRS 16. Right of use assets are recognized at the valuation of the corresponding lease liabilities except where exemptions apply. When lease terms are favorable compared to the market, the right of use asset valuation can exceed the value of the associated lease liability to reflect this.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

e. Investments in subsidiaries, associates and joint arrangements

e.1 Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

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Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of comprehensive income, statement of changes in equity and the statement of financial position, respectively.

e.2 Associates

Associates are all entities over which the Group has significant influence but not control or joint control.

This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (*see (e.4) below*) after initially being recognised at cost.

e.3 Joint Arrangements

Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures

Interests in joint ventures are accounted for using the equity method (*see (e.4) below*), after initially being recognised at cost in the consolidated statement of financial position.

e.4 Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

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Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities.

Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

f. Functional currency, presentation currency and foreign currency

Functional and presentation currency

The consolidated financial statements are presented in US Dollars, the monetary unit of the United States of America, which is the Company's reporting and functional currency. These financial statements are rounded to the nearest thousand dollar. The Group determines the functional currency of each Group entity, including companies accounted for under the equity method.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. At each period end, foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than an entity's functional currency, are recognized in the Consolidated Statement of Profit or Loss within operating expenses.

Group companies

Transactions in foreign currencies are translated to functional currency at the exchange rates ruling on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the relevant rates of exchange ruling on the last day of the period. Foreign exchange differences arising on translation is recognized in the income statement. These are taken directly to the currency translation reserve until the disposal of the net investment, at which time they are recycled against the gain or loss on disposal.

The assets and liabilities of foreign operations are translated into US dollars at the relevant rates of exchange ruling on the last day of the period. The revenues and expenses of foreign operations are translated into US dollars at average rates of exchange for the period. The exchange differences arising on retranslation are taken directly to the currency translation reserve.

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On disposal of a foreign operation, the cumulative amount recognized in the currency translation reserve relating to that particular foreign operation is recycled against the gain or loss on disposal. Upon the full or partial disposal of a foreign operation resulting in loss of control in the foreign operation, the cumulative gain (loss) from the foreign operation which had been recognized in other comprehensive income is carried to profit or loss.

Current Purchasing Power

The Group applies IAS 29 Financial Reporting in Hyperinflationary Economies, which applies when an entity's functional currency is that of a hyperinflationary economy. The financial statements of an entity that reports in the currency of a hyperinflationary economy are stated in terms of the measuring unit current at the balance sheet date. Comparative figures for prior periods are restated into the same current measuring unit. Restatements are made by applying a general price index. Items such as monetary items that are already stated at the measuring unit at the balance sheet date are not restated. Other items are restated based on the change in the general price index between the date those items were acquired or incurred and the balance sheet date. A gain or loss on the net monetary position is included in net income. The restated amount of a non-monetary item is reduced, in accordance with appropriate IFRSs, when it exceeds its recoverable amount.

The material reference closing exchange rates to USD applied by the Group are shown in the table below:

	January – December 2022		January – December 2021		January – December 2020	
	Income statement (average rate)	Balance sheet (at end of period)	Income statement (average rate)	Balance sheet (at end of period)	Income statement (average rate)	Balance sheet (at end of period)
MXN (Mexican Peso)	20.05	19.48	20.60	20.46	19.70	19.84
GBP (British Pound Sterling)	0.81	0.83	0.73	0.74	0.76	0.73
EUR (Euro)	0.95	0.93	0.83	0.88	0.89	0.81
ILS (Israeli Shekel)	3.38	3.47	3.28	3.11	3.47	3.22
PAB (Panamanian Balboa)	1.00	1.00	1.00	1.00	1.00	1.00
BRL (Brazilian Real)	5.15	5.29	5.46	5.58	4.06	5.17
CRC (Costa Rican Colon)	641.70	591.48	616.52	627.75	587.37	605.33
PEN (Peruvian Sol)	3.83	3.79	3.64	3.99	3.35	3.60
COP (Colombian Peso)	4,277.95	4,829.75	3,570.15	4,070.00	3,336.67	3,479.47
ARS (Argentine Peso)	176.46	176.46	102.69	102.69	84.03	84.03

g. Fair value measurement

The Group measures financial instruments such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; or in the absence of a main market, in the most advantageous market for the asset or

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liability, independently if that price is directly observable or estimated using other techniques of valuation. The fair value of a liability reflects the risk of non-compliance.

When applicable, the Group measures fair value of a financial instrument using the quoted price in an active market for that instrument. An active market is one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. When there is no quoted price in an active market, the Group uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable input data. The chosen valuation techniques incorporate all factors that markets would consider when fixing a price of a transaction.

The fair value of financial assets and liabilities traded in an active market are based on quoted prices. For all other instruments, the Group determines their fair value using other valuation techniques, including net present value, models of discounted cash flows, comparisons with similar instruments that have observable market prices, and other valuation models. The assumptions and input data used in the valuation techniques include reference rates free of risk, credit margins and other assumptions used to estimate the discount rates.

The Group measures fair value using the following hierarchy that considers the importance of the input data used for the measurement:

- Level 1 are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 are unobservable inputs for the asset or liability.

h. Revenue recognition

IFRS 15 establishes a comprehensive framework for determining the amount and time at which revenue is recognized. Under IFRS 15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. The transaction price is the amount of the consideration that is expected to be received based on the contract terms, excluding amounts collected on behalf of third parties (such as taxes).

Rendering of goods

Revenue from sale of goods is recognized in profit or loss at the point in time when the control of the goods is transferred to the customer, generally upon delivery of the goods to the customer.

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Rendering of services

The Company's principal business activity is the offering of lodging to the traveling public which is a service in which the customer reserves a hotel room for a set period of time and compensates the hotel with payment at the end of the stay. The secondary business activity is the serving of food & beverage (F&B) to the traveling public. And lastly, the Company provides other services to its guests to provide a full local experience (tours & transportation, retail, wellness activities and co-working).

Revenue from rendering of services is recognized over time, during the period the customer simultaneously receives and consumes the benefits provided by the Company's performance. The Company charges its customers based on payment terms agreed upon in specific agreements. When payments are made before or after the service is performed, the Company recognizes the resulting contract asset or liability. When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized over time by reference to the stage of completion of the transaction at the end of the reporting period and when the outcome of a transaction involving the rendering of goods can be estimated reliably, revenue is recognized at the point in time.

In the cases where the Company partners with third parties to provide a particular service (F&B, T&T, etc.), the Company assesses whether it acts as an agent on behalf of its partners. Accordingly, revenue is recognized for the net amount of the consideration received, after deducting the amount due to the principal. When the Company acts as principal, revenue is shown on a gross basis.

Guests frequently make advance deposits prior to their arrival at the hotel. Such deposits are recorded as a current liability until the guest's arrival.

The Group recognizes revenue by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation

IFRS 15 requires the Group to follow this 5-step approach to record revenue. Specific considerations are explained below.

OTA Packages

An exception occurs when a package is sold to the client, particularly through third-party booking agents known as OTAs (Online Travel Agents). Packaged revenues are lodging accommodations sold in conjunction with other services provided by either the property or third parties as part of a single transaction with the customer. For example, a guest could obtain accommodations, meals, spa treatment, and a rental vehicle for a single price. The Company performs the necessary analysis to ensure that revenues are appropriately allocated among departments. In the case where interdepartmental allocations are necessary (for example, where revenues have to be allocated between Rooms and Food and Beverage or other departments), the allocation is made

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proportionately based on stand-alone selling prices for the separate services if marketed on a standalone basis. The stand-alone selling price is the price at which a company would sell a promised good or service separately to a customer. The best evidence of a stand-alone selling price is the observable price of a good or service when the company sells that good or service separately in similar circumstances and to similar customers. The packaged revenue is then allocated based on the ratio among these stand-alone selling prices.

Such an approach is consistent with IFRS 15 as the guest uses different services from various segments and when these services are being provided, performance obligations are being met and revenue can be recognized. An entity shall recognize revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer. An entity shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes). If a customer obtains a better price through a package than if all services (lodging, food, etc.) were purchased separately, it is reasonable to allocate this discount proportionally to operating segments (such as rooms, food & beverage, etc.) based on stand-alone selling prices.

Loyalty program

When a loyalty member stays at one of Selina's locations, they are entitled to a certain number of "tokens" (points) that can be redeemed in the future for free nights. The tokens have an expiration date (tokens expire if unredeemed within twenty-four months from the date such Tokens are granted). The Group recognizes deferred revenue in an amount that reflects unsatisfied performance obligations, valued at the stand-alone price of the future benefit to the members.

The Company recognizes revenue as the loyalty points are redeemed. For the rest of the tokens that were not redeemed before expiration, the Company recognizes the amount that was deferred as revenue when the likelihood of the customer exercising its remaining rights becomes remote, usually upon actual expiration of the tokens ("breakage").

Principal vs. agent

The Company engages third parties from time to time in certain of its Food & Beverage outlets at its properties, as well as in certain travel & tours, surf or wellness services provided to its guests. When a third party is involved in providing goods or services to a customer, the Company is required to determine whether the nature of its promise as a performance obligation is:

- To provide the specified goods or services itself (principal); or
- To arrange for a third party to provide those goods or services (agent).

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A vendor acting as principal controls a good or service before the vendor transfers the good or service to the customer. A vendor that qualifies as a principal may satisfy a performance obligation by itself or engage another party (for example, a subcontractor) to satisfy some or all of a performance obligation on its behalf.

When the Company, in its role as a principal, satisfies a performance obligation, it recognizes revenue at the gross amount.

The obligation of an agent is to arrange for the provision of goods or services by another third party. When the Company represents an agent, and satisfies a performance obligation, it recognizes revenue as the amount of any fee or commission to which it expects to be entitled. In this case, the Company's fee or commission might be the net amount of consideration that it retains after paying the third party the consideration received in exchange for the goods or services to be provided by that party.

The following points indicate when the Company qualifies as an agent:

- Another third party is responsible for fulfilling the contract;
- The Company does not have inventory risk;
- The Company does not have discretion in establishing prices for the other third party's goods or services;
- The Company's consideration is in the form of a commission; and
- The Company is not exposed to credit risk for the amount receivable from the final customer.

i. Government loans and grants

Government grants are recognized when there is reasonable assurance that the grants will be received, and the Group will comply with the required conditions. In 2020, the Group received certain COVID-19 governmental aids, in the form of subsidies and loans. The subsidies were delivered by the UK for a specified window for property and labor remuneration assistance. The loans granted by the Government of Peru were issued at a flat rate with deferrable payment periods for employee compensation commitments and general operating expenses. In the US, the Company received loan proceeds under the Paycheck Protection Program ("PPP") which was established as part of the Coronavirus Aid, Relief and Economic Security ("CARES") Act and is administered through the Small Business Administration ("SBA").

Grants received in the form of loans are recognized as Loans Payable in the Consolidated Statement of Financial Position. Once a loan meets the PPP's eligibility criteria for forgiveness, the corresponding loan amount is cancelled, and a credit is taken in the Consolidated Statement of Profit or Loss within Finance Income. Grants received to compensate for certain costs are recognized as income in the Consolidated Statement of Profit or Loss on a systematic basis over the periods that the related costs are expensed.

j. Taxes on income

Current or deferred taxes are recognized in profit or loss, except to the extent that they relate to items which are recognized in other comprehensive income or equity.

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Current tax

The current tax liability is measured using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date as well as adjustments required in connection with the tax liability in respect of previous years.

Deferred taxes

Deferred taxes are computed in respect of temporary differences between the carrying amounts in the financial statements and the amounts attributed for tax purposes. Deferred taxes are measured at the tax rate that is expected to apply when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is not probable that they will be utilized. Deductible carryforward losses and temporary differences for which deferred tax assets have not been recognized are reviewed at each reporting date and a respective deferred tax asset is recognized to the extent that their utilization is probable.

Deferred taxes are offset if there is a legally enforceable right to offset a current tax asset against a current tax liability and the deferred taxes relate to the same taxpayer and the same taxation authority.

The Company applies International Financial Reporting Interpretations Committee (IFRIC) 23 to recognize and measure uncertain tax positions. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties related to unrecognized tax positions within income tax expense.

m. Inventories

Hotel operating inventory relates to inventory used in hotel operations, mostly food & beverage supplies.

Inventories are stated at the lower of cost and net realizable value. Cost comprises of direct materials and, where applicable, direct labor costs and overheads incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average cost method. Net realizable value represents the estimated cost of completion and costs to sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognized immediately in profit or loss.

n. Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and

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investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Statement of Financial Position.

o. Property, Plant and Equipment, net

The Group participates in the ownership of real estate companies where it maintains properties used by related operating companies that operate in the hotel business. Said properties leased from among the Group are treated as property, plant and equipment for consolidated purposes.

The property, furniture and equipment are measured at acquisition cost less accumulated depreciation, accumulated impairment losses and any related investment grants. All the expenses necessary for the properties, plant and equipment to be used are part of the cost of acquisition.

The costs derived from daily maintenance and common repairs are recognized in the Consolidated Statement of Profit or Loss of the period. The costs derived from the replacement of important parts or pieces and strategic spare parts, are capitalized and depreciated over the rest of the useful life of the assets, based on the component approach.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit or Loss when the asset is derecognized.

The costs of assets under construction correspond to disbursements incurred in developing or converting new hotel infrastructure projects. The costs of these assets are reclassified as property, plant and equipment within the Consolidated Statement of Financial Position once they are completed and the hotel is ready to start operating. Costs of assets under construction include capitalized expenses of unit-level development, including salaries of employees directly in charge of the development of

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new locations and expenses attributable to projects in progress based on a standard costing calculation.

p. Leases

The Group considers whether a contract is or contains a lease. A lease is defined as “a contract, or part of a contract, that conveys the right of use asset (the underlying asset) for a period of time in exchange for consideration”. To apply this definition, the Group assesses whether the contract meets three key evaluations which include whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- The Company has the right to substantially all of the economic benefits from use of the identified asset throughout the period of use.
- The Company assess whether it has the right to direct ‘how and for what purpose’ the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognizes a right-of-use asset and a lease liability on the Consolidated Statement of Financial Position. The right-of-use asset is measured at cost, which is made up of: the initial measurement of the lease liability, any initial direct costs incurred by the group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentive received).

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the end of the useful life of the right-of-use asset or the end of the lease term. The group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using incremental borrowing rate appropriate for each lease.

Lease payments included in the measurement of the lease liability are made up of fixed payments, variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. Interest is charged on the lease liability at an even rate over the carrying amount of the liability.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

Variable lease payments that depend on an index

On the commencement date, the Company uses the index rate prevailing on the commencement date to calculate the future lease payments. For leases in which the Company is the lessee, the aggregate changes in future lease payments resulting from a change in the index are discounted (without a change in the discount rate applicable to the lease liability) and recorded as an adjustment of the lease liability and the right-of-use asset, only when there is a change in the cash flows resulting from the change in the index (that is, when the adjustment to the lease payments takes effect).

Variable lease payments that do not depend on an index

Variable payments other than those that depend on an index or rate were excluded from the lease liability. Accordingly, these payments are recognized in the Consolidated Statement of Profit or Loss in the period in which they occur. These include, in particular, the portion of rent which depends on a hotel's performance, i.e. turnover rent.

Lease extension and termination options

A non-cancellable lease term includes both the periods covered by an option to extend the lease when it is reasonably certain that the extension option will be exercised and the periods covered by a lease termination option when it is reasonably certain that the termination option will not be exercised.

In the event of any change in the expected exercise of the lease extension option or in the expected non-exercise of the lease termination option, the Company remeasures the lease liability based on the revised lease term using a revised discount rate as of the date of the change in expectations. The total change is recognized in the carrying amount of the right-of-use asset until it is reduced to zero, and any further reductions are recognized in profit or loss.

Lease modifications

If a lease modification does not reduce the scope of the lease and does not result in a separate lease, the Company remeasures the lease liability based on the modified lease terms using a revised discount rate as of the modification date and records the change in the lease liability as an adjustment to the right-of-use asset.

If a lease modification reduces the scope of the lease, the Company recognizes a gain or loss arising from the partial or full reduction of the carrying amount of the right-of-use asset and the lease liability. The Company subsequently remeasures the carrying amount of the lease liability according to the revised lease terms, at the revised discount rate as of the modification date and records the change in the lease liability as an adjustment to the right-of-use asset.

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Rent concessions

In view of the global COVID-19 crisis, in May 2020, the IASB issued "COVID- 19- Related Rent Concessions - Amendment to IFRS 16, Leases" ("the Amendment"). The objective of the Amendment is to allow a lessee to apply a practical expedient according to which COVID-19 related rent concessions will not be accounted for as lease modifications but as variable lease payments in the period in which they are granted. The relief applies solely to lessees.

The Amendment applies only to COVID-19 related rent concessions and only if all of the following conditions are met:

- The revised future lease payments are substantially the same or less than the original lease payments immediately preceding the change;
- The reduction in lease payments relates to payments due on or before June 30, 2021; and
- No other substantive changes have been made to the terms of the lease.

The Group elected to early adopt the Amendment for COVID-19 related rent concessions granted in 2020, for all COVID-19 related rent concessions granted, until the end of that year.

The Amendment was intended to apply until June 30, 2021, but as the impact of the COVID-19 pandemic is continuing, on March 31, 2021, the IASB extended the period of application of the practical expedient to June 30, 2022. The Amendment applies to annual reporting periods beginning on or after April 1, 2021. The Group decided not to apply the practical expedient in the financial year ended December 31, 2021 and December 31, 2022.

q. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are included in the cost of that asset. Such borrowing costs are capitalized as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. Other borrowing costs are recognized as an expense in the period in which they are incurred. The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made. When the Group borrows funds specifically for the purpose of obtaining a particular qualifying asset, the borrowing costs that directly relate to that qualifying asset can be readily identified.

r. Intangible assets

Goodwill

Goodwill is measured as described in note 2 d. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

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Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

Software

Acquired and internally developed software are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognized as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use
- management intends to complete the software and use or sell it
- there is an ability to use or sell the software
- it can be demonstrated how the software will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use. Costs are generally amortized over estimated useful lives of three to five years on a straight-line basis.

Costs associated with maintaining software programmers are recognized as an expense as incurred.

Research & Development Costs

Expenditure on the research of projects to develop new specialist IT solutions is recognized as an expense as incurred. Costs that are directly attributable to a project's development phase are recognized as non-current assets, provided they meet the following recognition requirements:

- The development costs can be measured reliably;
- The project is technically and commercially feasible;
- The Company intends to and has sufficient resources to complete the project;
- The Company has the ability to use or sell the software;
- The IT solution will generate probable future economic benefits.

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Development costs not meeting these criteria for capitalization are expensed as incurred.

Customer lists

Externally acquired customer lists are initially recorded at cost if separately acquired or fair value if acquired as part of a business combination, provided the customer lists are controlled through contractual or other legal rights, or are separable from the rest of the business, and the fair value can be reliably measured. Customer lists are amortised over their estimated useful lives (and tested for impairment if there are indicators of impairment).

s. Subsequent measurement

All finite-lived assets, including capitalized internally generated development assets, are accounted for using the cost model whereby capitalized costs are amortized over a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. The following useful lives are applied:

Buildings and leasehold improvements – 20 years

Furniture, fixtures, equipment – 10 years

Capitalized development costs – 5-10 years

Intangible assets – 3-5 years

Any capitalized development cost that is a part of a project that is not yet complete is not amortized and is subject to impairment testing. Write-offs of lost deal costs are recognized in profit or loss for the asset value that is not expected to be recovered.

Amortization is included within depreciation and amortization in the Consolidated Statement of Profit or Loss.

When an asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognized in profit or loss within other income or expenses.

t. Impairment testing of intangible assets, right of use assets and property, plant and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are individually tested for impairments and some are tested at cash-generating unit level. Individual hotels are considered to be the smallest identifiable cash-generating units.

An impairment loss is recognized for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount which is the higher of fair value less costs of disposal and value-in-use (VIU). To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the group's latest approved budget or business plan, adjusted as necessary to exclude the

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effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

Additionally, the Group recognizes impairment if it will not be proceeding with an ongoing project and is unable to recover the invested amount. In this case, project costs incurred, or unrecoverable security deposits are written off to "cost of lost deals" once the decision of discontinuing the project is made.

All assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount. An impairment loss is not reversed just because of the passage of time, even if the recoverable amount of the asset becomes higher than its carrying amount. Impairment losses are reversed only if there has been a change in the estimates used to determine the impairment loss, such as a change in the future cash flows (for VIU) or a change in the asset's fair value. The amount of any reversal is restricted to increasing the relevant asset's carrying value to the carrying value that would have been recognised if the original impairment had not occurred (that is, after taking account of normal depreciation that would have been charged if no impairment had occurred).

u. Financial instruments

Financial assets

Financial assets are measured upon initial recognition at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets, except for financial assets measured at fair value through profit or loss in respect of which transaction costs are recorded in profit or loss.

All cash flows from customers are solely payments of principal and interest, and do not contain a significant financing component. Financial assets generated from all of the Group's revenue streams are therefore initially measured at their fair value, which is considered to be their transaction price, and are subsequently remeasured at amortized cost.

The Group recognizes a loss allowance for expected credit losses (ECL) on financial assets subsequently measured at amortized cost using the 'simplified approach'. Individually significant balances are reviewed separately for impairment based on credit terms agreed with the customer. Other balances are assessed into credit risk categories and reviewed in aggregate.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. The Group holds the trade receivables with the objective of collecting the

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contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

Cash and cash equivalents include cash at bank and in hand and bank deposits, together with other short-term, highly liquid investments maturing within 90 days from date of acquisition that are readily convertible into known amounts of cash that are subject to an insignificant risk of changes in value. Cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management, unless there is no right to offset with cash balances, and it will be presented as current liabilities.

Following initial recognition, financial assets are subsequently remeasured at amortized cost using the effective interest method.

Financial liabilities

The Group's financial liabilities are overdrafts, trade and other payables including accrued expenses, and amounts owed to Group companies. Bank and other borrowings are initially recognized at fair value net of transaction costs. Gains and losses arising on the repurchase, settlement or cancellation of liabilities are recognized respectively in finance income and finance costs. Borrowing costs are recognized as an expense at the period in which they are incurred, unless they are directly attributable to the acquisition, construction or production of an asset (see Note 2q.). All interest related charges are recognized as expenses in 'Finance Costs' in the Consolidated Statement of Profit or Loss.

Trade payables on normal terms are not interest bearing and are stated at their fair value on initial recognition and subsequently at amortized cost.

Distinction between financial liabilities and equity instruments

The Group classifies financial instruments or its component parts, on initial recognition, as a financial liability; a financial asset or an equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial liability, a financial asset and an equity instrument. The substance of a financial instrument, rather than its legal form, governs its classification on the entity's Consolidated Statement of Financial Position. Some financial instruments might take the legal form of equity but are liabilities in substance and others may combine features associated with equity instruments and features associated with financial liabilities. The Group differentiates a financial liability from an equity instrument by assessing the existence of a contractual obligation of one party to the financial instrument (the issuer) either to deliver cash or another financial asset to the other party (the holder) or to exchange financial assets or financial liabilities with the holder under conditions that are potentially unfavorable to the issuer.

Convertible Notes

Convertible notes which contain both a note liability component and an embedded derivative are either separated into different components or designated at fair value through profit or loss (FVTPL) as a whole. Should the convertible notes instrument be bifurcated, this separation is performed by first determining the fair value of the derivatives and then the value of the note liability component. In case of conversion and redemption component, their fair value is the difference in the fair value of the convertible note and equivalent non-convertible liability. The Group allocates the principal amount of its convertible notes to the conversion and redemption features and the warrants instrument, both are classified as financial liabilities and are recognized and subsequently measured at fair value. The note liability instrument is initially recognized at fair value, and subsequently measured at amortized cost. Should the convertible notes instrument be designated at (FVTPL) as a whole, the note liability component and the derivatives, are both classified as financial liabilities and are recognized and subsequently measured at fair value through profit or loss each reporting period. The warrant features and the warrant instrument are classified as financial liabilities and are recognized and subsequently measured at fair value.

Warrants

According to IAS 32, derivatives which will be settled only by the issuer exchanging fixed amounts of cash to fixed numbers of the Company's ordinary shares will be classified as equity. Otherwise, the instrument should be classified as a financial liability. Therefore, the Group has classified all warrants as a financial liability. The warrant instrument is initially recognized at fair value, and subsequently measured at fair value.

Security deposits

A security deposit is money that is given to a landlord, lender, or seller of a property as proof of intent to care for the building. A security deposit is intended as a measure of security for the recipient, and can also be used to pay for damages or lost property. These deposits are refundable at the end of lease. The security deposits are accounted for separately as a non-current asset, initially at fair value on the basis that they do not meet the definition of a right of use asset under IFRS 16. Security deposits expressed in a currency different than the subsidiary's functional currency are monetary items and are subject to foreign exchange revaluation. Security deposits are reviewed for recoverability and if a security deposit is estimated not to be recoverable, an impairment write-off is recognized.

v. Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Profit or Loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Consolidated Statement of Financial Position date of the expenditure

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required to settle the obligation, taking into account relevant risks and uncertainties. When payments are eventually made, they are charged to the provision carried in the Consolidated Statement of Financial Position.

w. Employee benefit liabilities

Short-term employee benefits

Short-term employee benefits are benefits that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services. These benefits include salaries, paid annual leave, paid sick leave, recreation and social security contributions and are recognized as expenses as the services are rendered. A liability in respect of a cash bonus or a profit-sharing plan is recognized when the Group has a legal or constructive obligation to make such payment as a result of past service rendered by an employee and a reliable estimate of the amount can be made.

Post-employment benefits

The plans are normally financed by contributions to a separately administered fund and are classified as defined contribution plans. The Group has defined contribution plans under which the Group pays fixed contributions and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient amounts to pay all employee benefits relating to employee service in the current and prior periods.

x. Equity

Common stock capital represents the nominal value of shares that have been issued. Additional paid-in capital consists of share premium reduced by direct costs of equity raised and equity on stock compensation (refer to Note 2aa.). Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Currency translation adjustment represents a reserve that records the movement in exchange differences arising from the translation of foreign operations.

Retained earnings / (Accumulated deficit) represents the amount of net income left over for the business after it has paid out dividends to its shareholders.

y. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker ("CODM"), the Group's CEO, who is responsible for allocating resources and assessing performance of the operating segments. The CODM evaluates and examines Selina's business activity and its performance by analyzing its operations in each country, therefore each country is determined to be an operating segment. Operating segments which exhibited similar economic characteristics were aggregated by their main regions, resulting in the following reportable segments: Mexico, South America, North America (the U.S.),

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Central America, Europe & Africa, Israel and Asia Pacific (APAC). Within each operating segment, the CODM also reviews the Revenue and Gross Operating Profit (GOP) performance of its three main hotel operating product lines: Rooms, Food and Beverage (F&B) and Other (mainly includes tours & transportation, retail, wellness activities and co-working). In addition, Remote Year, a separate business activity with a different source of income and operating model, is reported as a separate operating segment.

z. Loss per share

Loss per share is calculated by dividing the loss attributable to Company shareholders by the weighted number of outstanding ordinary shares during the period. Potential ordinary shares are only included in the computation of diluted loss per share when their conversion increases loss per share or decreases income per share. Potential ordinary shares that are converted during the period are included in diluted loss per share only until the conversion date.

aa. Share-based compensation

Equity-settled transactions

The cost of equity-settled transactions with employees is measured at the fair value of the equity instruments granted at the grant date. The fair value is determined using acceptable option pricing models.

The cost of equity-settled transactions is recognized in profit or loss together with a corresponding increase in equity during the period in which the performance and/or service conditions are to be satisfied, ending on the date in which the relevant employees become entitled to the award ("the vesting period"). The cumulative expense recognized for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether the market condition is satisfied, provided that all other vesting conditions (service and/or performance) are satisfied.

If the Group modifies the conditions in which equity-instruments were granted, an additional expense is recognized for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee/ other service provider at the modification date.

If a grant of an equity instrument is canceled, it is accounted for as if it had vested on the cancellation date and any expense not yet recognized for the grant is recognized immediately. However, if a new grant replaces the cancelled grant and is identified as a replacement grant on the grant date, the cancelled and new grants are accounted for as a modification of the original grant, as described above.

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Cash-settled transactions

The cost of cash-settled share grant transactions is measured at fair value on the grant date using an acceptable option pricing model. The fair value is recognized as an expense over the vesting period and a corresponding liability is recognized. The liability is remeasured at each reporting date until settled at fair value with any changes in fair value recognized in profit or loss.

ab. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands currency units unless otherwise stated.

NOTE 3:- NEW STANDARDS, AMENDMENTS AND IFRIC INTERPRETATIONS

a. New standards and amendments – applicable January 1, 2022

The following standards and interpretations apply for the first time in these financial statements for the financial reporting periods commencing on or after January 1, 2022:

Amendment to IAS 16, "Property, Plant and Equipment"

In May 2020, the IASB issued an amendment to IAS 16, "Property, Plant and Equipment" ("the Amendment"). The Amendment prohibits a company from deducting from the cost of property, plant and equipment ("PP&E") consideration received from the sales of items produced while the company is preparing the asset for its intended use. Instead, the company should recognize such consideration and related costs in profit or loss.

The Amendment is effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. The Amendment is to be applied retrospectively, but only to items of PP&E made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the Amendment. The company should recognize the cumulative effect of initially applying the Amendment as an adjustment to the opening balance of retained earnings at the beginning of the earliest period presented.

The Group has applied the requirements of Amendment to IAS 16, "Property, Plant and Equipment". There was no material impact on the Group's reported financial performance or position.

Amendments to IFRS 3 "Business Combinations"

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework which are intended to replace a reference to the Framework for the Preparation and Presentation of Financial Statements with a reference to the Conceptual Framework for Financial Reporting, that was issued in March 2018, without significantly changing its requirements.

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The IASB added an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately.

According to the exception, liabilities and contingent liabilities within the scope of IAS 37 or IFRIC 21 will be recognized on the acquisition date according to the criteria in IAS 37 or IFRIC 21 and not according to the Conceptual Framework.

The Amendments also clarify that contingent assets do not qualify for recognition at the acquisition date.

The Amendments are effective for annual reporting periods beginning on or after January 1, 2022 and apply prospectively. The Group has applied the requirements of Amendment to IFRS 3 "Business Combinations". There was no material impact on the Group's reported financial performance or position.

Amendment to IAS 37, "Provisions, Contingent Liabilities and Contingent Assets"

In May 2020, the IASB issued an amendment to IAS 37, regarding which costs a company should include when assessing whether a contract is onerous ("the Amendment"). According to the Amendment, costs of fulfilling a contract include both the incremental costs (for example, raw materials and direct labour) and an allocation of other costs that relate directly to fulfilling a contract (for example, depreciation of an item of property, plant and equipment used in fulfilling the contract).

The Amendment is effective for annual periods beginning on or after January 1, 2022 and applies to contracts for which all obligations in respect thereof have not yet been fulfilled as of January 1, 2022. Early application is permitted.

The Group has applied the requirements of Amendment to IAS 37, "Provisions, Contingent Liabilities and Contingent Assets". There was no material impact on the Group's reported financial performance or position.

Annual improvements to IFRSs 2019-2021

In May 2020, the IASB issued certain amendments in the context of the Annual Improvements to IFRSs 2019-2021 Cycle (IFRS 9, IFRS 16, IFRS 1 and IAS 41). The main amendment is to IFRS 9, "Financial Instruments" ("the Amendment"). The Amendment clarifies which fees a company should include in the "10% test" described in paragraph B3.3.6 of IFRS 9 when assessing whether the terms of a debt instrument that has been modified or exchanged are substantially different from the terms of the original debt instrument.

The Amendment is effective for annual periods beginning on or after January 1, 2022. Early application was permitted. The Amendment is to be applied to debt instruments that are modified or exchanged commencing from the year in which the Amendment is first applied. The Amendment did not have a material impact on our consolidated financial statements.

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b. Forthcoming requirements

In 2021 and 2022, new and revised standards and interpretations have been endorsed but are not yet effective. These comprise:

IFRS 17 Insurance Contracts (effective date January 1, 2023 -deferred from January 1, 2021-)

IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. The Group believes that the application of the IFRS 17 new rules will not affect our financial statements and key performance indicators as the standard mainly addresses entities that issue insurance contracts or investment contracts with discretionary participation features.

Amendments to IFRS 10 and IAS 28 regarding sale or transfer of assets between an investor and its associate or joint venture

In September 2014, the IASB issued amendments to IFRS 10 and IAS 28 ("the Amendments") regarding the accounting treatment of the sale or transfer of assets (an asset, a group of assets or a subsidiary) between an investor and its associate or joint venture.

According to the Amendments, when the investor loses control of a subsidiary or a group of assets that are not a business in a transaction with its associate or joint venture, the gain will be partially eliminated such that the gain to be recognized is the gain from the sale to the other investors in the associate or joint venture.

According to the Amendments, if the remaining rights held by the investor represent a financial asset as defined in IFRS 9, the gain will be recognized in full.

If the transaction with an associate or joint venture involves loss of control of a subsidiary or a group of assets that are a business, the gain will be recognized in full.

The Amendments are effective for annual periods beginning on or after January 1, 2023 and must be applied retrospectively. A mandatory effective date has not yet been determined by the IASB but early adoption is permitted. The Company does not expect the application of the Amendment to have a material impact on its consolidated financial statements.

Amendment to IAS 1, "Presentation of Financial Statements"

In January 2020, the IASB issued an amendment to IAS 1, "Presentation of Financial Statements" ("the Amendment") regarding the criteria for determining the classification of liabilities as current or non-current.

The Amendment includes the following clarifications:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;

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- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The Amendment is effective for annual periods beginning on or after January 1, 2023 and must be applied retrospectively. The Company is evaluating the possible impact of the Amendment on its current loan agreements.

Amendments to IAS 1 and IFRS Practice Statement 2

The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is ‘material accounting policy information’ and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

The Amendment is effective for annual periods beginning on or after January 1, 2023. The Group will revisit the disclosures provided in Note 2 upon application of this Amendment.

Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” regarding to the Definition of Accounting Estimates

The amendment to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The Amendment is effective for annual periods beginning on or after January 1, 2023. There is no anticipated material impact from these amendments on the Group’s reported financial performance or position.

Amendments to IAS 12 “Income Taxes” regarding to Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments to IAS 12 *Income Taxes* require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilized) and deferred tax

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liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognized as part of the cost of the related assets.

The cumulative effect of recognizing these adjustments is recognized in retained earnings, or another component of equity, as appropriate.

The Amendment is effective for annual periods beginning on or after January 1, 2023. The Company is evaluating the possible impact of the Amendment on its current loan agreements.

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended December 31, 2022 that might have a material impact on the Group. There are no other amendments to accounting standards, or IFRIC interpretations that are not yet effective that are expected to have a material impact on the Group.

NOTE 4 :- SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reported period. The estimates and associated judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying judgements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision only affects that period, or in the period the revision and future periods if the revision affects both current and future periods.

Judgements and Estimates

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

Impairment of goodwill

The Group reviews goodwill for impairment at least once a year, and when circumstances indicate that the carrying value may be impaired. This requires management to make an estimate of the projected future cash flows from the continuing use of the cash-generating unit (or a group of cash-generating units) to which the goodwill is allocated and also to choose a suitable discount rate for those cash flows.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. When the

recoverable amount of the cash-generating unit is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods.

The recoverable amount of the cash-generating units was determined based on value-in-use calculations which require the use of assumptions (see Impairment of assets other than goodwill section below). The calculations use cash flow projections based on financial forecasts extrapolated for a future growth using the estimated growth rates.

Impairment of assets other than goodwill

The Group has been considering each hotel to be a separate cash-generating unit as each hotel generates its own revenue, incurs expenses, but also uses certain synergies which allow cross-selling different products to guests and customers (e.g., accommodation + food and beverage + coworking spaces). When looking at a cash generating unit, the Group considers there to be two main key performance indicators (KPIs) to measure impairment against: occupancy and profitability. Where hotels do have qualitative or quantitative indicators of impairment, such as changes in political, technological, market, economic or legal environment, physical condition of assets, brand reputation or operational and financial performance, a discounted cash flow model is prepared.

Determining whether assets are impaired requires an estimate of the value in use. The value-in-use calculation involves an estimate of the future cash flows and the selection of appropriate discount rates to calculate present values. Future cash flows are estimated using forecasts, extrapolated for a future growth rate. The estimated growth rates are based on external sources and studies. Changes in the estimated growth rates could result in variations to the carrying value of the properties.

Value of all assets allocated to this cash generating unit, such as property, plant and equipment, right of use assets, and capitalized interest, is compared against the value-in-use deriving from the discounted cash flow model. The discount rates used in the model shall be a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. According to IAS36 the used discount rate should be calculated based on pre-tax rates. Yet, the practical approach is to use after-tax rates (and net cash flows) due to the fact that the comparable asset rates reflect the local tax rates.

Therefore, in order to calculate the appropriate rate, judgement is required.

For this purpose, lease payments are treated as financial outflows as they relate to repaying lease liabilities. If value-in-use is lower than value of assets allocated to the cash generating unit, an impairment charge is recognized.

Incremental borrowing rate applied to right-of-use assets

Determining the incremental borrowing rate applied in calculating lease liabilities under IFRS 16 requires the use of certain methodologies and assumptions. When determining the rate, management assesses various factors including the lease term, nature of the asset and the level of security for the right of use asset.

Fair value of net assets acquired as part of a business combination

Management uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination, including deferred and contingent considerations as part of the transactions. In particular, the fair value of separable intangible assets other than goodwill is dependent on many variables including the future profitability of the acquiree's trade. For the deferred consideration and contingent consideration, the fair value is estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate and assumed probability scenarios.

Provisions and contingent liabilities

Judgement is used to determine whether a potential liability is probable, possible and reliably measurable, particularly when the outcome is uncertain.

Legal claims

In estimating the likelihood of outcome of legal claims filed against the Company and its investees, the companies rely on the opinion of their legal counsel. These estimates are based on the legal counsel's best professional judgment, taking into account the stage of proceedings and legal precedents in respect of the different issues. Since the outcome of the claims will be determined in courts, the results could differ from these estimates.

Deferred tax assets

Deferred tax assets are recognized for unused carryforward tax losses and deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the timing and level of future taxable profits, its source and the tax planning strategy. Due to its history of operating losses, the Company records an allowance on its net deferred tax assets.

Uncertain tax positions

Provisions for uncertain tax positions are based on interpretations of complex tax laws and determination of arm's length pricing for certain intercompany transactions. The assumptions underlying the provisions for uncertain tax positions include the potential tax exposure resulting from management's interpretations and the determination of the likelihood that the uncertain tax position will be upheld upon regulatory examination.

Significant judgment is required in evaluating uncertain tax positions. No assurance can be given that the final tax outcome of uncertain tax positions will not be different from that which is reflected in the consolidated financial statements. Provisions are adjusted in light of changing facts and circumstances, such as the closing of a tax audit or the refinement of an estimate, or upon lapse of statute of limitations.

Term Loan and Convertible Loan Instrument (CLN 2020)

The Term Loan and the Convertible notes which contain both a note liability component and embedded derivatives have to be separated into different components. The Convertible

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notes also include warrants that gave each noteholder the right to acquire its pro-rata portion of an allocation of ordinary shares. This separation requires significant judgement for both instruments, as first the Group needs to determine the fair value of the derivatives and then the value of the note liability component for each financial instrument, the Term Loan and the Convertible notes. For conversion and redemption components, the fair value is determined as the difference between the fair value of the convertible note and equivalent non-convertible liability.

The Group allocates the principal amount of its convertible notes to the conversion, redemption and warrant features and the warrant instrument, both are classified as financial liabilities and are recognized and subsequently measured at fair value. The note liability instrument is initially recognized at fair value, and subsequently measured at amortized cost.

Determining the fair value of the derivative financial liabilities within the Term Loan and the convertible note also required significant judgement and estimates. The Group applied a Discounted Cash Flow (DCF) model to determine the fair value of Selina's market capitalization. This form of valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these investments in unquoted shares. Fair value of the Term Loan and the Convertible note, including the embedded derivatives was based on a combination of probability analysis and Monte Carlo simulation, based on Management's estimations. This method included evaluation of many possible value outcomes asset.

Convertible Loan Investment (CLN 2022)

The Convertible Loan Investment (CLN 2022) contains the following instruments (together, the "CLN 2022 Package"):

- the Note liability component and the Conversion Rights. The Conversion Rights are classified as embedded derivatives;
- units of 2022 Convertible Note Warrants (the "CLN 2022 Warrants"). These warrants are identical to the publicly traded warrants (see "Public Warrants and Private Placement Warrants" section below) in all respects other than the fact that (i) they are not redeemable, (ii) they can be net-exercised on a cashless basis, and (iii) they are not publicly traded;
- and in addition, Bet on America LLC, BOA's sponsor, units (the "CLN 2022 Sponsor shares").

The entire CLN 2022 instrument was designated at fair value through profit or loss. The note liability component and the Conversion Rights, both are classified as financial liabilities and are recognized and subsequently measured at fair value. The warrant features and the warrant instrument are classified as financial liabilities and are recognized and subsequently measured at fair value. The CLN 2022 Sponsor shares were treated economically the same as the issuance of equity instruments and initially recognized at fair value without any further subsequent valuation as an equity component.

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Determining the fair value of the derivative financial liabilities within the CLN 2022 package also required significant judgement and estimates. In estimating the value of the Convertible Notes within the CLN 2022 package, the Group used a combination of probability analysis and Monte Carlo simulation. Probabilities were used to arrive at the weighted value of the results from the Monte Carlo simulation, which is used to forecast future ordinary share values, and its impact on the Convertible Notes. Monte Carlo simulation is a method by which many possible value outcomes are evaluated to establish the expected value of an asset. In estimating the value of the CLN 2022 Warrants and the CLN 2022 Sponsor Shares, the Group relied on the opening prices of the publicly traded warrants and the Company's ordinary shares at the valuation date as they represent either the indirect or direct indication of respective values.

Public Warrants and Private Placement Warrants

The Company evaluated the Public Warrants and the Private Placement Warrants (the "Warrants") and concluded that since the Company will issue a variable number of Selina ordinary shares, the warrants do not meet the fixed amount for a fixed number of shares definition, therefore, the Public Warrants and the Private Placement Warrants should be classified as a financial liability. As the Warrants meet the definition of a derivative, the Warrants were measured at fair value at inception based on their quoted trading price, and each one of them are measured at fair value on every cut-off date, all changes in fair value will be recorded in the statement of profit or loss.

Lease extension and/or termination options

In evaluating whether it is reasonably certain that the Group will exercise an option to extend a lease or not exercise an option to terminate a lease, the Group considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend or not exercise the option to terminate such as: significant amounts invested in leasehold improvements, the significance of the underlying asset to the Group's operation and whether it is a specialized asset, the Group's past experience with similar leases, etc.

After the commencement date, the Group reassesses the term of the lease upon the occurrence of a significant event or a significant change in circumstances that affects whether the Group is reasonably certain to exercise an option to extend or not exercise an option to terminate previously included in the determination of the lease term, such as significant leasehold improvements that had not been anticipated on the lease commencement date, sublease of the underlying asset for a period that exceeds the end of the previously determined lease period, etc.

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. For cash-settled share-based payment transactions, the liability needs to be remeasured at the end of each reporting period up to the date of settlement, with any changes in fair value recognized in profit or loss.

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This requires a reassessment of the estimates used at the end of each reporting period. For the measurement of the fair value of equity-settled transactions with employees and advisors at the grant date, the Group uses a Black and Scholes pricing model. The assumptions used for estimating fair value for share-based payment transactions are disclosed in Note 28.

Climate-related risk management

Our business model helps to protect us from physical risk exposure due to our asset-light and geographically diverse structure. We have assessed and set out the Group's climate risks as part of our commitment to climate disclosure, and the Group will work to improve our understanding of climate-related risks and their potential impact on our business.

Mitigation and adaptation measures that may be required in the future to combat the risks of climate change could have potential implications on the Group's financial statements. This would be the case, for instance, where assets and/or liabilities are measured based on an estimate of future cash flows, such as lease impairment assessments. The mitigation and adaptation measures are, to some extent, dependent on technological and operational improvements and/or investment, which may not materialize. In addition, operational judgments and estimates may be impacted in the future by changes to our climate change strategy or the implementation of these mitigation and adaptation measures.

Further, we understand that our key stakeholders, including investors, guests, employees, governments and the local communities in which we operate, have increasingly high expectations with regard to the ability of businesses to influence positive change and deliver on their environmental commitments. Our inability to implement components of our climate change strategy in the future, such as measuring and potentially reducing greenhouse gas emissions, may reduce the demand for our services, and, in turn, could result in material changes to our financial results and/or the carrying values of certain assets and liabilities in future reporting periods. However, we believe that climate-related risks have not had a material impact on our financial results for the year ended December 31, 2022.

NOTE 5:- SEGMENT REPORTING

The operating segments are identified on the basis of information that is reviewed by the Chief Operating Decision Maker ("CODM"), the Group's CEO, to make decisions about resources to be allocated and assess its performance.

The CODM evaluates and examines Selina's business activity and its performance by analyzing its operations in each country, therefore each country is determined to be an operating segment. Operating segments which exhibited similar economic characteristics, such as future economic growth, currency volatility, similar expected long-term margins etc., were aggregated by their main regions, resulting in the following reportable segments: Mexico, South America, North America (the U.S.), Central America, Europe & Africa, Israel and Asia Pacific (APAC). Within each operating segment, the CODM also reviews the Revenue and Gross Operating Profit (GOP) performance of its three main hotel operating product lines: Rooms, Food and Beverage (F&B) and Other (mainly includes tours & transportation, retail, wellness activities and co-working). In addition, Remote

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Year, a separate business activity with a different source of income and operating model, is reported as a separate operating segment.

Additionally, the aggregation of similar economic characteristics by their main regions changed in 2022 due to the Group's internal reorganisation. Thus, the corresponding items of segment information for earlier periods has been recast to match current year presentation.

Segment performance is evaluated based on Gross Operating Profit / (Loss) (GOP), Unit Level EBITDAR and Unit-Level Operating Profit / (Loss). Gross Operating Profit / (Loss) is defined as revenue less the direct expenses related to the sale and operation of Rooms, F&B and Other; specifically, cost of goods sold, labour costs, marketing and sales costs, and operating expenses such as laundry, cleaning, linen, contract services, programming expenses, operating supplies and equipment (OS&E), utilities, security, etc. Unit Level EBITDAR is defined as unit level earnings before interest, income taxes, depreciation and amortization and before rent (or similarly, GOP minus other non-operating unit level expenses such as property insurance and property taxes). Unit-Level Operating Profit / (Loss) is defined as Unit Level EBITDAR minus Rent Expense. For segment reporting purposes, and CODM unit level performance assessment purposes, Rent is treated as an operating expense (meaning not applying IFRS 16 to leases). Unit level performance metrics do not include (i) non-cash compensation expense, (ii) impact of corporate overhead costs, which are reviewed and monitored separately and (iii) pre-opening expenses (operating costs incurred prior to opening a new location).

The segment results reported to the CODM include items that are allocated directly to the segments and items that can be allocated on a reasonable basis. Items that were not allocated, mainly the Group's headquarter assets and related costs, are managed on a group basis.

The CODM does not review segment assets and liabilities, as they are managed at a group level.

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Year ended December 31, 2022
(In thousands of US\$)

	Mexico	South America	North America	Central America	Europe & Africa	Israel	APAC	Operative Locations	Remote Year	Adjustments	Total Consolidated
Rooms											
Revenue	15,919	25,013	14,660	17,358	15,269	17,505	2,256	107,979	—	623	108,602
Gross Operating Profit / (Loss)	7,083	8,893	3,731	6,740	4,338	4,084	571	35,441	—	—	35,441
Food & Beverage											
Revenue	11,400	9,026	5,448	12,859	4,542	6,678	622	50,576	—	(384)	50,192
Gross Operating Profit / (Loss)	(1,045)	(727)	(2,384)	(517)	(1,300)	(1,909)	(244)	(8,126)	—	—	(8,126)
Other											
Revenue	2,446	4,043	1,095	5,891	1,442	1,032	192	16,140	10,422	(1,421)	25,141
Gross Operating Profit / (Loss)	1,446	2,174	1,089	1,858	1,073	196	170	8,006	(2,915)	—	5,091
All Selina products											
Revenue	29,764	38,081	21,203	36,108	21,253	25,215	3,070	174,695	10,422	(1,182)	183,935
Gross Operating Profit / (Loss)	7,483	10,341	2,437	8,080	4,111	2,372	497	35,320	(2,915)	—	32,405
Unit Level EBITDAR	7,954	9,113	192	8,665	3,986	1,779	332	32,021	(2,915)	—	29,106
Rent	(4,779)	(9,947)	(6,961)	(4,130)	(8,092)	(4,402)	(410)	(38,721)	—	—	(38,721)
Unit-Level Operating Profit / (Loss)	3,175	(835)	(6,769)	4,536	(4,106)	(2,623)	(78)	(6,700)	(2,915)	—	(9,615)
Rent add-back											38,721
Pre-opening Expenses											(7,493)
Corporate Overhead											(37,862)
Non-Cash compensation expense											(6,886)
Non-recurring public company readiness cost											(7,585)
Provision for tax risks (non-income tax related)											(2,084)
Depreciation and amortization											(32,964)
Impairment losses, reversals and write-off of non-current assets											(12,695)
Government grants											1,739
Finance income / (expense), net											(48,230)
Share Listing Expense											(74,426)
Non operational income											5,743
Income Tax											(4,442)
Net Operating Income/(Loss)											(198,082)

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Year ended December 31, 2021 - Re-casted
(In thousands of US\$)

	Mexico	South America	North America	Central America	Europe & Africa	Israel	APAC	Operative Locations	Remote Year	Adjustments	Total Consolidated
Rooms											
Revenue	10,264	10,121	6,576	11,250	7,673	4,407	3	50,293	—	1,042	51,335
Gross Operating Profit / (Loss)	4,128	2,078	1,505	3,887	862	784	(5)	13,239	—	—	13,239
Food & Beverage											
Revenue	10,093	4,626	4,576	8,161	2,137	1,818	—	31,410	—	(49)	31,361
Gross Operating Profit / (Loss)	(694)	(1,157)	(1,665)	(329)	(664)	(756)	—	(5,264)	—	—	(5,264)
Other											
Revenue	1,552	2,455	483	3,289	1,732	398	—	9,909	4,522	(4,390)	10,041
Gross Operating Profit / (Loss)	841	1,719	480	1,330	1,532	77	—	5,979	(1,375)	—	4,604
All Selina products											
Revenue	21,909	17,202	11,635	22,699	11,541	6,624	3	91,613	4,522	(3,397)	92,737
Gross Operating Profit / (Loss)	4,275	2,641	320	4,888	1,730	106	(5)	13,955	(1,375)	—	12,579
Unit Level EBITDAR	4,081	1,391	(1,428)	4,626	1,353	15	(5)	10,033	(1,375)	—	8,657
Rent	(5,470)	(6,586)	(4,194)	(3,401)	(6,158)	(2,176)	—	(27,985)	—	—	(27,985)
Unit Level Operating Profit / (Loss)	(1,390)	(5,194)	(5,622)	1,225	(4,805)	(2,160)	(5)	(17,952)	(1,375)	—	(19,327)
Rent add-back											27,985
Pre-opening Expenses											(5,814)
Corporate Overhead											(30,678)
Non-Cash compensation expense											(6,224)
Non-recurring public company readiness cost											(3,347)
Provision for tax risks (non-income tax related)											(3,486)
Depreciation and amortization											(31,235)
Impairment losses, reversals and write-off of non-current assets											(11,153)
Government grants											2,099
Finance income / (expense), net											(99,373)
Non operational income											1,126
Income Tax											(2,844)
Net Operating Income/(Loss)											(182,272)

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Year ended December 31, 2020 - Re-casted
(In thousands of US\$)

	Mexico	South America	North America	Central America	Europe & Africa	Israel	APAC	Operative Locations	Remote Year	Adjustments	Total Consolidated
Rooms											
Revenue	4,215	6,485	2,254	5,354	2,713	439	—	21,459	—	1,338	22,797
Gross Operating Profit / (Loss)	(508)	485	(742)	828	(1,025)	7	—	(956)	—	—	(956)
Food & Beverage											
Revenue	1,335	2,453	350	3,332	1,978	231	—	9,678	—	261	9,939
Gross Operating Profit / (Loss)	(693)	(1,543)	(490)	(916)	(1,122)	(158)	—	(4,922)	—	—	(4,922)
Other											
Revenue	835	1,624	621	1,491	1,302	6	—	5,880	—	(3,455)	2,425
Gross Operating Profit / (Loss)	637	1,101	619	549	1,190	1	—	4,096	—	—	4,096
All Selina products											
Revenue	6,385	10,561	3,225	10,176	5,993	676	—	37,016	—	(1,856)	35,161
Gross Operating Profit	(565)	43	(613)	461	(958)	(150)	—	(1,783)	—	—	(1,783)
Unit Level EBITDAR	(1,538)	(1,663)	(2,644)	12	(1,795)	(195)	—	(7,823)	—	—	(7,823)
Rent	(5,114)	(5,013)	(3,574)	(2,236)	(4,551)	(271)	—	(20,760)	—	—	(20,760)
Unit Level Operating Profit / (Loss)	(6,652)	(6,676)	(6,219)	(2,224)	(6,347)	(466)	—	(28,583)	—	—	(28,583)
Rent add-back											20,760
Pre-opening Expenses											(3,894)
Corporate Overhead											(33,426)
Non-Cash compensation expense											(2,397)
Depreciation and amortization											(21,612)
Impairment losses, reversals and write-off of non-current assets											(19,731)
Government grants											1,437
Income from COVID-related concessions											2,854
Finance income / (expense), net											(58,111)
Non operational income											2,214
Income Tax											(2,265)
Net Operating Income/(Loss)											(142,754)

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NOTE 6:- FINANCE INCOME AND COSTS

	Year ended December 31,		
	2022	2021	2020
	(In thousands of \$)		
Interest expense on loans payable and convertible notes (see Note 20 and 21)	71,701	42,864	20,968
Leasing arrangements (see Note 12)	38,594	32,886	26,011
Unrealized foreign exchange losses on lease liabilities (see Note 12)	1,717	9,689	8,553
Finance expense on financial liabilities at fair value through profit or loss (see Notes 20, 21 and 25)	11,239	10,418	11,305
Loss on extinguishment of debt (see Note 20)	—	3,606	-
Total finance costs	123,251	99,463	66,837
Gain on extinguishment of debt (see Note 21)	8,765	—	4,202
Gain on derecognition of lease liabilities	1,487	—	4,468
Interest income	136	90	56
Finance income on financial liabilities at fair value through profit or loss (see Note 21)	64,633	—	—
Total finance income	75,021	90	8,726

NOTE 7:- STAFF COSTS

Group staff costs recognized as an expense, including directors' remuneration, were as follows:

	Year ended December 31,		
	2022	2021	2020
	(In thousands of US\$)		
Wages and salaries	74,316	43,368	29,608
Social security costs	6,906	3,393	2,242
Cost of defined contribution schemes	2,389	1,264	788
Employee benefits and travel	6,709	3,943	5,834
Equity-settled stock compensation expense (see Note 28)	2,021	2,817	1,340
Cash-settled stock compensation expense (see Note 28)	3,528	2,377	1,057
Total staff costs	95,870	57,162	40,869

The average number of persons, excluding non-executive directors, employed by the Group during the year was as follows:

	Year ended December 31,		
	2022	2021 (restated)	2020
Location employees	2,239	1,618	966
Administration	531	619	223
Total headcount	2,770	2,237	1,189

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There were no persons employed by the Parent Company (2021: nil and 2020: nil). Directors' remuneration disclosures are included in Note 27.

NOTE 8:- CURRENT PURCHASING POWER

The Group applies IAS 29 Financial Reporting in Hyperinflationary Economies, which applies when an entity's functional currency is that of a hyperinflationary economy.

In 2022, 2021 and 2020, the Group operated in Argentina, which is a hyperinflationary economy with three-year cumulative inflation rates exceeding 100%. The Group has applied adjustments to reflect current purchasing power of the assets of the Argentinian subsidiaries as of balance sheet date and recognized a gain on net monetary position in the Group's Consolidated Profit or Loss Account of \$3,178 thousand, \$1,725 thousand and \$2,256 thousand respectively, for the years ended December 31, 2022, 2021 and 2020. The financial statements are presented on a historical cost approach and the corresponding figures for previous periods have been restated for the changes in the general purchasing power of the functional currency and, as a result, are stated in terms of the measuring unit current at the balance sheet date. For this purpose, the Group has used official monthly price indexes published by FACPCE (*Federación Argentina de Consejos Profesionales de Ciencias Económicas*). This index has increased by 95% between December 31, 2022 (value of 1,134.59) and December 31, 2021 (value of 582.46) and by 51% between December 31, 2021 and December 31, 2020 (value of 385.88).

NOTE 9:- TAXES ON INCOME

- a. Tax laws applicable to the Group companies:

The Company is taxed under the tax laws in the UK at a corporate income tax rate of 19% in 2022 and 2021. In 2022, the UK Government enacted an increase to the UK rate of Corporation Tax from 19% to 25%, effective April 1, 2023. The change has not resulted in any re-measurement of deferred tax assets and liabilities given the limited exposure in the Group's financials as described in shown in section c) and e) of this Note.

The Group has a substantial business presence in many countries around the globe. The most significant of which in 2022 are the US, Mexico, Colombia, Panama, Costa Rica, Peru, Israel and Brazil.

- b. Tax rates applicable to the Group:

The Company's subsidiaries are taxed according to tax laws in the countries of their residence. The Company's consolidated tax rate depends on the geographical mix of where its profits are earned.

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c. Deferred taxes:

1. Composition:

	At December 31,	
	2022	2021
	(In thousands of US\$)	
Deferred tax assets:		
Lease liabilities	83,814	55,858
Carryforward tax losses	23,689	18,359
Stock-based compensation	113	593
Property, equipment and furniture, net	178	402
Employees and related accruals	86	263
Accrued expenses	2,782	6,536
Research and development	197	311
Tax credits carried forwards	—	23
	<u>110,859</u>	<u>82,345</u>
Deferred tax liabilities:		
Right of use asset	(112,661)	(83,534)
Right of use impairment	3,164	1,315
Property, plant and equipment, net	(1,652)	(174)
Other	(38)	(325)
	<u>(111,188)</u>	<u>(82,718)</u>
Deferred tax assets (liabilities), net	<u>(329)</u>	<u>(373)</u>

2. Taxes on income included in profit or loss:

	Year ended December 31,		
	2022	2021	2020
	(In thousands of US\$)		
Current taxes	4,442	2,844	2,265
Income tax expense	<u>4,442</u>	<u>2,844</u>	<u>2,265</u>

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d. Theoretical tax:

The reconciliation between the tax expense, assuming that all the income, expenses, gains and losses in profit or loss were taxed at the UK statutory tax rate and the taxes on income recorded in profit or loss is as follows:

	Year ended December 31,		
	2022	2021	2020
	(In thousands of US\$)		
Loss before income taxes	(193,640)	(179,428)	(140,489)
UK Statutory tax rate	19 %	19 %	19 %
Tax benefit computed at the UK statutory tax rate	(36,792)	(34,091)	(26,693)
Increase (decrease) in taxes on income resulting from the following:			
Subsidiaries taxed at a different tax rate	(8,730)	(7,376)	(7,950)
Deferred taxes not recognized	29,257	37,582	34,867
SPAC Share Listing Expense	14,160	—	—
Uncertain tax positions	2,639	2,261	1,545
Permanent differences	3,760	4,543	382
Other	148	(75)	114
Income tax expense	4,442	2,844	2,265

e. Carryforward losses for tax purposes:

Carryforward net operating tax losses of the Group amount to a total of approximately \$174 million as of December 31, 2022 (\$177 million as of December 31, 2021). Deferred tax assets relating to carryforward operating losses were not recognized as of December 31, 2022 and 2021 as losses are not expected to be utilized in the foreseeable future.

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NOTE 10:- EARNINGS PER SHARE

Details of the number of shares and income (loss) used in the computation of net earnings (loss) per share:

	Year ended December 31,					
	2022		2021		2020	
	Weighted number of shares	Net loss attributable to equity holders of the Company	Weighted number of shares	Net loss attributable to equity holders of the Company	Weighted number of shares	Net loss attributable to equity holders of the Company
		In thousands		In thousands		In thousands
	of US\$		of US\$		of US\$	
Number of shares and income (loss)	52,871	(197,107)	43,007	(180,901)	42,614	(141,550)
For the computation of basic and diluted net earnings (loss)	<u>52,871</u>	<u>(197,107)</u>	<u>43,007</u>	<u>(180,901)</u>	<u>42,614</u>	<u>(141,550)</u>

Basic net loss per share is computed by dividing the net loss by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss is computed by giving effect to all potential shares of common stock, including stock options, warrants and convertible loans. Basic and diluted net loss per share was the same for each period presented as the inclusion of all potential common shares outstanding would have been anti-dilutive.

To compute diluted net earnings (loss) per share, the weighted average number of ordinary shares outstanding during the current period (and for periods all presented) was adjusted for the Subdivision event of Selina's Ordinary shares described in Note 23, that have increased the number of ordinary shares outstanding (after Selina's common shares redesignation upon closing of the DeSPAC) for no additional consideration. The number of Selina's Ordinary shares outstanding before the Subdivision event was adjusted for the proportionate change in the number of Ordinary shares outstanding as if the Subdivision event had occurred at the beginning of the earliest period presented.

Additionally, to compute diluted net earnings (loss) per share, convertible securities (dilutive potential Ordinary shares), detailed below, have not been taken into account since their conversion increases the basic earnings (decreases the loss) from continuing operations (anti-dilutive effect):

- Convertible debentures
- Warrants
- Options to employees under share-based payment plans
- Options to advisors

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NOTE 11:- PROPERTY, EQUIPMENT AND FURNITURE

	Buildings, leasehold improvements and hotel assets	Assets under construction	Total
	(In thousands of US\$)		
Cost:			
Balance as at January 1, 2022	97,154	17,264	114,418
Additions	26,500	—	26,500
Write-offs of lost deals	—	(1,485)	(1,485)
Completion of projects	7,036	(7,036)	—
Exchange differences	(669)	(522)	(1,191)
Disposals	—	(405)	(405)
Balance as at December 31, 2022	130,021	7,816	137,837
Accumulated depreciation:			
Balance as at January 1, 2022	(17,968)	—	(17,968)
Depreciation	(8,576)	—	(8,576)
Exchange differences	37	—	37
Balance as at December 31, 2022	(26,507)	—	(26,507)
Net Balance at December 31, 2022	103,514	7,816	111,330

	Buildings, leasehold improvements and hotel assets	Assets under construction	Total
	(In thousands of US\$)		
Cost:			
Balance as at January 1, 2021	99,834	13,821	113,655
Additions	5,438	10,908	16,346
Write-offs of lost deals	—	(4,185)	(4,185)
Completion of projects	—	(1,898)	(1,898)
Exchange differences	748	27	775
Disposals	(6,133)	—	(6,133)
Business combinations (see Note 14)	267	—	267
Reclassification to assets held for sale	(3,000)	(1,409)	(4,409)
Balance as at December 31, 2021	97,154	17,264	114,418
Accumulated depreciation:			
Balance as at January 1, 2021	(12,937)	—	(12,937)
Depreciation	(7,150)	—	(7,150)
Exchange differences	(153)	—	(153)
Disposals	2,345	—	2,345
Business combinations	(76)	—	(76)
Reclassification to assets held for sale	3	—	3
Balance as at December 31, 2021	(17,968)	—	(17,968)
Net Balance at December 31, 2021	79,186	17,264	96,450

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Asset additions represented mainly new openings in Israel, Australia, Brazil and the UK among others, as well as asset improvements in existing locations.

The amounts include capitalized interest on debt raised to fund qualifying assets in prior years. The total outstanding amount of capitalized interest from prior years as of December 31, 2022 was \$1,803 thousand (December 31, 2021 - \$2,110 thousand).

Cost of lost deals, which have been included in the caption “Impairment and write-off of non- current assets” in the accompanying Statements or Profit or Loss, relate to unrecoverable security deposits and project costs on discontinued projects.

The Group decided in the year 2021 to sell certain properties located in the United States which were originally acquired for the expansion of the Group’s operations in the East Coast. The assets related to the properties were held for sale as of December 31, 2021 and maintained under this category in the financial statements as of December 31, 2022, according to IFRS 5 (see Note 17).

Certain subsidiaries' assets located in Portugal, United Kingdom and Austria are pledged in connection with Real Estate partners debt (see Note 20 b).

NOTE 12:- RIGHT OF USE ASSETS

	<u>2022</u>	<u>2021</u>
	(In thousands of US\$)	
Cost:		
Balance as at January 1	381,904	325,135
Additions	140,016	65,803
Acquisitions (see Note 14)	—	1,610
Exchange differences	(12,716)	(10,763)
Lease modifications	18,352	119
Termination	(3,330)	—
Balance as at December 31	<u>524,226</u>	<u>381,904</u>
Depreciation and impairment		
Balance as at January 1	(70,267)	(42,041)
Depreciation	(23,188)	(23,164)
Impairment write-offs, net	(9,971)	(5,062)
Balance as at December 31	<u>(103,426)</u>	<u>(70,267)</u>
Net balance at December 31	<u>420,800</u>	<u>311,637</u>

a. Impairment on the right of use assets

During the years ended December 31, 2022, 2021 and 2020, the Group assessed, according to IAS 36, whether there were indications for impairment of its right of use assets.

Locations experiencing impairment indicators were tested. Where hotels do have qualitative (main key performance indicators: occupancy and profitability) or quantitative indicators of impairment, such as changes in political, technological, market, economic or

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legal environment, physical condition of assets, brand reputation or operational and financial performance, a discounted cash flow model was prepared. In addition, discounted cash flow models were prepared for all the properties with impairment losses recognized in the past.

In order to assess the recoverable amounts of properties, the Group estimated the value in use ("VIU") applying the Discounted Cash Flow ("DCF") method, based on key assumptions, such as discounted rates, growth rates, average daily revenue per bed ("ADR"), occupancy rates, profitability margins and future required capital expenditures.

As a result of the analysis performed, the Group recorded an impairment loss of \$14,194 thousand for the year ended December 31, 2022 on its right of use assets (\$5,062 thousand for the year ended December 31, 2021 and \$10,564 thousand for the year ended December 31, 2020), representing impairment losses on 13 properties (11 properties for the year ended December 31, 2021 and 20 for the year ended December 31, 2020).

Additionally, in 2022, a reversal of earlier periods impairment losses was recognized. The Group recorded within the "Impairment losses, reversals and write-off of non-current assets" line item in the Consolidated Statement of Profit or Loss, the reversals of impairment losses of \$4,223 thousand for the year ended December 31, 2022 (\$0 for the year ended December 31, 2021 and 2020), representing impairment reversals on 7 properties (0 properties for the year ended December 31, 2021 and 2020).

Set out below are the recoverable amounts, impairment losses and reversals and discount rates used for each Segment (see Note 5) for the year ended December 31, 2022, 2021 and 2020:

Segment (2022)	Number of impaired cash generating units	Recoverable amount of impaired cash generating units	Impairment amount	Impairment reversal amount	Discount rate
USA	1	7,023	1,262	—	9.5%
Mexico	3	13,700	4,080	—	12.5%
Central America	—	—	—	(1,497)	12.5%-19.0%
South America	2	8,417	730	(2,618)	11.0%-27.5%
Israel	3	19,327	2,449	—	10.5%
APAC	—	—	—	—	n/a
Europe and Africa	4	11,021	5,673	(108)	9.5%-14.5%

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Segment (2021) Recast	Number of impaired cash generating units	Recoverable amount of impaired cash generating units	Impairment amount	Impairment reversal amount	Discount rate
USA	—	—	—	—	8.0%
Mexico	—	—	—	—	9.5%
Central America	2	1,886	(186)	—	9.5% - 13.5%
South America	4	10,497	(1,399)	—	8.5% - 19.0%
Israel	1	10,489	(584)	—	8.5%
APAC	—	—	—	—	n/a
Europe and Africa	4	28,209	(2,893)	—	7.5% - 10.5%

Segment (2020) Recast	Number of impaired cash generating units	Recoverable amount of impaired cash generating units	Impairment amount	Impairment reversal amount	Discount rate
USA	1	25,237	(2,229)	—	8.5%
Mexico	6	24,010	(2,071)	—	10.5%
Central America	6	23,620	(3,617)	—	10.0% - 13.5%
South America	4	8,419	(1,839)	—	9.0% - 20.5%
Israel	1	8,857	(271)	—	9.0%
APAC	—	—	—	—	n/a
Europe and Africa	2	24,655	(537)	—	8.5% - 11.0%

b. Amounts recognized in Consolidated Statement of Profit or Loss and in the Consolidated Statement of Cash Flows.

	Year ended December 31,	
	2022	2021
	(In thousands of US\$)	
Depreciation expense on right-of-use assets	(23,188)	(23,164)
Impairment write-offs	(9,971)	(5,062)
Gain on lease terminations	1,487	—
Interest expense on lease liabilities	(38,594)	(32,885)
Unrealized foreign exchange losses on revaluation of lease liability	(1,717)	(9,689)
Total amount recognized in Profit or Loss	(71,983)	(70,800)
The total cash outflow for lease payments	(44,377)	(24,764)
Interest rate range	22.7%-7.0%	18.9%-1.3%

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c. Carrying amounts of lease liabilities and movements during the period:

	<u>2022</u>	<u>2021</u>
	(In thousands of US\$)	
Balance as at January 1	394,632	325,952
Additions	140,016	65,803
Termination	(4,817)	—
Lease modifications	18,352	119
Exchange differences	(15,257)	(15,053)
Lease payments	(44,377)	(24,764)
Unrealized foreign exchange losses on revaluation of lease liability	1,717	9,689
Interest accrued on lease liabilities	38,594	32,886
Balance as at December 31	<u>528,860</u>	<u>394,632</u>
Current	59,115	45,660
Non-current	469,745	348,972

All lease liabilities relate directly to the right of use assets.

Certain lease agreements include a revenue-sharing or profit-sharing component in the future, apart from base rent. These are treated as variable lease payments and are not included in the measurement of lease liabilities or the right of use assets. Given the relatively young nature of many of our leases, it is difficult to quantify the Group's exposure as these variable payments depend directly on each location's individual performance in a given time period. For 2022, the expense related to variable component of the leases amounted to \$2,190 thousand (2021 - \$434 thousand) and the Group is expecting it will be increasing as hotels become more profitable.

For the year ended December 31, 2022, the Group has assumed the lease extension options will be exercised as the Group seeks to enter into long-term lease agreements and did not intend to discontinue or early terminate any existing hotel operations. Such extension options have been considered in the measurement of the lease liability. The Group has committed to new leases that have not yet commenced, in markets where the Group plans its further expansion.

There were no significant low-value or short-term leases not included in the measurement of lease liabilities as the Group's leasing arrangements relate primarily to hotel locations, which meet the definition of a lease. There were no significant restrictions or covenants imposed by the leases, apart from the Parent Company's contingent liabilities described in Note 22.

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NOTE 13:- GOODWILL AND INTANGIBLE ASSETS

	Goodwill	Software	Customer List	Total
	(In thousands of US\$)			
Cost:				
Balance as at January 1, 2022	622	5,550	1,315	7,487
Acquisitions of businesses (see Note 14)	—	—	—	—
Additions	—	2,662	—	2,662
Exchange differences	(74)	—	—	(74)
Balance as at December 31, 2022	548	8,212	1,315	10,075
Amortization and impairment:				
Balance as at January 1, 2022	—	(1,402)	(501)	(1,903)
Amortization charge for the year	—	(762)	(438)	(1,200)
Balance as at December 31, 2022	—	(2,164)	(939)	(3,103)
Net balance at December 31, 2022	548	6,048	376	6,972

	Goodwill	Software	Customer List	Total
	(In thousands of US\$)			
Cost:				
Balance as at January 1, 2021	—	3,252	1,315	4,567
Acquisitions of businesses (see Note 14)	618	—	—	618
Additions	—	2,298	—	2,298
Exchange differences	4	—	—	4
Balance as at December 31, 2021	622	5,550	1,315	7,487
Amortization and impairment:				
Balance as at January 1, 2021	—	(919)	(63)	(982)
Amortization charge for the year	—	(483)	(438)	(921)
Balance as at December 31, 2021	—	(1,402)	(501)	(1,903)
Net balance at December 31, 2021	622	4,148	814	5,584

Software mostly consists of capitalised development costs for internally generated intangible assets. No intangible assets were pledged as security in respect of liabilities (2021 – none, 2020 – none). No titles to intangible assets were restricted.

The Customer List was acquired as part of a business combination (see Note 14). It was recognised at fair value at the date of acquisition and is subsequently amortised on a straight- line basis.

The remaining amortization period for software is from 1 to 5 years (2021 – 2 to 5 years) and for customer list – 1 year (2021 – 2 years).

NOTE 14:- BUSINESS COMBINATIONS

The Capital Reorganization

As described in Note 1, on December 2, 2021, the Company entered into a Business Combination Agreement (the “BCA”) by and among BOA Acquisition Corp. (“BOA”), the Company and Samba Merger Sub Inc., a direct, wholly-owned subsidiary of the Company. The Business Combination closed on October 27, 2022 (the “Effective Time”), when Selina’s wholly owned subsidiary, Samba Merger Sub, Inc. (“Merger Sub”) that was incorporated for the purposes of the Business Combination, merged with and into BOA, with BOA surviving the Business Combination as a wholly owned subsidiary of Selina (the “Merger”).

Prior to the Effective Time of the Merger, the Company reorganised (the “Reorganisation”) its share capital and issued new shares on the closing date and each issued and outstanding share of Class B Common Stock of BOA was automatically converted into one share of Class A Common Stock. Subsequently, each share of BOA Class A Common Stock automatically converted into the right to receive an ordinary share of a par value of US\$ 0.005064 (rounded to six decimal places) in the capital of the Company.

The Reorganisation

Prior to the closing of the Business Combination, the Company’s share capital comprised:

- 15,589,552 Series A Shares, each with a nominal value of US\$ 0.01;
- 3,200,539 Series B Shares, each with a nominal value of US\$ 0.01;
- 2,749,657 Series C Shares, each with a nominal value of US\$ 0.01;
- 428,974 Ordinary Shares, each with a nominal value of US\$ 0.01,

Immediately prior to the Effective Time, the Company issued:

- 1,146,291 fully-paid new Series B Shares and 481,693 fully-paid new Series C Shares to certain investors under put and call option agreements.
- 2,565,503 fully-paid new Series C Shares to certain shareholders of Selina pursuant to anti-dilution rights.
- 330,275 fully-paid new Series B Shares to an existing shareholder of Selina pursuant to the exercise of its subscription rights under an existing 2018 warrant instrument.

All outstanding preferred shares above mentioned were redesignated as Ordinary Shares with a nominal value of US\$ 0.01 (the “Redesignated Shares”).

Existing Debt and Warrants conversion

At the Effective Time, in order to repay and otherwise restructure its obligations pursuant to existing financing instruments, the Company issued fully-paid new Ordinary Shares with

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a nominal value of US\$ 0.01 to the existing Convertible Instruments and Warrants holders. The total number of Ordinary Shares that were issued:

- CLN 2020; 9,328,320 Ordinary Shares
- Term Loan; 3,452,710 Ordinary Shares
- Legacy Warrants; 2,381,638 Ordinary Shares

The Subdivision

Immediately prior to the Effective Time, each Ordinary Share with a nominal value of US\$ 0.01 in issue, subdivided into such number of Ordinary Shares as to produce an implied price per Ordinary Share of US\$ 10.00, derived by dividing the pre-money equity valuation of the Company agreed for the purposes of the Business Combination by the aggregate number of (post-subdivision) Ordinary Shares in issue immediately prior to the Effective Time (the "Subdivision") being the Conversion Factor (1.975). The Subdivision did not affect the nominal amount of the share capital, as it increased the number of Selina Ordinary Shares (by 40,606,526) and reduced the nominal value of each Selina Ordinary Shares (from \$0.01 to \$0.005064).

Additional Issuance of Ordinary Shares

Simultaneously with the Effective Time, the Company;

- issued to the PIPE Investors 6,675,000 fully-paid Ordinary Shares (the "PIPE Shares"), consisting of 5,445,000 Ordinary Shares purchased by PIPE Investors for US\$ 54.5 million, and 1,230,000 Ordinary Shares issued to PIPE Investors in exchange for certain prefunding of their purchase price (see Note 20);
- issued 375,000 Ordinary Shares (the "Bridge Loan Shares") in connection to the Bridge Loan Facility (Note 20) pursuant to the warrants issued which became exercisable and were exercised upon the Effective Time occurring;
- issued 5,750,000 fully-paid Ordinary Shares to former holders of the BOA Class B Common Stock; and
- issued 450,000 fully-paid Ordinary Shares to the BOA's underwriter in exchange for a portion of its underwriting fee (the "Payables Settlement Shares").

BOA's Shares and Warrants

At the Effective Time, the Company, after approximately 95.8% of the holders of BOA Class A Common Stock elected to redeem such shares, issued 953,999 Ordinary Shares, fully-paid up, to which the stockholders of BOA were entitled. Additionally, at the Effective Time, the Company, assumed liability under the 14,241,666 issued and outstanding Public Warrants and Private Placement Warrants (see Note 21), including the obligation to issue to holders of the Warrants on exercise of their Warrants up to 14,241,666 Ordinary Shares, fully-paid up, underlying the Warrants.

The following table summarizes Selina's Ordinary Shares outstanding as of October 27, 2022 (Effective Time):

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	<u>Shares</u>	<u>%</u>
BOA	6,703,999	6.9 %
Existing Selina Shareholders (post subdivision)	82,261,678	85.3 %
PIPE Shares & Payables Settlement Shares	7,125,000	7.4 %
BCA Bridge Loan Warrants	375,000	0.4 %
Total Selina Ordinary Shares outstanding at closing	96,465,677	100.0 %

The Business Combination Agreement (BCA) was accounted for as a capital reorganization. Under this method of accounting, BOA was treated as the “acquired” company for financial reporting purposes, with Selina Hospitality PLC being the accounting acquirer and accounting predecessor. Accordingly, the Reorganization was treated as the equivalent of Selina Hospitality PLC issuing shares at the closing of the Reorganization for the net assets of BOA as of the Closing Date, accompanied by a recapitalization. The Reorganization, which was not within the scope of IFRS 3 since BOA did not meet the definition of a business in accordance with IFRS 3, was accounted for within the scope of IFRS 2. In accordance with IFRS 2, Selina Hospitality PLC recorded a one-time non-cash expense of \$74,426 thousand, recognized as a share listing expense in the Consolidated Statement of Profit or Loss for the year ended December 31, 2022, based on the excess of the fair value of Selina Hospitality PLC shares issued considering a fair value of \$9.75 per share (price of Selina Hospitality PLC shares at the Closing Date) over the fair value of BOA's identifiable net assets acquired:

	<u>Amount</u>	<u>Number of Shares</u>
	(In thousands)	
(a) Shares issued to BOA shareholders		6,703,999
(b) Opening price of Selina shares on NASDAQ as of October 27, 2022	10	
(c) Fair value of Selina shares issued to BOA shareholders	65,364	
(d) BOA cash in trust	6,983	
(e) BOA other assets	95	
(f) BOA liabilities	(16,140)	
<u>(g) Net assets of BOA (d + e + f)</u>	<u>(9,062)</u>	
IFRS 2 Listing expenses (c – g)	74,426	

In accordance with IAS 32, Selina has analyzed the total costs incurred in the BCA to determine which were incremental and directly attributable to the issue of new shares, and hence are to be deducted from equity directly rather than being expenses through profit or loss. Transaction costs incurred by Selina in relation to the Business Combination amounted to \$19.8 million of which \$12.2 million was recognized directly within equity (see Note 24) as incremental and directly attributable costs for the issuance of new shares and \$7.6 million was recognized within Legal, marketing, IT and other operating expenses

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in the Consolidated Statement of Profit and Loss for the year ended December 31, 2022 as non-incremental and not directly attributable costs for the issuance of shares.

Acquisition of R.A.Y. Enterprise Michmoret Ltd.

In October 18, 2021, the Group signed on a share purchase agreement ("SPA") to effectively purchase 90.5% of the issued and paid-up shares of R.A.Y. Enterprise Michmoret Ltd. ("RAY Enterprise"). The transaction was formally approved on November 1, 2021 (the "Acquisition date").

RAY Enterprise operates and manages, directly or by joint ventures, four sites in Israel: Netivale, Kibbutz Lohamei Haghetaot, Kibbutz Parod, and Kibbutz Tze'elim. RAY Enterprise directly leases and operates the first three, where as it indirectly leases the fourth site's guest house, by holding 35% of the participation units in Tze'elim Tourism Guest Rooms - Agricultural Cooperative Society Ltd., an Israeli cooperative. The acquisition has increased the Group's presence in Israel where the Company already has a presence.

The purchase price for RAY Enterprise consisted of a fixed cash payment, Deferred Consideration and Contingent Consideration, as follows:

<i>In thousands of US\$</i>	
Cash paid	638
Deferred consideration	1,058
Contingent consideration	833
Purchase Price	<u>2,529</u>

The Deferred consideration is a deferred cash payment of \$1,847 thousand divided in 5 tranches. To recognize such consideration at its fair present value, each tranche was discounted using the relevant Israeli yield curve based on the Group's credit rating and the relevant duration in order.

The Contingent consideration is contingent upon the Group's operating activity of the RAY Enterprise 's leases. To recognize such contingent consideration, a scenario-based model was used based on certain probabilities and a discount rate based on the Company's credit risk and the duration of the expected payments.

The purchase price allocation for this acquisition was as follows:

<i>In thousands of US\$</i>	
Net book value of assets acquired	877
Right of Use Asset Uplift	1,610
Deferred Tax Liability	(373)
Non-controlling Interest	(203)
Goodwill	618
Purchase Price	<u>2,529</u>

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The cash flow resulted from this acquisition is as follows:

In thousands of US\$

Cash acquired	950
Cash paid	(638)
Net cash acquired with the subsidiary	<u>312</u>

The Group has recognized goodwill on this transaction in addition to the uplift between the consideration paid and the fair value of net assets acquired that has been allocated to right of use leased buildings. The right of use asset has been recognized at an amount in excess of the lease liability determined at the date of acquisition. This reflects the favorable terms of these leases when compared to other market terms. The acquisition costs that relate to the transaction have been expensed as operating costs in compliance with IFRS 3.

The Group recognizes non-controlling interests in an acquired entity either at fair value or at the non-controlling interests (NCI) proportionate share of the acquired entity's net identifiable assets. This decision is made on an acquisition-by-acquisition basis. For the non-controlling interests in RAY Enterprise, the Group elected to recognize the non-controlling interests at its proportionate share of the acquired net identifiable assets. The NCI represented a 9.5% interest in Ray Enterprise owned by the sellers.

From the acquisition date, RAY Enterprise has contributed a loss of \$213 thousand to the consolidated net loss and \$394 thousand to the consolidated revenue for the year 2021. If the business combination had taken place at the beginning of the year 2021, the consolidated net loss would have been \$185,370 thousand and the consolidated revenue would have been \$95,237 thousand, without pro forma assumptions.

Acquisition of Remote Year

In September 2020, the Group completed the acquisition of certain assets and liabilities of Remote Year Inc. ("Remote Year"). Remote Year offers programs to individuals and businesses to work and learn while traveling around the world, which is in line with Group's mission to inspire meaningful connections. The Company analyzed and concluded that the above mentioned acquisition meets the definition of a business combination. The total consideration paid by the Company, in shares, including liabilities assumed, was equal to \$1,315 thousand. There was no consideration paid in cash. The assets acquired and the liabilities assumed were recognized at fair value on the acquisition date. The recognized assets and liabilities include intangible assets of \$1,315 thousand and deferred revenue of \$949 thousand. The Group has not recognized goodwill on this transaction as the entire uplift between the consideration paid and the fair value of net assets acquired has been allocated to intangible assets. There were no significant acquisition costs related to this transaction.

The acquired intangible assets are being amortized on a straight-line basis over the estimated useful life of 3 years, which approximates the pattern in which the economic benefits of the intangible assets are expected to be realized.

The Group acquired 100% of shares and 100% of voting equity interests in Remote Year.

Remote Year did not contribute revenues or profits or losses to the consolidated group in 2020 since its acquisition, as the Group made a decision to temporarily suspend its

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operations and relaunched it in 2021. Remote Year contributed with total \$4,521 thousand revenues and total \$1,812 thousand losses for the year ended December 31, 2021.

NOTE 15:- INVENTORIES

The Group's inventory is comprised of hotel and restaurant operating inventory.

For the year ended December 31, 2022, inventories of \$17,396 thousand (2021:\$9,934 thousand, 2020: \$3,460 thousand) were recognized as an expense and included in cost of sales within the Consolidated Statement of Profit or Loss. There were no write-downs of inventories recognised as an expense or reversals of such write-downs.

There are no inventories pledged as security in respect of liabilities.

NOTE 16:- TRADE AND OTHER RECEIVABLES

	At December 31,	
	2022	2021
	(In thousands of US\$)	
Accounts Receivable	10,563	10,853
Notes Receivable	1,651	1,599
Trade and other receivables	12,214	12,452
Current	10,543	10,527
Non-current	1,671	1,925

Notes receivables are related to loans for construction and development. These loans were granted by the Group to partners who co-operate closely with particular Selina locations.

The net carrying value of trade receivables is considered a reasonable approximation of fair value. All of the Group's trade and other receivables in the comparative periods have been reviewed for indicators of impairment.

Note 26 includes disclosures relating to the credit risk exposures and analysis relating to the allowance for expected credit losses. Both the current and comparative impairment provisions apply the IFRS 9 expected loss model.

NOTE 17:- OTHER CURRENT ASSETS AND ASSETS CLASSIFIED AS HELD FOR SALE

Other Current Assets

	At December 31,	
	2022	2021
	(In thousands of US\$)	
Advances to suppliers & others	211	19
Derivative Financial Assets	1,374	—
Non-income taxes	10,235	7,927
Prepaid expenses	4,862	2,173
Other current assets	16,681	10,119

Assets Classified as Held for Sale

	At December 31,	
	2022	2021
	(In thousands of US\$)	
Buildings, leasehold improvements and hotel assets	3,000	3,000
Assets under construction	1,409	1,409
Impairment adjustment	(1,909)	(1,909)
Non-current assets held for sale	2,500	2,500

The Group decided in the year ended December 31, 2021 to sell certain properties located in the United States which were originally acquired for the expansion of the Group's operations in the East Coast. The property is made up of land and all its rights, privileges and easements related and certain buildings comprising a hotel property upon the land and all other improvements and structures. An active selling program for the properties with interested parties was in place at the closing date (the year ended December 31, 2021) and the sale was expected to be completed before the end of June 2022.

Finally, in February 2022 the Group entered into a purchase and sale agreement for the sale the property, land and building to a third party, subject to certain conditions as the applicable municipal authorities' approval of the site plan for redevelopment of the property, among others. The total selling price of the property is \$3,000 thousand. The estimated costs needed to sell the property are \$500 thousand. At December 31, 2022, the conditions for the sale were not yet met. For that reason, the Company continued to present these assets as Non-current assets held for sale in the Consolidated Statement of Financial Position at year end. No further adjustments to the values were deemed required.

The land and building classified as held for sale during the reporting period 2021 was measured at the lower of its carrying amount and fair value less costs to sell at the time of the reclassification, resulting in the recognition of a write-down of \$1,909 thousand as *impairment and write-off of non-current assets* in the statement of profit or loss for the year 2021. The fair value of the land was determined using the sales comparison approach and ultimately the expected selling price as agreed in the purchase and sale agreement of the property. There was no change in the assets fair value estimate for the year ended December 31, 2022.

NOTE 18:- NON-CURRENT FINANCIAL ASSETS

In 2019, the Group made an investment of \$4,284 thousand in Pirate Studios Limited ("Pirate"), an entity which operates as 24-hour self-services music studios in the UK, Germany and US. The Group funded 75% of the investment on behalf of other third party investors. As of December 31, 2022, the shares held had not yet been transferred to such investors, and as such a liability of \$2,777 thousand was recorded within Trade Payables and Other Liabilities in the accompanying Consolidated Statement of Financial Position. Furthermore, as of December 31, 2020, Management concluded there was an impairment in the value of the Pirate investment of \$1,067 thousand, due to changes in market conditions caused by COVID-19. An impairment loss of \$201 thousand related to the Group's own investment was recognized in the Consolidated Statement of Profit or Loss and an

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impairment loss of \$866 thousand related to investment on behalf of third party investors was recognized against the liability. As of December 31, 2022 and December 31, 2021 no further changes or impairment adjustments were noted.

NOTE 19:- CURRENT TRADE AND OTHER PAYABLES

	At December 31,	
	2022	2021
	(In thousands of US\$)	
Trade payables	22,118	11,496
Customer advances	3,980	1,641
Accrued expenses and other liabilities	18,566	14,303
Provision for tax uncertainties	14,311	9,590
Phantom share liability (Note 28)	6,963	3,434
Loyalty program redemption	1,035	903
Deferred and contingent consideration (Note 14)	1,696	1,891
Employee-related liabilities	1,728	410
Income and non-income taxes payable	6,347	3,621
Liabilities related to Mantra (Note 30)	2,005	—
Liabilities related to Pirate Studios (Note 18)	2,777	2,777
Trade payables and other liabilities	81,526	50,066

The carrying values of trade payables is considered to be a reasonable approximation of fair value.

	Parent Company	
	At December 31,	
	2022	2021
	(In thousands of US\$)	
Loans from third party investors related to investments	2,596	2,596
Trade payables and accrued expenses	17,337	4,800
Trade payables and other liabilities	19,933	7,396

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NOTE 20:- LOANS PAYABLE

Loans Payable in the accompanying Consolidated Statement of Financial Position is composed of the following:

	Interest rate	Maturity	At December 31,	
			2022	2021
			(In thousands of US\$)	
Real Estate Partner loans	2% - 15%	2023	28,839	15,467
Bank and government loans	1% - 12%	2023	6,952	1,986
Other debt	5% - 10%	2023	1,887	2,005
Total current interest-bearing loans and borrowings			37,678	19,458
Non-current interest-bearing loans and borrowings:				
Term Loan Agreement	18%	2023	—	34,276
Real Estate Partner loans	2% - 15%	2024 to 2042	59,939	60,352
Bank and government loans	1% - 12%	2024 to 2029	37,730	21,080
Other debt	5% - 10%	2025	327	14,006
Total non-current interest-bearing loans and borrowings			97,996	129,714
Denominated in the following currencies:				
US dollars			69,717	90,761
Sterling			12,681	12,191
Colombian Peso			9	55
Brazilian Real			18,802	17,043
Israeli Shekels			25,542	8,484
Peruvian Sol			1,888	2,169
Australian Dollar			3,689	2,671
Euro			3,346	15,798
Total interest-bearing loans and borrowings			135,674	149,172

Interest expense on Loans Payable and Convertible Loans, included within Finance Costs in the accompanying Consolidated Statement of Profit or Loss are as follows:

	Year ended December 31,		
	2022	2021	2020
	(In thousands of \$)		
Interest expense on Term Loan Agreement	6,758	5,501	6,713
Interest expense on Real Estate Partner loans	13,391	11,444	5,384
Interest expense on Bank and Government loans	5,630	666	186
Interest expense on Bridge Loan Facility	8,413	—	—
Interest expense on Term Loan Note	1,120	—	—
Interest expense on other debt	534	92	216
Interest expense on 2020 convertible loan notes (see Note 21)	35,855	25,161	8,469
Total interest expense on loans	71,701	42,864	20,968

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Loans Payable in the accompanying Parent Company Statement of Financial Position is composed of the following:

	Interest rate	Maturity	At December 31,	
			2022	2021
Bank and government loans	6% and 7%	2023	1,947	660
Other debt	10%	2023	809	—
Total current interest-bearing loans and borrowings			2,756	660
Non-current interest-bearing loans and borrowings:				
Term Loan Agreement	18%	2023	—	27,405
Bank and government loans	6% and 7%	2024 to 2026	1,464	3,392
Other debt	5%	2023	—	10,324
Total non-current interest-bearing loans and borrowings			1,464	41,121

Term Loan Agreement

In January 2018, the Company, as the borrower, entered into a Term Loan Agreement (as amended from time to time, the “Term Loan Agreement”), together with Selina Hospitality Operations Mexico, S.A. de C.V., Selina Operation One (1), S.A. (“Selina One”), the lenders thereunder, including Cibanco, S.A. Institución de Banca Múltiple, Gomez Cayman SPV Limited and 166 2nd LLC, as well as the security agent, GLAS Trust Corporation Limited.

The facility accrued interest at a rate of 12% per annum until the end of April 2021 and increases by 2% each three-month period starting from May 1, 2021, such interest rate not to exceed 18% in total.

In March and April 2020, the Group signed a cashless rollover agreement with three lenders. As a result, \$30,297 thousand were rolled over from the existing loans into a convertible instrument (described below in Note 21). Since the terms of the Term Loan and the Convertible Note (CLN 2020) were substantially different, the Company treated this roll over as an extinguishment of debt in accordance with IFRS 9, Financial Instruments, and a gain on extinguishment of debt of \$1,912 thousand was registered in the 2020 Consolidated Statement of Profit or Loss (see Note 6).

For the remaining balance of the loan, Selina has the prepayment option or option to repay the Term Loan without any penalty or premia and the lenders have the right to convert their debt outstanding under the Term Loan Agreement into debt under the Convertible Note Instrument (CLN 2020) to be exercised within a limited six-month window from April 30, 2021. Since the new feature of the Term Loan (the lenders’ right to convert) as introduced by the Intercreditor Agreement, is seen as a substantial modification of the loan, the Company treated this amendment as an extinguishment of debt in accordance with IFRS 9, Financial Instruments, and a gain on extinguishment of

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debt of \$2,290 thousand was registered in the 2020 Consolidated Statement of Profit or Loss (note 6).

In July 2021, the Term Loan Agreement was amended to provide for, among other things, the automatic conversion of the loan into equity in the Company upon the consummation of an Equity Financing, with such conversion to occur at a discount to the share price utilized for the Equity Financing depending on the valuation of the Company at that time, and the Company's right, to be exercised within a limited window following the conversion trigger, to repay the debt at par value plus a prepayment fee of 40% of the amount due. In October 2021, the Term Loan was amended again, which amendment became effective on December 2, 2021, to modify the automatic conversion trigger and the parameters for an Equity Financing transaction in particular, and to incorporate fee letters that provide for the payment to the lenders of certain fees should the Company undergo a public listing under certain circumstances ("IPO Transaction").

The Company treated these amendments as an extinguishment of debt in accordance with IFRS 9, Financial Instruments, and a loss on extinguishment of debt of \$3,606 thousand was registered in the 2021 Consolidated Statement of Profit or Loss (see Note 6).

	Year ended December 31, 2022	Year ended December 31, 2021
	(In thousands of US\$)	(In thousands of US\$)
Debt component of the Term Loan at closing	34,276	30,916
Interest charged (using effective interest rate)	6,758	3,360
Conversion to equity in October 2022	(41,034)	—
Carrying amount of the loan payable component at December 31	—	34,276
Automatic Conversion component / Prepayment option at 1.4	15,882	21,192
(Gain) loss from revaluation to fair value through profit and loss	2,593	(5,310)
Conversion to equity in October 2022	(18,475)	—
Carrying amount of the derivatives financial liabilities components at December 31	—	15,882

The carrying amount for the Term Loan, as of December 31, 2021, at amortized cost, was \$34,276 thousand. In October 2022, all amounts under the Term Loan Agreement converted into equity upon completion of the Business Combination (BCA) as described in Notes 1 c) and 14. The interest rate in 2022 and 2021 was 18%. Interest payments were capitalized every three-month period.

The facility included customary representations, warranties, covenants, indemnities, reporting requirements and restrictions, including a negative pledge relating to the Company's ability to incur additional debt, and is secured by a guarantee by Selina One as well as a pledge of the shares of Selina One by the Company.

Real Estate Partner loans

The Company's subsidiaries have entered into agreements with local capital partners that provide funding to the group to allow it to lease and convert properties into Selina branded properties. These funding arrangements are often structured as loans, in

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exchange for which the local capital partners receive a yield or interest on such amounts, often together with a portion of the profits of projects which are funded through such a structure. In some cases, for strategic transactions, these loans are secured. As of December 31, 2022, the outstanding amount of these long-term partner loans total \$88,778 thousand (\$75,819 thousand as of December 31, 2021).

Included within these loans are the following transactions closed during the year ended December 31, 2022:

- In February 2022 the Group borrowed in Australia \$1,274 thousand as the second disbursement of a loan (\$2,786 thousand in 2021). The currency of the loan is Australian Dollar. Interest rate is 9.75%. The outstanding amount as of December 31, 2022 is \$3,818 thousand. Maturity is in 2027.
- In February 2022 the Group entered into a purchase and sale agreement for the sale of a property, land and building in the United States, subject to certain conditions as the applicable municipal authorities' approval of the site plan for redevelopment of the property, among others. The total selling price of the property is \$3,000 thousand. Furthermore, in March 2022 the Group borrowed in the United States \$3,000 thousand. The currency of the loan is US Dollar. Interest rate is 6% during the first 6 months and 12% during the course of the remaining period. The outstanding amount as of December 31, 2022 is \$3,186 thousand. Maturity is in 2023. If, prior to the Maturity Date, Borrower satisfies all conditions to closing on the sale of the property pursuant to the Purchase and Sale Agreement between Borrower and Lender then Borrower's obligation to pay the outstanding balance of the Original Loan shall thereupon be cancelled and such outstanding balance shall instead be applied by Lender in payment of the purchase price to acquire the property pursuant to the PSA.
- In April 2022, the Group received in the USA a loan for a hotel in Washington, D.C. The currency of the loan is Pound Sterling. Interest rate is 3-Month LIBOR plus a margin of 8.45%. The outstanding amount as of December 31, 2022 was \$487 thousand. Maturity is in 2040.
- In May 2022 the Group borrowed in Morocco US \$1,680 thousand. The currency of the loan is Euro. Interest rate is 5%. The loan was fully repaid on December 2022.
- In September and October 2022, the Group received in the UK a loan for a hotel in Margate. The currency of the loan is Pound Sterling. Interest rate is 9%. The outstanding amount as of December 31, 2022 was \$657 thousand. Maturity is in 2027.
- In the second half of 2022, the Group received a loan for a hotel refurbishment in Germany. The currency of the loan is Euro. Interest rate is 2%. The outstanding amount as of December 31, 2022 was \$1,958 thousand. Maturity is in 2026.
- During 2022 and 2021 the Group also borrowed from real estate partners for hotels located in Israel. The currency is Israeli New Shekel. The outstanding amount as of

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December 31, 2022 is \$17.2 million. (\$6 million as of December 31, 2021). Maturity ranges from 2023 to 2042.

Included within these loans are the following transactions closed during the year ended December 31, 2021:

- In July 2021, the Group received in Greece a loan for the Theatrou Hotel. The currency is Euro and the maturity is in 2040. Interest rate is 5%. The outstanding amount as of December 31, 2022 is \$1,387 thousand (\$1,743 thousand as of December 31, 2021).
- In Brazil the Group also received during 2021 additional proceeds of \$5,962 thousand for hotels located in Brazil. The currency is Brazilian Real. The interest rate for the facility is 8% and the maturity occurs in 2042. The outstanding amount of all borrowings in Brazil as of December 31, 2022 is \$18,802 thousand.(\$16,910 thousand as of December 31, 2021).

Bank and Government Loans

a. IDB Loan

Furthermore, on November 20, 2020, Selina Global Services Spain, S.L., a wholly-owned subsidiary of the Company, as the borrower, Selina One and Inter- American Investment Corporation (“IDB Invest”), as the lender, entered into a Loan Agreement and related documentation (“IDB Facility”) pursuant to which IDB Invest has agreed to extend to the borrower, together with a participant lender, loans in the aggregate principal amount of \$50 million. The borrower has a right to request a disbursement once per quarter, subject to certain debt covenants and conditions precedent being satisfied. The interest rate for the loans is LIBOR plus a 7.5% margin, and the facility also contains commitment, front-end, mobilization, cancellation and exit fees.

During the course of 2021, collateral was put into place to secure repayment of the loan, including collateral provided by the Company, such as a parent company guarantee and a pledge over the Company’s shares in the borrower. As of December 31, 2020 the Company had not drawn any amounts under this facility. The outstanding amount (including accrued interest) under this facility was \$31.3 million and \$14.6 million as of December 31, 2022 and December 31, 2021, respectively.

In December 2022, the Company made effective a cash deposit of \$2,045 thousand within a debt service reserve account in order to comply with its contractual obligations. The Company must maintain this deposit at all times with an amount equal to the debt service reserve requirement. Therefore, the cash and cash equivalents disclosed in the Consolidated Statement of Cash flows includes the \$2,045 thousand which is held in a debt service reserve account for the loan.

The loan documentation has affirmative and negative covenants, including detailed environmental, social and governance requirements indemnification provisions, representations and warranties and reporting obligations commensurate with development bank credit facilities. On December 22, 2022, IDB Invest amended the Loan Agreement where the existing covenants metrics were reset, being Selina compliant with financial covenants as of December 31, 2022. On March 27, the

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financial covenants contained in the Loan Agreement were subsequently amended by IDB Invest for the periods ended March 30, 2023 and June 30, 2023. There are no assurances that IDB Invest will agree to future amendments of financial covenants.

The loan is guaranteed by, among other things, the Company and various subsidiary companies, as affiliate guarantors, as well as pledges over the shares and bank accounts of certain subsidiary companies, mainly those located in Brazil, Mexico, Colombia, Costa Rica, Panama and Ecuador.

The maturity date is December 15, 2027 and the facility includes various mandatory repayment obligations and voluntary prepayment rights.

b. Other Loans

In April and May of 2020, the Group borrowed \$1,832 thousand from JP Morgan Chase Bank and TD Bank through the PPP. In March 2021, Selina also borrowed \$2,000 thousand from TD Bank through the PPP. The PPP provides loans to qualifying businesses in amounts up to 2.5 times their average monthly payroll expenses and was designed to provide a direct financial incentive for qualifying businesses to keep their workforce employed during the COVID-19 pandemic. PPP loans are uncollateralized and guaranteed by the SBA and are forgivable after a “covered period” (eight or twenty-four weeks) as long as the borrower maintains its payroll levels and uses the loan proceeds for eligible expenses, including payroll, benefits, mortgage interest, rent, and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries and wages more than 25% during the covered period. Any unforgiven portion is payable over 2 years if issued before, or 5 years if issued after, June 5, 2020 at an interest rate of 1% with payments deferred until the SBA remits the borrower’s loan forgiveness amount to the lender, or, if the borrower does not apply for forgiveness, ten months after the end of the covered period. PPP loan terms provide for customary events of default, including payment defaults, breaches of representations and warranties, and insolvency events and may be accelerated upon the occurrence of one or more of these events of default. Additionally, PPP loan terms do not include prepayment penalties. The outstanding balance of these loans as of December 31, 2022 is \$2,390 thousand (\$3,498 thousand as of December 31, 2021). The amount which has been forgiven during 2022 is \$1,113 thousand and during 2021 was \$374 thousand. The maturity date on these loans ranges between 2023 and 2025.

The Group also borrowed \$469 thousand in Peru in May 2020 from the Banco de Credito del Peru. These loans are part of the program Reactiva Peru. The currency of the loans is the Peruvian Sol. The interest rate is 1%. Repayments began in June 2021 with monthly repayments of principal and interest. Maturity is in May 2023. As of December 31, 2022 and 2021, \$94 thousand and \$302 thousand, respectively, were outstanding under these loans.

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In December 2019, the Group borrowed \$2,500 thousand from Banistmo Bank through a non-revolving credit facility. The interest rate is 6 month SOFR + 4.75% margin and the maturity is in 2026. In December 2019, the Group also arranged with Banistmo Bank a revolving credit facility of \$1.5 million. Interest rate is 6 month SOFR + 4.50% margin and the maturity is in 2024. As of December 31, 2022 and 2021, \$3,406 thousand and \$4,053 thousand, respectively, were outstanding under these loans.

Additionally, in November 2021 the Group fully repaid the \$1,617 thousand loan with the Bank of Costa Rica.

During 2022 the Group has also borrowed in Israel from Bank Mizrahi-Tefahot and in 2021 from Leumi Bank. The currency is Israeli New Shekel. Interest rate ranges from 3% to 8%. Maturity ranges from 2022 to 2029. The outstanding balance as of December 31, 2022 is \$7,438 thousand and as of December 31, 2021 was \$1,103 thousand.

Other debt

a. Bridge Loan Facility

In November 2021, the Group entered into a committed bridge loan facility. The interest rate on each draw is 10%, payable up front, and the lenders are entitled to receive warrants issued by the Company in an amount equivalent to 15% of the amount drawn. In April 2022, the Company drew a total amount of \$10 million under the facility. In May 2022, the Company drew the remaining \$15 million from the facility (as of December 31, 2021 the Company had not yet drawn any amounts under this facility). Draws under the facility were fully repaid upon the closing of the Business Combination (BCA) as described in Notes 1 c) and 14.

In October 2022, the Bridge Loan Facility warrants converted into equity upon the closing of the Business Combination by a total amount of \$3.7 million. The loss from revaluation of the Bridge Loan Facility warrants instrument to fair value through the profit and loss since inception to conversion totalised \$0.4 million that was registered in the 2022 Consolidated Statement of Profit or Loss (see Note 6).

b. Term Loan Note

On April 14, 2022, Selina Management Company UK Ltd (“SMCUK”), a subsidiary of Selina, as the borrower, and Guines LLC, as the lender, entered into an unsecured Term Loan Note and Guaranty agreement (“Term Loan”) pursuant to which SMC UK borrowed \$5 million, which Term Loan was guaranteed by certain subsidiaries of Selina. The principal amount was repaid in June 2022.

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An interest charge of \$100,000 was earned by the lender upon, and deducted from, the funding of the loan proceeds and an additional interest charge of \$1 million was paid upon the closing of the Business Combination. The Term Loan Note contained customary representations, warranties and covenants. There was not any outstanding amount as of December 31, 2022.

c. PIPE Investor advanced funding

As stated in the Note 1 c), on December 2, 2021, the Group announced that it had entered into PIPE subscription agreements in respect of \$55.45 million of investment and a \$15 million equity backstop from Bet on America Holdings LLC, the managing member of BOA's sponsor.

Between December 2021 and October 2022, various PIPE investors pre-funded their subscription amounts (totaling \$49.2 million) in exchange for early payment fees paid in additional shares upon closing of the Business Combination.

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NOTE 21:- CONVERTIBLE NOTE AND WARRANTS

Selina Convertible Note Instrument 2020 (CLN 2020)

	December 31, 2020	Variance	December 31, 2021	Variance	December 31, 2022
	(In thousands of US\$)		(In thousands of US\$)		(In thousands of US\$)
Cash proceeds of issue of convertible loan notes	59,650	44,350	104,000	—	—
Roll over into convertible note	30,672	—	30,672	—	—
Net consideration from issue of convertible loan notes	90,322	44,350	134,672	—	—
Note component at date of issue	52,953	10,733	63,686	—	63,686
Interest charged (using effective interest rate)	8,469	25,161	33,630	35,855	69,485
Interest paid in cash	—	—	—	(1,171)	(1,171)
Roll over of CLN 2020 to CLN 2022	—	—	—	(28,512)	(28,512)
Conversion to equity	—	—	—	(102,679)	(102,679)
Reclassification from Convertible Note to Loans Payable	—	—	—	(809)	(809)
Carrying amount of the loan payable component at year end	61,422	35,894	97,316	(97,316)	—
Conversion components as the date of issue	27,878	25,685	53,563	—	53,563
Warrants at the date of issue	6,829	7,862	14,691	—	14,691
Loss (gain) from revaluation to fair value through profit and loss	8,420	6,325	14,745	8,028	22,773
Derivatives Roll over of CLN 2020 to CLN 2022	—	—	—	(14,409)	(14,409)
Conversion to equity	—	—	—	(76,618)	(76,618)
Carrying amount of the derivative financial liability components at year end	43,127	39,872	82,999	(82,999)	—

a. Convertible Loan Note Instrument (CLN 2020)

In March 2020, the Company and Selina Operation One (1), S.A. (“Selina One”) entered into a Convertible Loan Note Instrument (CLN 2020) constituting \$90 million principal amount, 10% fixed rate guaranteed security convertible redeemable loan notes due 2023 (as amended from time to time). The \$90 million headroom under the CLN 2020 was increased to \$125 million in July 2021 and could be increased further in certain limited circumstances, such as notes issued in connection with accrued interest or conversion of a senior term loan into notes. The maturity date of the debt is June 30, 2023. The Company may not prepay the debt before the maturity date, although the Company may be required to redeem the notes at greater than their par value upon event of default by the Company or upon an Initial Public Offering (IPO), change of control or insolvency event. Interest accrues on a payment in kind basis at a rate of 10%

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per annum and capitalizes on a quarterly basis based on the date of issuance of each note.

In addition, the Company entered into various letter agreements with holders of notes constituting a majority of the debt under the CLN 2020, which agreements provided for the automatic conversion of the holder's debt into equity in the Company upon the completion of certain conditions. The conditions were met by the end of January 2022, at which point the conversion of the debt that was subject to the Automatic Conversion Letters would occur automatically upon the completion of the Business Combination (as of December 31, 2021, all conditions were not met to provide the automatic conversion feature to be effective). Such conversion would occur at a discount to the share price utilized for an equity financing depending on the valuation of the Company at that time. The CLN 2020 was amended further in October 2021, which amendment became effective on December 2, 2021, to modify one of the conversion triggers, which would occur in the event the Company did not complete a qualifying financing by December 31, 2021, by extending the financing deadline to June 30, 2022 and changing qualifying financing requirements (such qualifying financing deadline subsequently was extended on July 1, 2022, from June 30, 2022 to September 30, 2022, and then again on September 30, 2022, to December 31, 2022).

Convertible note holders generally had the option to convert some or all of their notes into equity upon the occurrence of a trigger event, including an exit event, such as IPO or change of control, a new equity fundraising round or the failure of the Company to complete a qualifying equity financing of at least \$50 million by December 31, 2021 (which date was extended to December 31, 2022). The conversion price was set at either 65% or 70% of the price of the equity issued in connection with the fundraising or exit event, depending on the valuation of the Company for such purposes, or if no qualifying fundraising occurs within a certain time period, conversion was to be determined using a multiple of revenues.

On April 22, 2022, in connection with investors entering into subscription agreements for \$147.5 million aggregate principal amount of unsecured convertible notes under a new convertible note instrument ("CLN 2022", as described further down) to be issued upon the closing of the business combination between Selina and BOA Acquisition Corp. ("Business Combination"), as announced on December 2, 2021, several holders of the CLN 2020 agreed with Selina to allow the Company to redeem or, as applicable, exchange, their notes prior to their maturity date and reinvest \$35,800 thousand of the proceeds into the CLN 2022 on the same terms as other CLN 2022 investors. Any additional interest accrued under the Convertible Loan Notes to be redeemed or exchanged was paid in cash at the closing of the Business Combination.

In connection with the completion of the Business Combination (see Note 14), most of the debt and accrued interest payable to holders of notes under the CLN 2020 converted into equity, with \$36 million being reinvested (the "Reinvestment Amount") into the CLN 2022. Only \$1.2 million amount of the CLN 2020, held by one investor, remained unpaid as at the closing of the Business Combination (\$0.8 million as of December 31, 2022) and such amount, plus accrued interest, will become due at the end of June 2023.

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As of December 31, 2022, the carrying amount, at amortized cost, of the note liability component of the CLN 2020 was nil (\$86,699 as of December 31, 2021).

The CLN 2020 contains customary representations, warranties, covenants, indemnities, reporting requirements and restrictions, including a negative pledge relating to the Company's ability to incur additional debt, and is secured by a guarantee by Selina One as well as a pledge of the shares of Selina One by the Company.

b. Mexico Notes

On April 20, 2020, Selina Hospitality Operations Mexico, S.A. de C.V., as the borrower ("Selina Mexico"), the Company and Selina One entered into a Convertible Loan Note Instrument constituting \$5 million principal amount, 10% fixed rate guaranteed secured convertible redeemable loan notes due 2023 (the "Mexico Note Instrument"). Cibanco, S.A. Institución de Banca Múltiple is the only noteholder under this instrument and subscribed for a total of \$11,238 thousand in the notes.

The terms and conditions of the Mexico Note Instrument are substantially similar to the CLN 2020, except that the debt is convertible into shares of Selina Mexico. The noteholder and the parties to the Mexico Note Instrument entered into a Put and Call Option Agreement, originally dated January 15, 2018 and amended and restated on 28 April 2020, that allows the noteholder to convert its equity in Selina Mexico into equity in the Company, subject to the terms therein.

The amendments introduced in the CLN 2020 in the year 2021 and 2022 as above mentioned were equally applicable to the Mexico Note Instrument.

In connection with the completion of the Business Combination (see Note 14), most of the principal and interest under the Mexico Note Instrument ultimately was exchanged for New Notes issued under the CLN 2022, with the remaining amounts payable thereunder being repaid in cash, and the Mexico Note was fully satisfied and discharged.

As of December 31, 2022, the carrying amount, at amortized cost, of the note liability component of the Mexico Note Instrument was nil (\$10,617 thousand as of December 31, 2021).

c. Warrants

A Warrant Instrument accompanied the CLN 2020. Under the Warrant Instrument, certain new money noteholders were entitled to warrants that gave each noteholder the right to acquire its pro-rata portion of an allocation of ordinary shares ranging from 4.5% to 7.5% depending on when a warrant was exercised, either before or after a new fundraising round, and if a warrant was exercised after a new fundraising round, then the allocation changed based on the valuation ascribed to the company during the fundraising round. All the warrants were issued by Selina Hospitality PLC.

The warrant instrument was amended and restated in October 2021, which amended and restated warrant instrument became effective on December 2, 2021, to accommodate the issuance of additional warrants in connection with the increased headroom under the CLN 2020, as described above, and the potential issuance of a new

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tranche of warrants upon the completion of the Business Combination. The range of allocation of ordinary shares to which holders of the warrants were entitled was increased to 6.25% to 10.42% (depending on valuation as described above).

In connection with the completion of the Business Combination, 100% of the warrants issued under the Warrant Instrument were exercised for Ordinary Shares of Selina.

Selina Convertible Note Investment 2022 (CLN 2022)

On April 22, 2022, in connection with the Business Combination, Selina entered into convertible note subscription agreements with certain institutional and other investors, pursuant to which Selina agreed to issue and sell, in private placements expected to close concurrently with the closing of the Business Combination, \$147,500,000 aggregate principal amount of unsecured convertible notes (the "CLN 2022") for an aggregate purchase price equal to 80% of the principal amount of the Notes. The obligations of the investors to consummate the subscriptions are conditioned upon, among other things, Selina having received cash proceeds of at least \$50,000,000 pursuant to PIPE financing and other conditions precedent been satisfied or waived.

In connection with the completion of the Business Combination, on October 27, 2022, the Company issued the CLN 2022 in the aggregate principal of \$147.5 million for an aggregate purchase price of \$118.0 million. The Company received \$82.0 million of cash proceeds in connection with the issuance of the CLN 2022. Furthermore, several holders of the existing convertible debt under the Convertible Loan Note Instrument and Mexico Notes (CLN 2020) agreed with Selina to allow the Company to redeem or, as applicable, exchange their notes prior to their maturity date and reinvest \$36.0 million of the proceeds into the CLN 2022 on the same terms as other CLN 2022 investors. Since the terms of the CLN 2020 and the CLN 2022 were substantially different, the Company treated this roll over as an extinguishment of debt in accordance with IFRS 9, Financial Instruments, and a gain on extinguishment of debt of \$6,921 thousand was registered in the 2022 Consolidated Statement of Profit or Loss (see Note 6).

The debt under the CLN 2022 constitutes senior obligations of Selina and ranks pari passu in right of payment with all of our existing senior indebtedness.

The notes issued under the CLN 2022 are convertible into ordinary shares of Selina at a conversion price of \$11.50 per share, and will mature on November 1, 2026, unless earlier converted or repurchased. The CLN 2022 will bear interest at a rate of 6.00% per annum until conversion, redemption or repurchase. Interest accrues from the issue date or from the most recent date on which interest has been paid. Interest is payable annually in arrears on each May 1 and November 1 of each year, commencing on May 1, 2023. Accrued interest on the notes issued under the CLN 2022 is to be computed on the basis of a 360-day year composed of twelve 30-day months and, for partial months, on the basis of the number of days actually elapsed in a 30-day month.

The Company may, at its election, force conversion of the notes issued under the 2022 CLN after the first anniversary of their issuance if the last reported sale price of Selina shares is greater than or equal to 140% of the conversion price for at least 20 trading

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days during the period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter, and subject to certain trading volumes having been met. Various corporate events that occur prior to the maturity date may increase the conversion rate. In addition, in the event that a holder of the notes elects to convert its notes, or in the event of a mandatory conversion, prior to the third anniversary of the issuance of the notes, Selina will be obligated to pay an amount equal to twelve months of interest, which amount will be paid in cash or shares depending on the circumstances of the conversion.

From and including October 27, 2022, the date the CLN 2022 was issued, to and including February 27, 2024, the amount of unrestricted cash to be held by the Group on a consolidated basis in the aggregate shall at all times be no less than an amount equal to \$15 million.

As of December 31, 2022, the carrying amount, at fair value, of the CLN 2022 was \$47,096 thousand.

As additional consideration for the noteholders investing in the CLN 2022, the subscription agreements provided that each investor was to receive warrants to purchase a number of ordinary shares of Selina equal to approximately one-third of the number of shares into which the principal amount of such investor's notes were convertible. A total of 4,274,929 warrants were issued to noteholders at the closing of the Business Combination and the warrants have an exercise price of \$11.50 per share (see "Description of Public Warrants" section below).

In addition to the warrants, in connection with the execution of the subscription agreements, investors also entered into letter agreements with Bet on America LLC, BOA's sponsor, pursuant to which the sponsor agreed to transfer to such investors, at the closing of the Business Combination, shares of BOA Class B Common Stock owned by the sponsor, and ultimately Selina ordinary Shares in exchange therefore (the "CLN 2022 Sponsor Shares"). The number of sponsor shares to be transferred was determined by multiplying each such investor's aggregate principal investment in the notes by a percentage ranging from 2.5% to 7.5% based on the principal amount of the notes for which such investor subscribed. Concurrently with the closing of the Business Combination, the noteholders received 899,125 Selina's Ordinary Shares pursuant to the 2022 Convertible Note Sponsor Agreements. Since the sponsor shares were transferred to the 2022 CLN investors by BOA's sponsor, they were treated economically the same as the issuance of equity instruments. Therefore, as part of the CLN 2022 transaction, the consideration paid by noteholders was allocated to those CLN 2022 Sponsor Shares in the same manner as the issuance of new equity instruments and accordingly the CLN 2022 Sponsor Shares were treated as equity instruments (\$8,766 thousand) (see Note 24).

Description of Warrants

	Public warrants	Private warrants	Convertible Note Warrants 2022	Total
<i>(In thousands of US\$)</i>				
Warrants at the date of issue	1,840	1,585	1,582	5,007
Loss (gain) from revaluation to fair value through profit and loss	(1,227)	(1,059)	(1,240)	(3,526)
Carrying amount of the warrants at year end	613	526	342	1,481

Public Warrants and Private Placement Warrants

Upon the Business Combination (BCA), 7,666,666 public warrants (“Public Warrants”) and 6,575,000 warrants that were issued to Bet on America LLC, BOA's sponsor, in a private placement transaction (“Private Warrants”) were assigned to and assumed by Selina Hospitality PLC and an Amended and Restated Warrant Agreement (the "Warrant Agreement") was issued as part of that transaction. As of December 31, 2022, all warrants were outstanding with the exception of 100 Public Warrants that had been exercised in November 2022.

The Public Warrants and the Private Warrants give the holders the right, but not the obligation, to subscribe to Selina Ordinary Shares at a fixed or determinable price for a specified period of time subject to the provisions of the Warrant Agreement. The Warrants became exercisable 30 days after the consummation of the Business Combination and will expire five years after the completion of the Business Combination or earlier upon redemption, liquidation or expiration in accordance with their terms. The basic terms are:

- 5 year term from the closing of the Business Combination, expiring on October 26, 2027
- Exercise price of \$11.50
- The Company has a right to redeem the Public Warrants, to repurchase them, for a price of \$0.01 per Warrant in the event the Selina share price is \$18.00 per share or more for a period of 20 out of 30 trading days, in which event warrant holders may exercise their warrants during a period of 30 days after Selina provides a notice of redemption
- The Private Placement Warrants are not redeemable by the Company unless they are held by a third party transferee

These instruments were considered to be part of the net assets acquired from BOA as part of the Business Combination (Note 14) and therefore, the provisions of debt and equity classification under IAS 32 Financial Instruments: Presentation (“IAS 32”) were applied. In accordance with IAS 32, a contract to issue a variable number of shares fails to meet the definition of equity and must instead be classified as a derivative liability and measured at fair value with changes in fair value recognized in the consolidated statement of profit and loss and other comprehensive income (loss) at each reporting

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date. As the warrant instrument includes contingent provisions that introduce potential variability to the settlement of the Public Warrants and Private Warrants, dependent on the occurrence of some uncertain future events, the Public Warrants and Private Warrants are accounted for as derivative financial liabilities at fair value, with changes in fair value reflected through profit and loss on the consolidated statement of profit and loss and other comprehensive income (loss).

Convertible Note Warrants 2022

In connection with the CLN 2022, each 2022 CLN investor received warrants to purchase a number of ordinary shares equal to approximately one-third of the number of ordinary shares into which the principal amount of the notes issued under the CLN 2022 may convert. A total of 4,274,929 warrants were issued to holders of notes issued under the 2022 CLN concurrently with the closing of the Business Combination (Note 14). The CLN 2022 warrants have an exercise price of \$11.50 per share, subject to adjustment upon the happening of certain events, and are identical to the Public Warrants in all other material respects, except (i) the CLN 2022 warrants are not subject to redemption and (ii) the holders of the 2022 CLN warrants may exercise such warrants on a cashless basis under the circumstances described in the Amended and Restated Warrant Agreement. Upon the transfer of the 2022 CLN warrants, such warrants will be redeemable by Selina and the holders of the warrants may no longer exercise such warrants on a cashless basis.

NOTE 22:- CONTINGENT LIABILITIES AND GUARANTEES PROVIDED

The Group is subject to several legal claims and proceedings, the ultimate outcome of which is subject to many uncertainties inherent in litigation. These legal claims and proceedings are in various stages, and either individually or in the aggregate, are not likely to have a significant effect on the Group's financial position or profitability.

In some cases, the Parent Company may issue guarantees to third-party property owners, lessors or funding partners to secure management and lease agreements and/or funds to convert properties to Selina branded hotels. As of 31 December 2022, the maximum unprovided exposure under such guarantees was approximately \$178.4 million (31 December 2021 - \$142.9 million, 31 December 2020 - \$114.0 million). At the Group level, because leases are accounted for under IFRS 16, the net present value of all lease liabilities are recognized in the consolidated balance sheet as liabilities. No other material contingent liabilities or off-balance sheet arrangement have been identified at the Parent Company or Group level. The Group believes the possibility of any outflows related to contingent liabilities is remote.

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NOTE 23:- SHARE CAPITAL

	Issued and outstanding	
	December 31,	
	2022	2021
	(In thousands of US\$)	
Ordinary shares of \$0.01 each	—	4
Series A shares of \$0.01 each	—	156
Series B shares of \$0.01 each	—	44
Series C shares of \$0.01 each	—	32
Ordinary shares of \$0.005064 each (after Redesignation and Subdivision)	488	—
	488	236

As of December 31, 2021, the Company's capital structure consisted of 419,832 Ordinary shares with a par value of \$0.01 each, 15,589,552 Series A shares with a par value of \$0.01; 3,200,539 Series B shares with a par value of \$0.01; 2,749,657 Series C shares with a par value of \$0.01 each; and 1,146,291 fully-paid new Series B Shares and 481,693 fully-paid new Series C Shares to the minority shareholders of Selina Mexico pursuant to put and call options with respect to their shares in Selina Mexico, issued and outstanding. In addition to issued shares, 3,329,986 Ordinary Shares were available for issuance, under existing and future awards, pursuant to the Selina Hospitality PLC Amended and Restated 2018 Global Equity Incentive Plan ("2018 Plan").

As described in Note 14, as of October 27, 2022, the Company's preferred shares--its Series A, Series B and Series C shares, were redesignated into Selina Ordinary shares with a nominal value of \$0.01, with the effect from the closing of the Business Combination and immediately prior to the Share Subdivision (as described below).

Additionally, in the context of the consummation of the Business Combination, in order to repay and otherwise restructure its obligations pursuant to existing financing instruments (being, convertible loan notes that existed prior to the closing of the Business Combination, the CLN 2020 (Note 21), the Term Loan (see Note 20), put and call options, existing 2018 and 2020 warrant instruments), the Company issued fully-paid new Ordinary Shares with a nominal value of \$0.01 to those convertible instruments holders.

Pursuant to the Business Combination Agreement (BCA), immediately prior to the closing (and immediately prior to the Share Subdivision), the Company's share capital comprised of 41,655,152 Selina Ordinary Shares:

-Selina Ordinary Shares held by existing shareholders following the Share Redesignation:	23,926,981
-Selina Convertible Instruments converted into Selina Ordinary Shares:	15,162,668
-Selina Ordinary Shares pursuant to anti-dilution rights (see Note 14):	2,565,503

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In addition to issued shares, 2,658,113 ordinary shares (pre-subdivision) were available for issuance under Vested and unvested RSUs and Vested and unvested options under the 2018 Plan (including non-lapsed and non-issued awards).

Furthermore, each Ordinary Share with a nominal value of \$0.01 in issue immediately prior to the Closing Date, subdivided into such number of Ordinary Shares as to produce an implied price per Ordinary Share of \$10.00, (the "Share Subdivision") being the Conversion Factor (1.975) (see Note 14). The Subdivision did not affect the nominal amount of the share capital, as it increased the number of Selina Ordinary Shares (by 40,606,526) and reduced the nominal value of each Selina Ordinary Shares (from \$0.01 to \$0.005064). Pursuant to the Share Subdivision, the Company's share capital comprised of 82,261,678 Selina Ordinary Shares (the "Existing Shareholders").

Pursuant to the Business Combination Agreement, in conjunction with the closing of the Business Combination and in accordance with the terms of BOA's Amended and Restated Certificate of Incorporation, each issued and outstanding share of Class B Common Stock, par value \$0.0001 per share, of BOA (the "BOA Class B Common Stock") was automatically converted into one share of Class A Common Stock, par value \$0.0001, of BOA (the "BOA Class A Common Stock"), leaving only BOA Class A Common Stock in issue (collectively, the "BOA Common Stock"), including the 953,999 shares (the "Transaction Shares") held by BOA shareholders after holders of approximately 95.8% of the BOA Class A Common Stock redeemed their shares. At closing, the BOA Common Stock was automatically exchanged for new Selina Ordinary Shares having a nominal value of \$0.005064.

Finally, simultaneously with the closing of the Business Combination, the Company issued:

-6,675,000 fully-paid Ordinary Shares to certain accredited PIPE investors , including 1,230,000 shares issued to certain PIPE investors to satisfy advanced funding fees owed to such investors for funding all or a portion of the committed investment prior to the closing of the Business Combination, in each case pursuant to subscription agreements entered into in connection with the execution of the Business Combination Agreement(the "PIPE shares");

-375,000 Ordinary Shares (the "Bridge Loan Shares") pursuant to the warrants issued to the lender under the \$25 million committed bridge loan facility executed in connection with the Business Combination, which warrants were exercised upon the closing of the Business Combination (see Note 20);

-5,750,000 fully-paid Ordinary Shares to former holders of the BOA Class B Common Stock ("Sponsor Shares"); and

-450,000 fully-paid Ordinary Shares to BOA's underwriter in exchange for a portion of its underwriting fee (the "Payables Settlement Shares").

Pursuant to the Business Combination Agreement, immediately after to the Closing Date the Company's share capital comprised of 96,465,677 Selina Ordinary Shares (nominal value of \$0.005064):

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-Existing Shareholders:	82,261,678
-Sponsor Shares:	5,750,000
-Transaction Shares:	953,999
-PIPE Shares:	6,675,000
-Bridge Loan Shares	375,000
-Payables Settlement Shares	450,000

As of December 31, 2022, the Company's capital structure consisted of 97,865,777 Ordinary Shares, as an additional 1,400,000 Payables Settlement Shares were issued before year end and 100 Public Warrants were exercised (see Note 21).

In addition to issued shares, 5,487,425 Ordinary shares (post-subdivision) were allocated for issuance under vested and unvested options and RSUs under the Selina Hospitality PLC Amended and Restated 2018 Global Equity Incentive Plan. An additional amount of 11,575,880 Ordinary shares were available under the Selina Hospitality PLC 2022 Onibus Equity Incentive Plan and the Selina Hospitality PLC 2022 Employee Share Purchase Plan, which plans became effective upon the closing the Business Combination. No awards had been made under these plans as of December 31, 2022.

As at December 31, 2022, the total number of Ordinary Shares of the Company, on a post-subdivision, fully diluted basis (including the share scheme pools, but excluding the ordinary shares that may be issued in conjunction with the conversion of the notes issued under the CLN 2022), was 114,929,082.

NOTE 24:- ADDITIONAL PAID IN CAPITAL AND MERGER RESERVE

	At 1 January 2022	Issuance of shares	Exercises of stock options	Conversion rights on investors fund	Equity- settled stock compensation expense for the period	At 31 December 2022
	(In Thousands of US\$)					
Share premium	178,715	307,766	—	—	—	486,481
Costs of equity raise	(542)	(12,234)	—	—	—	(12,776)
Value of conversion rights on investors fund	1,926	—	—	—	—	1,926
Equity on stock compensation	11,014	—	118	—	2,021	13,153
Total additional paid-in capital	191,113	295,532	118	—	2,021	488,784

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	At 1 January 2021	Issuance of shares	Exercises of stock options	Conversion rights on investors fund	Equity- settled stock compensation expense for the period	At 31 December 2021
	(In Thousands of US\$)					
Share premium	178,549	82	84	—	—	178,715
Costs of equity raise	(542)	—	—	—	—	(542)
Value of conversion rights on investors fund	—	—	—	1,926	—	1,926
Equity on stock compensation	8,197	—	—	—	2,817	11,014
Total additional paid-in capital	186,204	82	84	1,926	2,817	191,113

The share premium account includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are presented separately as costs of equity raise.

The impacts within Additional Paid-in Capital (APIC), "Issuance of shares" and Merger Reserve in the year 2022 are as follows:

	(in million)	
Selina Convertible Instrument Conversion (CLN 2020, Term Loan and Legacy Warrants)	\$ 238.6	A
Issuance of Selina Ordinary Shares to PIPE Investors	\$ 52.6	B
Conversion of the BCA Bridge Loan Warrants	\$ 3.7	C
Deferred Underwriting Fees	\$ 4.5	D
CLN 2022 Sponsor Shares	\$ 8.8	E
Share Listing Expenses	\$ 74.4	F
Convertible Note Placement Fee (CLN 2022)	\$ (0.4)	G
Transaction costs associated with the issuing of shares	\$ (12.2)	H
Total Selina Additional Paid-in Capital 2022 (Issuance of Shares) and Merger Reserve	\$ 370.0	

A) On October 27, 2022, as described in Note 23, in the context of the consummation of the Business Combination -see Note 14-, the existing financing instruments, being a portion of CLN 2020 (see Note 21), the Term Loan (see Note 20), put and call options, and existing 2018/2020 warrant instrument (the "Legacy Warrants"), converted into equity.

B) As described in Note 20 e), pursuant to the consummation of the Business Combination, the shares issued to investors under the PIPE subscription agreements, including those shares issued to satisfy early payment fees, were issued at an implied price per Ordinary Share of \$10.00.

C) Warrants issued in connection with a committed bridge loan facility, were exercised upon the Closing Date occurring (see Note 20),

D) Ordinary Shares in exchange for a portion of BOA's underwriter fees that were issued at a price per Ordinary Share of \$10.00 (see Note 23).

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E) The Convertible Loan Investment (CLN 2022) Sponsor shares issued pursuant to which the BOA's sponsor, Bet on America LLC, agreed to transfer to such the CLN 2022 investors, at the closing of the Business Combination, shares of BOA Class B Common Stock owned by the sponsor, and ultimately Selina Ordinary Shares in exchange therefore (the "CLN 2022 Sponsor Shares"). See Note 21.

F) The Share Listing Expenses, that reflects a non-recurring adjustment for \$74.4 million representing the excess of the fair value of the shares issued over the value of the net assets acquired in the Business Combination and it is presented within the "Merger Reserve" line item of the Statement of Financial Position (see Note 14).

G) Convertible Note Placement Fee from Oppenheimer & Co. Inc. acquisition cost that represents the costs directly attributable to the acquisition of the Convertible Note Investment (CLN 2022), and;

H) Reflects the transaction costs associated with the issuing of shares. Transaction costs incurred by Selina in relation to the Business Combination amounted to \$19.8 million of which \$12.2 million was recognized directly within equity as incremental and directly attributable costs for the issuance of new shares (see Note 14).

	Parent Company		Exercises of stock options	Costs of equity raise	Equity-settled stock compensation	Parent Company	
	At 1 January 2022	Issuance of shares				At 31 December 2022	
	(In thousands of US\$)						
Share premium	150,279	307,999	—	—	—	458,278	
Costs of equity raise	(418)	—	—	(12,234)	—	(12,653)	
Value of conversion rights on investors fund	1,927	—	—	—	—	1,927	
Equity on stock	11,014	—	118	—	2,021	13,153	
Total additional paid-in capital	162,801	307,999	118	(12,234)	2,021	460,705	

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	Parent Company			Parent Company		
	At 1 January 2021	Issuance of shares	Exercises of stock options	Conversion rights on investors fund	Equity-settled stock compensation expense	At 31 December 2021
	(In thousands of US\$)					
Share premium	150,113	82	84	—	—	150,279
Costs of equity raise	(418)	—	—	—	—	(418)
Value of conversion rights on investors fund	—	—	—	1,927	—	1,927
Equity on stock compensation	8,197	—	—	—	2,817	11,014
Total additional paid-in capital	157,892	82	84	1,927	2,817	162,801

NOTE 25:- FAIR VALUE MEASUREMENT

The following table presents the fair value measurement hierarchy for the Group's assets and liabilities.

Quantitative disclosures of the fair value measurement hierarchy of the Group's assets and liabilities as of December 31, 2022 and 2021:

2022	Valuation	Fair value hierarchy			Total
	Date	Level 1	Level 2	Level 3	
	(In thousands of US\$)				
Assets & Liabilities measured at fair value:					
Derivative financial assets (Note 17):	Dec 31, 2022	(903)	-	(471)	(1,374)
Derivative financial liabilities (Note 30):	Dec 31, 2022	—	—	1,216	1,216
Warrants (Note 21):	Dec 31, 2022	1,481	—	—	1,481
Liabilities whose fair value is disclosed (Note 26):					
Financial Instruments designated at fair value through P&L (CLN 2022)	Dec 31, 2022	—	—	47,096	47,096
Interest-bearing loans	Dec 31, 2022	—	—	—	—

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2021	Valuation Date	Fair value hierarchy			Total
		Level 1	Level 2	Level 3	
(In thousands of US\$)					
Assets & Liabilities measured at fair value:					
Derivative financial liabilities (Note 26):	Dec 31, 2021	—	—	76,906	76,906
Warrants (Note 21):	Dec 31, 2021	—	—	21,975	21,975
Liabilities whose fair value is disclosed (Note 26):					
Interest-bearing loans (CLN 2020)	Dec 31, 2021	—	—	97,316	97,316
Interest-bearing loans (Term loan)	Dec 31, 2021	—	—	34,276	34,276

Parent company:

2022	Valuation Date	Fair value hierarchy			Total
		Level 1	Level 2	Level 3	
(In thousands of US\$)					
Assets & Liabilities measured at fair value:					
Derivative financial liabilities (Note 30):	Dec 31, 2022	-	-	—	—
Warrants (Note 21):	Dec 31, 2022	1,481	-	—	1,481
Liabilities whose fair value is disclosed (Note 26):					
Financial Instruments designated at fair value through P&L (CLN 2022)	Dec 31, 2022	-	-	47,096	47,096
Interest-bearing loans	Dec 31, 2022	-	-	—	—

2021	Valuation Date	Fair value hierarchy			Total
		Level 1	Level 2	Level 3	
(In thousands of US\$)					
Assets & Liabilities measured at fair value:					
Derivative financial liabilities (Note 26):	Dec 31, 2021	-	-	68,662	68,662
Warrants (Note 21):	Dec 31, 2021	-	-	21,975	21,975
Liabilities whose fair value is disclosed (Note 26):					
Interest-bearing loans (CLN 2020)	Dec 31, 2021	-	-	86,714	86,714
Interest-bearing loans (Term loan)	Dec 31, 2021	-	-	27,405	27,405

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There were no transfers from level 1 to level 2 during the period and no transfers out of Level 3.

Derivative financial liabilities are the derivative components which are embedded in the CLN 2020 and CLN 2022, as presented in Notes 20 and 21. The fair value of the derivative financial liabilities and the warrants is the amount at which the instruments could be exchanged in a current transaction between willing parties other than in a forced transaction (a forced liquidation or distress sale).

The following methods and assumptions were used to estimate the fair values of both the derivative financial liabilities and the warrants:

- Fair value of Selina's market capitalization has been estimated using a Discounted Cash Flow (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these investments in unquoted shares.
- Fair value of the convertible loans, including the embedded derivatives was based on a combination of probability analysis and Monte Carlo simulation, based on Management's estimations. This method included evaluation of many possible value outcomes asset.

Description of significant unobservable inputs to valuation:

	Valuation technique	Significant unobservable inputs	Input in valuation	Sensitivity of the input to fair value
Financial Instruments designated at fair value through P&L (CLN 2022)	DCF and Monte Carlo	Weighted average cost of capital (WACC)	50%	5% increase (decrease) in the discount rate would result (decrease) increase in fair value by \$(4,170) thousands, \$4,461 thousand, respectively

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NOTE 26:- FINANCIAL INSTRUMENTS

Categories of financial instruments

	Carrying amount		Fair value	
	December 31,		December 31,	
	2022	2021	2022	2021
	(In thousands of US\$)			
Financial assets				
Measured at amortized cost:				
<i>Current</i>				
Cash	47,689	21,943	47,689	21,943
Trade and other receivables	10,543	10,527	10,543	10,527
<i>Non-current</i>				
Trade and other receivables	1,671	1,925	1,671	1,925
Non-current financial assets	3,149	3,156	3,149	3,156
Security Deposits	10,910	9,773	10,910	9,773
Total financial assets	73,962	47,324	73,962	47,324
Financial and lease liabilities				
Measured at amortized cost:				
<i>Current</i>				
Loans payable	(37,678)	(19,458)	(37,678)	(19,458)
Lease liabilities	(59,115)	(45,660)	(59,115)	(45,660)
Trade payables and other liabilities	(81,526)	(50,066)	(81,526)	(50,066)
<i>Non-current</i>				
Loan payable, net of current portion	(97,996)	(129,714)	(97,996)	(130,735)
Convertible Note	—	(97,316)	—	(142,317)
Lease liabilities, net of current portion	(469,745)	(348,972)	(469,745)	(348,972)
Accounts payable from related parties	—	(3,472)	—	(3,472)
Measured at fair value through profit or loss:				
<i>Current</i>				
Derivative financial instruments (warrants and conversion option on convertible note)	(1,481)	(82,999)	(1,481)	(82,999)
Derivative financial instruments (convert features and prepayment option on the Term Loan Note and put and call options)	(1,216)	(15,882)	(1,216)	(15,882)
Convertible Note	(7,914)	—	(7,914)	—
<i>Non-Current</i>				
Convertible Note	(39,182)	—	(39,182)	—
Total financial and lease liabilities	(795,853)	(793,539)	(795,853)	(839,561)

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Parent company	Carrying amount		Fair value	
	December 31,		December 31,	
	2022	2021	2022	2021
	(In thousands of US\$)			
Financial assets				
Measured at amortized cost:				
<i>Current</i>				
Cash	25,732	4,441	25,732	4,441
<i>Non-current</i>				
Trade and other receivables	486,492	410,725	486,492	410,725
Total financial assets	512,224	415,166	512,224	415,166
Financial and lease liabilities				
Measured at amortized cost:				
<i>Current</i>				
Loans payable	(2,756)	(660)	(2,756)	(660)
Lease liabilities				
Trade payables and other liabilities	(19,933)	(7,396)	(19,933)	(7,396)
<i>Non-current</i>				
Loan payable, net of current portion	(1,464)	(41,121)	(1,464)	(41,954)
Convertible Note	—	(86,714)	—	(86,714)
Accounts payable from related parties	(152,939)	(150,279)	(152,939)	(150,279)
Measured at fair value through profit or loss:				
<i>Current</i>				
Derivative financial instruments (warrants and conversion option on convertible note)	(1,481)	(77,931)	(1,481)	(77,931)
Derivative financial instruments (convert features and prepayment option on the Term Loan Note and put and call options)	—	(12,706)	—	(12,706)
Convertible Note	(7,914)	—	(7,914)	—
<i>Non-Current</i>				
Convertible Note	(39,182)	—	(39,182)	—
Total financial and lease liabilities	(225,669)	(376,807)	(225,669)	(377,640)

The carrying amounts of current trade and other receivables, trade payables and certain accrued liabilities, all of which are financial instruments, are considered to approximate the fair value of these items due to the short-term nature of the amounts involved. The carrying amounts of non-current financial assets and financial liabilities recorded at amortized cost in the Consolidated Financial Statements approximate to their fair values.

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Reconciliation in Net Debt

Group	Loans payable (current and non-current)	Derivatives and warrants	Cash and cash equivalents	Net Debt
	(In thousands of US\$)			
Balance at December 31, 2021	(246,488)	(98,881)	21,943	(323,426)
Movements	63,718	96,184	25,746	185,648
Loans received	(148,737)	—	—	(148,737)
Loans repaid	46,716	—	—	46,716
Interest accrued	(71,701)	—	—	(71,701)
Interest paid	17,364	—	—	17,364
Gain on extinguishment of debt	8,765	—	—	8,765
Equity component PIPE pre-funding	8,144	—	—	8,144
Equity component 2022 CLN	8,766	—	—	8,766
Initial Warrant allocation	4,869	(8,294)	—	(3,425)
Initial Derivative allocation		(1,216)	—	(1,216)
Loss from revaluation to fair value through profit and loss	—	(11,239)	—	(11,239)
Finance income on financial liabilities at fair value through profit or loss	61,108	3,525	—	64,633
Derivatives Roll over of CLN 2020 to CLN 2022	(14,409)	14,409	—	—
Conversion to equity	143,386	98,999	—	242,385
Other comprehensive loss CLN 2022	(553)	—	—	(553)
Balance at December 31, 2022	(182,770)	(2,697)	47,689	(137,778)

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Parent Company	Loans payable (current and non- current)	Derivatives and warrants	Cash and cash equivalents	Net Debt
	(In thousands of US\$)			
Balance at December 31, 2021	(128,495)	(90,637)	4,441	(214,691)
Movements	77,179	89,156	21,291	187,626
Loans received	(103,969)	—	—	(103,969)
Loans repaid	24,639	—	—	24,639
Interest accrued	(47,407)	—	—	(47,407)
Interest paid	6,165	—	—	6,165
Gain on extinguishment of debt	6,921	—	—	6,921
Equity component PIPE pre-funding	8,144	—	—	8,144
Equity component 2022 CLN	8,766	—	—	8,766
Initial Warrant allocation	4,869	(8,294)	—	(3,425)
Investment in Subsidiary	(18,238)	—	—	(18,238)
Loss from revaluation to fair value through profit and loss	—	(10,577)	—	(10,577)
Finance income on financial liabilities at fair value through profit or loss	61,108	3,525	—	64,633
Derivatives Roll over of CLN 2020 to CLN 2022	(8,962)	8,962	—	—
Conversion to equity and	135,696	95,540	—	231,236
Other comprehensive loss CLN 2022	(553)	—	—	(553)
Balance at December 31, 2022	(51,316)	(1,481)	25,732	(27,065)
Group	Loans payable (current and non- current)	Derivatives and warrants	Cash and cash equivalents	Net Debt
	(In thousands of US\$)			
Balance at December 31, 2020	(159,260)	(54,985)	13,572	(200,673)
Movements	(87,228)	(43,896)	8,371	(122,753)
Loans received	(87,355)	—	—	(87,355)
Loans repaid	5,016	—	—	5,016
Interest accrued	(42,775)	—	—	(42,775)
Interest paid	6,018	—	—	6,018
Loss on extinguishment of debt	(3,606)	—	—	(3,606)
Equity component PIPE pre-funding	1,927	—	—	—
Initial Warrant allocation	7,862	(7,862)	—	—
Initial Derivative allocation	25,685	(25,685)	—	—
Loss from revaluation to fair value through profit and loss	—	(10,349)	—	(10,349)
Balance at December 31, 2021	(246,488)	(98,881)	21,943	(323,426)

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Parent Company	Loans payable (current and non-current)	Derivatives and warrants	Cash and cash equivalents	Net Debt
Balance at December 31, 2020	(88,754)	(48,340)	7,294	(129,800)
	(In thousands of US\$)			
Movements	(39,741)	(42,297)	(2,853)	(84,891)
Loans received	(54,350)	—	—	(54,350)
Loans repaid	97	—	—	97
Interest accrued	(17,287)	—	—	(17,287)
Interest paid	1,148	—	—	1,148
Loss on extinguishment of debt	(2,896)	—	—	(2,896)
Initial Warrant allocation	7,862	(7,862)	—	—
Initial Derivative allocation	25,685	(25,685)	—	—
Loss from revaluation to fair value through profit and loss	—	(8,750)	—	(8,750)
Balance at December 31, 2021	(128,495)	(90,637)	4,441	(214,691)

Financial risk management

The Group is exposed to financial risks that arise in relation to underlying business activities. These risks include: market risk, credit risk, liquidity risk, and capital risk. There are Board approved policies in place to manage these risks. During 2022 and 2021, the Company did not have a hedging policy in place or transactions involving derivative instruments (other than those embedded in the convertible loan instruments). There have been no major changes in the financial risk management objectives, processes and policies from prior years.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: foreign exchange risk and interest rate risk. Financial instruments affected by market risk include loans and other borrowings, cash and cash equivalents, debt and equity investments and derivatives.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign currency exchange rates. Movements in foreign exchange rates can affect the Group's reported profit or loss and net financial assets and liabilities. The most significant exposures of the Group are in currencies that are freely convertible. The Group's cash and cash equivalents are predominantly held in USD (79% and 76% of total as of December 31, 2022 and 2021, respectively). The Group's loans and borrowings are also denominated predominantly in USD (64% and 76% of total as of December 31, 2022 and 2021, respectively). The Company does not enter into cash flow or net investment hedging.

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Most of Group's operating revenue, as well as expenses incurred by hotels, is denominated in local currencies. The corporate overheads are mainly denominated in USD as the Group has centralised cash reserves in USD, which serves to mitigate the foreign exchange risk, as shown in the table.

2022	Denominated in USD	Denominated in local currencies	Total
	(In thousands of US\$)		
Total revenue	53,459	130,476	183,935
Total cost of sales, general and administrative expenses and corporate office overhead expenses	82,304	134,437	216,741
	(In thousands of US\$)		
2021	Denominated in USD	Denominated in local currencies	Total
	(In thousands of US\$)		
Total revenue	26,049	66,688	92,737
Total cost of sales, general and administrative expenses and corporate office overhead expenses	55,646	77,983	133,629
	(In thousands of US\$)		
2020	Denominated in USD	Denominated in local currencies	Total
	(In thousands of US\$)		
Total revenue	6,544	28,617	35,161
Total cost of sales, general and administrative expenses and corporate office overhead expenses	27,637	55,063	82,701

Either if the USD weakened or strengthened against local currencies by (+/-)1bps throughout the year 2022, an average impact driven by the USD fluctuation against local currencies would have impacted the Group's revenue by no more than \$2.7 million.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term liabilities with floating interest. The Group does not see a significant interest rate risk as the majority of interest on debt is being charged on a fixed rate basis. With the exception of overdrafts, 74% of borrowings were fixed rate debt at December 31, 2022 (2021: 80%). The Group does not enter into interest rate hedging transactions through the use of interest rate swaps or other derivative instruments.

Credit and concentration risk

Credit risk represents the financial loss the Group would experience if a counter-party to a financial instrument, in which the Group has an amount owing from the counterparty, failed to meet its obligations in accordance with the terms and conditions of its contracts with the Group. Overall credit risk of the Group is low as most guests are charged either in

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cash or by credit card, and supplier or other lenders to the Group are highly diversified, with low concentration.

The Group's credit risk is primarily attributable to its accounts receivable as cash balances are deposited with reputable financial institutions. The accounts receivable amounts disclosed in the financial statements are net of allowances for doubtful accounts, estimated by the Group's management based on prior experience and their assessment of the current economic environment. The Group recognized \$3,501 thousand of allowances for doubtful accounts in 2022 (2021 - \$2,134 thousand, 2020 - \$997 thousand).

The Company writes off financial assets that are past due for more than one year and for which there will be no further collection activities. In addition, the Company writes off financial assets for which the Company believes the likelihood of collection is nil, for example, in situations in which the borrower is in liquidation or bankruptcy proceedings.

Cash at bank and in hand, short-term deposits, trade and other receivables are subject to the expected credit loss model requirements of IFRS 9. Other receivables typically comprise of arrangements with landlords or partners where the Group might be providing loans for development or refurbishment purposes. Outstanding debts are monitored and expected credit losses are periodically assessed for recoverability. The expected credit loss is considered to be immaterial.

The Group and the company's financial instruments are exposed to concentration risk. The Group assesses the inherent concentration risk as low due to the fact hospitality services are provided to multiple customers or guests at many locations and the vast majority of payments are processed in cash or by credit card. Receivables from guests on the balance sheet have arisen in the last days of December prior to year end and have either not yet been charged from guests or from institutions in charge of processing card payments. Due to the nature of the Group's operations and cash flow monitoring, it is unlikely that debtors will remain outstanding long term. Trade accounts receivable consist primarily of receivables from online travel agents or credit card providers and the Group considers them to have low inherent credit risk. The Group has rebutted the presumption that there have been significant increases in credit risk since initial recognition when financial assets are more than 30 days past due to the nature of the business as described above and monitoring of receivables and receivables ratios, which have not deteriorated compared to previous years. The fluctuations in balances of receivables have been and are expected to be directly correlated to the volume of our business.

Liquidity and capital risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities. The Group manages liquidity risk through the management of its capital structure as outlined below. The Group policy is to ensure sufficient liquidity to meet all foreseeable medium-term cash requirements and provide headroom against unforeseen obligations. Cash and cash equivalents are held in short-term deposits, mostly in USD, in banks in the UK, US and Panama. As of December 31, 2022 and December 31, 2021, we had cash and cash equivalents of \$47.7 million and \$21.9 million, respectively, and outstanding loans and borrowings of \$182.8 million and \$246.5 million, respectively. Cash and cash equivalents include \$2.0 million which is held in a debt service reserve account for a loan. As of December 31, 2022 we also had \$20.6 million undrawn amounts under the \$50 million loan facility entered into in

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November 2020 with Inter-American Investment Corporation, subject to compliance of covenants and other requirements, including borrowing based restrictions.

Additionally, from and including October 27, 2022, the date the CLN 2022 was issued (see Note 21), to and including February 27, 2024, the amount of unrestricted cash to be held by the Group on a consolidated basis in the aggregate shall at all times be no less than an amount equal to \$15 million.

The Group's objectives in managing capital are to ensure sufficient liquidity to pursue its strategy of growth and to provide returns to its shareholders. The Group defines the capital it manages as the aggregate of its equity, which comprises common stock, additional paid in capital, accumulated deficit and currency translation. The Group manages its capital to intend to continue as a going concern. The capital structure consists of net debt, issued common stock capital and reserves. The structure is managed to maximize returns to shareholders and to service debt obligations, whilst maintaining maximum operational flexibility. The current capital structure is a combination of investor funding through investor debt and equity, bank debt, debt convertible to equity, and long term partner debt. The Group's ability to successfully carry out its business plan is primarily dependent, among others, upon its ability to obtain sufficient additional capital, or secure other sources of funding from financial institutions for working capital or other long term needs. There are no certain assurances that the Group will be successful in obtaining an adequate level of financing needed to cover its contractual commitments and meet its operating needs until the business is able to generate sufficient operating cash flow from its portfolio of hotels (see Note 2b). The Group was not subject to any significant externally imposed capital requirements.

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (including interest payments):

Group	Less than one year	1 to 2 years	2 to 3 years	3 to 4 years	> 4 years	Total
	(In thousands of US\$)					
December 31, 2022						
Loans payable	46,380	22,993	16,722	18,032	93,632	197,759
Lease liabilities	59,115	55,049	55,417	55,742	780,126	1,005,449
Trade payables and other liabilities	49,343	—	—	—	—	49,343
Accounts payable to related parties	—	—	—	—	—	—
Convertible loans	8,948	8,850	8,850	156,350	—	182,998
	163,786	86,892	80,989	230,124	873,758	1,435,549
December 31, 2021						
Loans payable	22,685	80,437	8,032	9,089	81,097	201,340
Lease liabilities	45,660	45,274	42,993	42,745	607,558	784,230
Trade payables and other liabilities	31,124	—	—	—	—	31,124
Accounts payable to related parties	—	—	—	—	3,472	3,472
Convertible loans	—	176,448	—	—	—	176,448
	99,469	302,159	51,025	51,834	692,127	1,196,614

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Parent	Less than one year	1 to 2 years	2 to 3 years	3 to 4 years	> 4 years	Total
	(In thousands of US\$)					
December 31, 2022						
Loans payable	3,291	644	594	247	-	4,776
Trade payables and other liabilities	19,933	-	-	-	-	19,933
Accounts payable to related parties	-	-	-	-	152,939	152,939
Convertible loans	8,948	8,850	8,850	156,350	-	182,998
	<u>32,172</u>	<u>9,494</u>	<u>9,444</u>	<u>156,597</u>	<u>152,939</u>	<u>360,646</u>
December 31, 2021						
Loans payable	911	59,136	594	594	3,029	64,264
Trade payables and other liabilities	7,396	-	-	-	-	7,396
Accounts payable to related parties	-	-	-	-	150,279	150,279
Convertible loans	-	161,078	-	-	-	161,078
	<u>8,307</u>	<u>220,214</u>	<u>594</u>	<u>594</u>	<u>153,308</u>	<u>383,017</u>

NOTE 27:- RELATED PARTY TRANSACTIONS

- a. The parent Company, controlling shareholders and subsidiaries:

Dekel Development Holding S.a.r.l. (formerly Dekel Development Holding, S.A.), and its parent company, Kibbutz Holding S.à.r.l. (Kibbutz), together held 19.87% of the issued ordinary shares of Selina Hospitality PLC as of December 31, 2022 (34.66% as of December 31, 2021). As of December 31, 2022, Kibbutz was controlled by Rafael Museri (31.38%) and Daniel Rudasevski (31.38%), the two co-founders of the Company and its CEO and Chief Growth Officer, respectively. Mr. Museri and Mr. Rudasevski are directors of Kibbutz and control its Board of Directors. Messrs Museri and Rudasevski sit on the Company's Board of Directors, which as of December 31, 2022, was comprised of seven directors, including five independent directors in addition to Mr Museri and Mr Rudasevski.

In addition, Messrs. Museri and Rudasevski each have a 25% interest in and serve as directors of Kibbutz General Partner S.a.r.l., the general partner of the Selina Growth Fund S.C.Sp., which held a 7.84% ownership interest as of December, 31 2022, and they may receive dividends in connection with such shareholding.

As for subsidiaries, see Note 29 to the financial statements.

The following provides a summary of each main arrangement with related parties as of December 31, 2022

Lease and similar arrangements

Subsidiaries of Selina lease certain hotel properties and corporate office space from various entities in which either Dekel and/or Messrs. Mr. Museri and Mr. Rudasevski

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have or have had an ownership interest (see Notes 27 (b) and 27 (c) for amounts of lease liabilities and interest charged on these liabilities).

Family Arrangements

Various subsidiaries of Selina previously had entered into finder agreements with the Founders' relatives or companies affiliated with them, pursuant to which the finders were paid, or are to be paid, fees based on a percentage of annual rent for assisting the group in locating sites for leasing by Selina and converting the sites into Selina branded properties, as well as some of their relatives hold Selina Hospitality PLC ordinary shares as of December 31, 2022 and phantom shares pursuant to the Phantom Equity Incentive Plan as described in Note 28.

Shareholder Loans

Each of the following entities (each a "Related Lender") is considered a related party to Selina Hospitality PLC and its subsidiaries. Selina and/or its subsidiaries had entered into certain debt arrangements with the Related Lenders as described below:

- 166 2nd LLC ("166")
- Bet on America LLC
- CIBanco, S.A. Institución de Banca Múltiple ("CIBanco")
- Dekel
- Gomez Cayman SPV Limited ("Gomez Cayman")
- Kibbutz
- Selina Growth Fund S.C.Sp. ("SGF")

Convertible note instrument (CLN 2022)

As described in Note 21, in connection with the completion of the Business Combination (BCA), on October 27, 2022 (the "Issue Date"), the Company issued the Convertible Notes in the aggregate principal of \$147.5 million for an aggregate purchase price of \$118.0 million.

Each of the following Related Lenders holds one or more convertible notes issued pursuant to the Convertible Loan Note Instrument (CLN 2022) for the aggregate nominal amounts set forth opposite such Related Party Noteholder's name below.

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Name of noteholder	Amount of principal and accrued interest as of December 31, 2022
Gomez Cayman SPV Limited and its related entity, Cibanco, S.A. Institución de Banca Múltiple (“Cibanco”)	\$17,889
Kibbutz Holding S.a.r.l.	\$14,857
Guines	\$8,914
Ridgeview Holdings LLC	\$283
Cobalt Partners, LP	\$3,537

Convertible note instrument (CLN 2020)

In March 2020, the Group’s Parent Company (“Selina”) and its subsidiary Selina Operation One (1), S.A. (“Selina One”) entered into the Convertible Loan Note Instrument with certain noteholders, including those set forth in the table below (the “Related Party Noteholders”) for the issuance of the Notes. In July 2021, Selina, Selina One and certain of the required noteholders agreed to increase the aggregate principal amount issuable under the Convertible Note Instrument from \$90 million to \$125 million. In October 27, 2022, the CLN 2020 either converted into equity pursuant to the BCA (see Note 14) or rolled over into the CLN 2022 (see Note 21).

Each of the following Related Party Noteholder held one or more convertible notes issued pursuant to the Convertible Loan Note Instrument (CLN 2020); 166 2nd LLC, Gomez Cayman SPV Limited and its related entity, Cibanco, S.A. Institución de Banca Múltiple, Dekel, Kibbutz, Stanhouse Capital Inc. and Selina Growth Fund S.C.Sp. (Messrs. Museri and Rudasevski are directors of Selina Growth Fund S.C.Sp. (“SGF”) and are directors of and own 50% of the equity interests in the general partner of the SGF).

Mexico note

In April 20, 2020, Selina Hospitality Operations Mexico, S.A. de C.V., as the borrower (“Selina Mexico”), Selina and Selina One entered into a Convertible Loan Note Instrument (CLN 2020) constituting US\$5,000,000 principal amount 10% fixed rate guaranteed secured convertible redeemable loan notes due 2023 (the “Mexico Note Instrument”). Cibanco is the only noteholder under this instrument. In October 27, 2022, the Mexico note (CLN 2020) rolled over into the CLN 2022 (see Note 21).

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Term loan

As described in Note 20, in January 2018, Selina, as the borrower, entered into a Term Loan Agreement (as amended from time to time, the “Term Loan Agreement”), together with Selina Hospitality Operations Mexico, S.A. de C.V., Selina One, the lenders thereunder, including Cibanco, S.A. Institución de Banca Múltiple, Gomez Cayman SPV Limited and 166 2nd LLC, as well as the security agent, GLAS Trust Corporation Limited. The loan is comprised of two different tranches and the term for each tranche is 60 months from the funding of each tranche. In October 27, 2022, the Term Loan converted into equity pursuant to the BCA (see Note 14).

Stanhouse loan

Stanhouse Capital Inc. (“Stanhouse”) advanced \$1,000 thousand to Selina Operation Chelsea, LLC (“Selina Chelsea”), a subsidiary of Selina, pursuant to a promissory note, dated October 29, 2019. The promissory note’s principal amount of \$1,000 thousand bears interest at a yearly rate of 10% per annum. This loan was fully repaid in November 2022.

Term Loan Note

On April 14, 2022, Selina Management Company UK Ltd, a subsidiary of Selina (“SMC UK”), and Guines LLC (“Guines”), which held \$6.3 million principal amount of notes under the Convertible Loan Note Instrument, entered into an unsecured Term Loan Note and Guaranty agreement (“New Term Loan”) pursuant to which SMC UK borrowed \$5.0 million from Guines. The New Term Loan was guaranteed by certain subsidiaries of Selina and contained customary representations, warranties and covenants. The facility was repaid by SMC UK in June 2022, subject to payment of an additional interest charge of \$1.0 million, which was paid to Guines upon Closing.

Founder loans

Pursuant to a founder’s agreement, dated November 11, 2013 and subsequently amended, certain shareholder lenders made loans to Selina, including \$333 thousand from Stanhouse, \$850 thousand from Dekel and \$550 thousand from other shareholders. The total outstanding principal and interest due under the loans was \$2,261 thousand as of December 31, 2021, and the loans bear interest at a rate of 5% per annum until repaid. This loan was fully repaid in October 2022.

Kibbutz loan

Pursuant to that certain loan agreement dated December 30, 2020, Selina Management Panama, S.A. received a loan of \$300,000 from Kibbutz at an 8% interest rate (the “Kibbutz Loan”). Such loan was fully repaid in January 2022.

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Joint venture arrangements

Pursuant to a joint venture agreement dated May 1, 2017, as amended, 166 2nd LLC, which is considered to be a related party of the Company, contributed \$4.05 million to Selina Bogota Real Estate, S.A.S. (“Bogota RE”), in exchange for the issuance of certain preferred shares in Bogota RE that entitle the holder of such shares to dividends that provide a 7% internal rate of return on the outstanding amount of the investment from time to time. Bogota RE used the capital, in addition to contributions from Selina, to acquire/lease and renovate the hotel currently operating as the Selina Bogota and related real estate.

b. Balances with related parties:

Group	Key management personnel and shareholder		Other related parties
	(In thousands of US\$)		
December 31, 2022:			
Receivables:			
Trade receivables	—		20
Payables:			
Convertible note	10,345		—
Warrants	75		—
Lease liability	16,585		—
December 31 2021:			
Receivables:			
Trade receivables	—		327
Payables:			
Accounts payable	—		3,472
Loan payable	37,737		324
Convertible note	60,819		24,876
Derivative financial liabilities	44,525		21,728
Warrants	6,926		10,098
Lease liability	22,455		—

	Parent Company 2022	Parent Company 2021
(In thousands of US\$)		
Loans receivable from subsidiaries	486,492	410,725
Accounts receivable from related parties	486,492	410,725
Loans payable to subsidiaries	152,939	150,280
Accounts receivable from related parties	152,939	150,280

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c. Transactions with related parties:

	Key management personnel and shareholder	Other related parties
	(In thousands of US\$)	
Year ended December 31, 2022		
Finance Costs	39,061	18,015
Finance Income	(19,172)	—
Gain on lease termination (Note 12)	—	1,487
Year ended December 31, 2021		
Finance Costs	58,281	10,430
Year ended December 31, 2020		
Finance Costs	1,617	—

On September 23, 2022, Selina Operation Bola de Oro S.A. terminated a related party lease and recognized the difference between the remaining lease liability and right-of-use asset as Finance Income (see Notes 6 and 12). In 2021, Selina Operation Santa Teresa S.A. sold leasehold improvements and hotel assets to the Group's 30% owned associate, Selina Santa Teresa S.A., for \$100 thousand. The carrying value of these assets was \$1,187 thousand, resulting in a loss on sales of assets of \$1,087 thousand, recognized in the Group's Consolidated Statement of Profit or Loss within Other non-operating expense, net.

There were no other transactions with directors and key management personnel during the years ended December 31, 2022 and December 31, 2021. There were no loans advanced to directors in these years or guarantees subsisting on behalf of directors. Balances and transactions between the Parent Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. These transactions include unsecured loans receivable and loans payable granted between the Parent Company and its subsidiaries, as well as Parent Company's investments, as detailed in Note 29. The repayment dates of the loans depend on the loans. Some loans do not have a fixed repayment date.

d. Compensation and benefits to interested parties and key management personnel:

The key management personnel are the directors of the Company. The remuneration that they have received during the year is set out below in aggregate for each of the specified in IAS 24 *Related Party Disclosures*.

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Year ended December 31, 2022:

	Interested parties (including directors) employed by the Company
	(In thousands of US\$)
Wages and salaries	3,338
Social security costs	636
Share-based payment benefits	2,160
Total	<u>6,134</u>

Year ended December 31, 2021:

	Interested parties (including directors) employed by the Company
	(In thousands of US\$)
Wages and salaries	1,782
Social security costs	160
Share-based payment benefits	819
Total	<u>2,761</u>

Year ended December 31, 2020:

	Interested parties (including directors) employed by the Company
	(In thousands of US\$)
Wages and salaries	1,055
Social security costs	112
Share-based payment benefits	579
Total	<u>1,746</u>

Remuneration of the highest paid director for 2022 was \$498 thousand (2021 - \$479 thousand, 2020 - \$325 thousand). The highest paid director pension expense for 2022 was nil (2021 - \$57 thousand, 2020 - \$20 thousand). No share options were exercised by the highest paid director in 2022, 2021 or 2020. Post-employment benefits or termination benefits compensated in the period are included in the “wages and salaries” caption being not relevant for further disclosure.

For Messrs. Museri and Rudasevski; (i) the value of Luna loyalty tokens granted each of them during 2022, as well as the costs of vehicles which were leased by the

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Company and used by them, the total amount was \$14,340 each, and (ii) the value of 5,291 phantom shares that were granted to each of them under the Global Phantom Equity Incentive Plan (the “Phantom Plan”) that was in place prior to the closing of the Business Combination in respect of salary reductions taken by Messrs. Museri and Rudasevski in 2020 and 2021. The value of the phantom shares was \$17.50 per share at the time of the grant and was adjusted to \$19.748 at the closing of the Business Combination in accordance with the terms of the Phantom Plan such that the value of each of their grants in 2022 was \$104,486. Messrs. Museri and Rudasevski each hold a total of 7,618 phantom shares, including 2,327 phantom shares granted to each of them prior to 2022, all of which remain pending to be paid.

NOTE 28:- SHARE BASED PAYMENTS

2018 Global Equity Incentive Plan

In August 2018, the Board of Directors of the Company adopted an equity incentive plan that subsequently has been amended and restated, most recently in June 2022, and is now known as the Selina Hospitality PLC Amended and Restated 2018 Global Equity Incentive Plan (the “Original Plan”). Certain subplans to the Original Plan, including an Israeli subplan and UK subplan, also were approved by the Board.

The Original Plan provided for the grant, at the discretion of the Board of Directors, of stock options and other equity awards. The maximum number of shares that were authorized to be issued pursuant to awards under the plan was 3,576,469. Generally, options are to expire ten years from the date of grant unless they are exercised before then. The Original Plan is treated as equity-settled share-based payments.

Options granted to advisors

The board granted awards to certain advisors in previous years. The awards included 264,159 shares and 10,800 options, both subject to vesting conditions. During 2022, the Group granted no options to advisors (2021 – 1,271 options, 2020 - nil) and all of the previously granted shares and options had fully vested at December 31, 2021.

2022 Omnibus Equity Incentive Plan

In 2022, the Board of Directors and shareholders of the Company adopted the Selina Hospitality PLC 2022 Omnibus Equity Incentive Plan (“New Plan”), established as a successor to the Original Plan. Israeli and UK subplans have been approved as part of the New Plan. No additional grants may be made under the Original Plan from the closing of the Business Combination on October 27, 2022 as the New Plan took effect at that time. However, outstanding awards under the Original Plan as of the closing date shall continue in effect according to their terms.

The purpose of the New Plan is to provide employees of Selina and its subsidiaries, certain consultants and advisors who perform services for Selina or its subsidiaries, and non-employee members of the Board with the opportunity to receive grants of incentive options, nonqualified options, share appreciation rights, share awards, share units, and other share-based awards.

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The maximum number of ordinary shares authorized for issuance pursuant to awards made under the New Plan was 9,646,567 as of the closing of the Business Combination and generally increases each year by 1.5% of the total outstanding shares of the Company as at the end of the previous year. Accordingly, the total headroom under New Plan was increased to 11,114,553 ordinary shares in January 2023.

Additionally, awards under the Original Plan that terminate, expire or are cancelled, forfeited, exchanged or surrendered on or after the closing of the Business Combination without having been exercised, vested or paid prior to such time, including shares tendered or withheld to satisfy tax withholding obligations with respect to outstanding grants under the Original Plan, shall be available for issuance or transfer under the New Plan. As of December 31, 2022, no awards had been issued under the New Plan.

Phantom Equity Incentive Plan

In 2021, the Group adopted a Global Phantom Equity Incentive Plan (the “Phantom Plan”) intended to promote the interests of the Group by providing certain employees and non-employees with an opportunity to participate in an appreciation of the Company’s value in connection with the occurrence of a qualifying liquidity event, such as an initial public offering or change of control, via the issuance of phantom shares.

The most recent valuation at December 2022 indicated a phantom share value of \$19.8 per share (\$13.3 per share at December 2021). Each phantom share that remains outstanding as of immediately prior to a qualifying liquidity event shall become vested and non-forfeitable upon the occurrence of such an event. Phantom shares will expire on the seventh anniversary from grant date if the qualifying liquidity event does not take place, or in case of liquidation, dissolution or winding up of the Company.

The Phantom Plan was used, in part, to compensate employees whose salaries were reduced as a result of measures taken to address the impact of the COVID-19 pandemic. The Group believes the Phantom Plan meets the cash-settled share-based payment transaction definition in IFRS 2, Appendix A. The Capital Reorganization described in Note 14 represented a qualifying liquidity event, and as such the Group recognized a \$3,528 thousand compensation expense under such Plan during 2022 (2021: \$2,377 thousand, 2020: \$1,057 thousand compensation expense recognized as the Group considered probable that a qualifying liquidity event would occur).

Employee Share Purchase Plan

In 2022, the Board of Directors and shareholders of the Company adopted the Selina Hospitality PLC Employee Share Purchase Plan (“ESPP”), which became effective on October 27, 2022 in conjunction with the closing of the Business Combination, and is intended to provide eligible employees with the opportunity to acquire ordinary shares in the Company through participation in a payroll-deduction based employee share purchase plan intended to meet the requirements of section 423 of the Internal Revenue Code (the “Code”). The ESPP also authorizes offerings that are not intended to comply with the requirements of section 423 of the Code, but that are designed to comply with the requirements of jurisdictions outside the United States.

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The ordinary shares that are purchasable under the ESPP may be newly issued or reacquired shares, and the aggregate number of shares that may be issued or transferred pursuant to the rights granted under the ESPP was 1,929,313 ordinary shares as of December 31, 2022. That headroom generally increases each year by 1% of the aggregate number of Company shares outstanding on the last trading day of the immediately preceding fiscal year and, accordingly, was increased to 2,907,970 ordinary shares in January 2023. As of December 31, 2022, no shares were purchased under the ESPP.

Stock-based compensation expense was composed as follows:

	Year ended December 31,		
	2022	2021	2020
	(In thousands of US\$)		
Equity-settled share-based payment plans	2,021	2,817	1,340
Cash-settled share-based payment plans	3,528	2,377	1,057
Total share-based payments	5,549	5,194	2,397
Employees	5,549	5,192	2,301
Advisors	—	2	96
Total share-based payments	5,549	5,194	2,397

The table below summarizes the number and weighted average exercise prices (WAEP) relating to stock options issued under the Plan for employees during the year ended December 31, 2022, 2021 and 2020:

	Year ended December 31,					
	2022		2021		2020	
	Number	WAEP	Number	WAEP	Number	WAEP
Options at beginning of year	5,227,099	6.7	3,620,737	6.0	2,283,130	4.6
Options granted	1,882,046	4.0	1,980,828	7.5	2,004,410	7.9
Options exercised	(20,152)	5.5	(211,582.0)	0.5	—	—
Options forfeited	(923,438)	7.8	(162,884)	7.1	(666,803)	7.0
Options outstanding at end of year	6,165,555	8.1	5,227,099	6.7	3,620,737	6.0
Options exercisable at end of year	3,665,582	4.9	2,494,059	4.9	1,594,238	3.7

The weighted average number of stock options outstanding during the current period (and for periods all presented) was adjusted for the Subdivision event of Selina's Ordinary shares described in Note 23, that have increased the number of ordinary shares outstanding for no additional consideration. The number of stock options outstanding before the Subdivision event was adjusted for the proportionate change in the number of ordinary shares

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outstanding as if the Subdivision event had occurred at the beginning of the earliest period presented.

Measurement of the fair value of equity-settled share options:

The Company uses the Black-Scholes (B&S) model when estimating the grant date fair value of equity-settled share options. The measurement of the fair value is at the grant date of equity-settled share options, and takes into account the expected volatility of the share prices, based on comparable companies' share price volatility.

The following table lists the inputs to the Black-Scholes model used for the fair value measurement of the newly granted equity-settled share options for the above plans:

	Year ended December 31,		
	2022	2021	2020
Weighted average fair value at the measurement date (\$)	6.3	11.0	3.3
Dividend yield (%)	0	0	0
Expected volatility of the share prices (%)	55.4	87.6	70.3
Risk-free interest rate (%)	2.0	1.1	0.4
Expected life of share options (years)	6.2	6.4	6.5
Weighted average share price (\$)	3.2	4.2	1.9
Model used	B&S	B&S	B&S

The weighted average remaining contractual life for the share options outstanding as of December 31, 2022 was 7.9 years (as of December 31, 2021: 8.4 years and as of December 31, 2020: 8.9 years).

The range of exercise prices for share options outstanding as of December 31, 2022 was \$0.01 - \$8.86 (as of December 31, 2021: \$0.01 - \$15.92 and as of December 31, 2020: \$0.01 - \$15.92).

On 5 August 2022, the Compensation Committee of the Board of Directors resolved to amend 526,649 outstanding options to reduce the exercise price per share to \$17.5. The incremental fair value of \$269 thousand resulting from this modification was recognized as an expense. The incremental fair value granted was calculated as the difference between the fair value of the options with reduced exercise price and the net fair value of the initial options, at the date the replacement equity instruments are granted.

During the year ended December 31, 2022, the Group issued 1,422,328 Restricted Share Units with a weighted-average fair value of \$2.71 measured on the basis of an observable market price (year ended December 31, 2021: \$0, December 31, 2020: \$0).

Additionally, the Group entered into equity-settled share-based transactions with parties other than employees in 2017, namely investors who were providing advisory services to the Group, and with advisor who is not an investor in The Group has measured the transaction indirectly at the fair value of the instruments granted at grant date. Market condition features were not incorporated into the measurement of fair value. For the year ended December 31, 2022, the advisory related stock-based compensation expense was \$0 (2021 - \$2 thousand and 2020 - \$96 thousand).

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During the year ended December 31, 2022, 0 (2021: 0, 2020: 30,453) shares and 0 (2021: 1,271, 2020: 3,600) options vested in relation to advisory share agreements with key advisors of the Group.

Cash-settled share-based payment transactions

The following table presents the outstanding liabilities in respect of which the employee's right has vested by the reporting date:

	Year ended December 31,	
	2022	2021
	(In thousands of US\$)	
Granted (units)	352,557	258,406
Phantom share fair value (\$)	19.8	13.3
Total liabilities	6,963	3,434

NOTE 29:- INVESTMENTS IN SUBSIDIARIES

As of December 31, 2022, the following were subsidiary undertakings of the Group:

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Management Company UK Ltd.	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina Operations UK Ltd.	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina Operation Camden, Ltd.	United Kingdom	90.00 %	Selina Operation Camden, Ltd. is a 90% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations UK, Ltd.'s share capital; and (2) Selina Operations UK, Ltd. owns 90% of the share capital of Selina Operation Camden, Ltd. represented by 135 Ordinary Shares.	102 Fulham Palace Road London W6 9PL.
Selina Operation Brighton, Ltd.	United Kingdom	90.00 %	Selina Operation Brighton, Ltd. is a 90% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations UK, Ltd.'s share capital; and (2) Selina Operations UK, Ltd. owns 90% of the share capital of Selina Operation Brighton, Ltd., represented by 135 Ordinary Shares.	102 Fulham Palace Road London W6 9PL.
Selina Operation Midlands, Ltd	United Kingdom	99.01 %	Selina Operation Midlands, Ltd. is a 99.01% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations UK, Ltd.'s outstanding stock; and (2) Selina Operations UK, Ltd. owns 99.1% of the outstanding stock of Selina Operation Midlands, Ltd. Third-party owns 0.99% of the of the outstanding stock of Selina Operation Midlands, Ltd (via B ordinary shares) and Selina Operations UK, Ltd. owns 99.01% of the outstanding stock of Selina Operation Midlands, Ltd (via A ordinary shares). Selina Operations UK, Ltd owns 100% of the voting shares in Selina Operation Midlands, Ltd. Third party's B ordinary shares have a distribution preference.	102 Fulham Palace Road London W6 9PL.
Selina RY Ltd.	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina Operations Bath Ltd.	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina Operation Holborn Ltd (formerly Selina UK Real Estate Ltd.)	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina Loyalty Management Ltd.	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina Ventures Holding Ltd.	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina Wheel Ventures Limited	United Kingdom	100.00 %	The ownership interest in Selina Wheel Ventures Limited comprises partnership interests. Selina Ventures Holding Ltd is contractually obligated to transfer part of its shares so that its final ownership will be equal to 45%.	102 Fulham Palace Road London W6 9PL.
Global Demandco Limited	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.
Selina International Music Summits Ltd.	United Kingdom	100.00 %	Not applicable	102 Fulham Palace Road London W6 9PL.

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Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Sound Ventures GP Limited	Jersey Channel Islands	100.00 %	The ownership interest in Selina Sound Ventures GP Limited and Pirate Venture LP comprises partnership interests. Pirate Studios Limited is a 3.50% owned investment of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns 100% of Pirate Venture LP's (Jersey Island) limited partnership rights as the sole limited partner thereof; (2) Selina Holding Company UK Societas owns 100% of Seliana Venture Holdings Ltd. outstanding equity stock, (3) Selina Ventures Holding Ltd. also owns 100% of the outstanding stock of Selina Sound Ventures GP Limited (Jersey Island) which is the general partner of Pirate Ventures LP; and (4) Selina Sound Ventures Ltd. acting on behalf of Pirate Venture LP as the general partner thereof, holds 3.50% of Pirate Studios Limited outstanding stock represented in 3,221 preferred B1 shares.	3 rd Floor, Liberation House, Castle Street, St Helier, Jersey JE1 1BL
Pirate Venture LP	Jersey Channel Islands	100.00 %	Not applicable	3 rd Floor, Liberation House, Castle Street, St Helier, Jersey JE1 1BL
Seli-Na Operations II Pt, Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Porto, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Ericeira, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Palacio, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Vila Nova, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Lisboa RF, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Geres PT, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Arabic Building, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Peniche, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Operation Sintra, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Seli-Na Portugal Real Estate, Unipessoal Lda.	Portugal	100.00 %	Not applicable	Beco Carrasco n°1, 1200-096 Lisboa, Portugal
Selina Operation Hellas S.A.	Greece	100.00 %	Not applicable	18 Theatrou Square, Athens, Greece
Selina Operation Theatrou Single Member, S.A.	Greece	100.00 %	Not applicable	18 Theatrou Square, Athens, Greece
Selina Operation Makrinitza Single Member, S.A.	Greece	100.00 %	Not applicable	18 Theatrou Square, Athens, Greece
Selina Athens Real Estate, S.A.	Greece	100.00 %	Not applicable	18 Theatrou Square, Athens, Greece
Selina Operation Evoia Single Member, S.A.	Greece	100.00 %	Not applicable	18 Theatrou Square, Athens, Greece
Selina Real Estate Single Member Private Company	Greece	100.00 %	Not applicable	18 Theatrou Square, Athens, Greece
Selina Operations AUT GmbH	Austria	100.00 %	Not applicable	Schottenring 14 1010 Vienna Austria
Selina Operation Bad Gastein GmbH	Austria	100.00 %	Not applicable	Schottenring 14 1010 Vienna Austria
Selina Holding Australia Pty, Ltd.	Australia	100.00 %	Not applicable	Level 25, 100 Miller Street, North Sydney NSW 2060
Selina Operations Australia Pty, Ltd.	Australia	100.00 %	Not applicable	Level 25, 100 Miller Street, North Sydney NSW 2060
Selina Operation St. Kilda Pty, Ltd.	Australia	100.00 %	Not applicable	Level 25, 100 Miller Street, North Sydney NSW 2060
Selina Operation Brisbane Pty, Ltd.	Australia	100.00 %	Not applicable	Level 25, 100 Miller Street, North Sydney NSW 2060

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Operation Magnetic Island Pty Ltd.	Australia	100.00 %	Not applicable	Level 25, 100 Miller Street, North Sydney NSW 2060
Selina Global Services Spain SL	Spain	100.00 %	Not applicable	Calle Eloy Gonzalo, 27, 28010, Madrid, España
Selina Operations Spain SL	Spain	100.00 %	Not applicable	Madrid 28008, Calle Princesa, No 24, 4 P
Selina Operation Granada SL	Spain	100.00 %	Not applicable	Madrid 28008, Calle Princesa, No 24, 4 P
Selina Operations Hungary Kft	Hungary	100.00 %	Not applicable	1072 Budapest, Rákóczi utca 42, Hungary
Selina Danube Real Estate Kft	Hungary	100.00 %	Not applicable	1072 Budapest, Rákóczi utca 42, Hungary
Selina Operation Poland Spółka Z Ograniczoną Odpowiedzialnością	Poland	100.00 %	Not applicable	Grzybowska 2/29, Warsaw, Poland
Selina Operations Germany GmbH	Germany	100.00 %	Not applicable	Konstanzer Straße 1, 10707 Berlin, Germany
Selina DE GmbH	Germany	100.00 %	Not applicable	Konstanzer Straße 1, 10707 Berlin, Germany
Selina Berlin GmbH & Co KG	Germany	100.00 %	Not applicable	Konstanzer Straße 1, 10707 Berlin, Germany
S1 Berlin Mitte GmbH & Co KG	Germany	100.00 %	Not applicable	Konstanzer Straße 1, 10707 Berlin, Germany
Selina Konstanzer Str GmbH and Co KG	Germany	100.00 %	Not applicable	Konstanzer Straße 1, 10707 Berlin, Germany
Selina RE GmbH	Germany	100.00 %	Not applicable	Konstanzer Straße 1, 10707 Berlin, Germany
Selina Services Israel Ltd	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Israel Ltd	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Neve Tzedek Ltd	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Sea Of Galilee Ltd	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Beit Oren Ltd	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Ramon Ltd	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Jerusalem Mountains Ltd	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Real Estate Holding, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation Capsule Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Metula Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Almog Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Adama Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Negev Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Arava Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Yarden Harari Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Operation Hayarkon Ltd.	Israel	100.00 %	Not applicable	12 Haachim Mesalvita St., Tel Aviv, Israel
Selina Panama Real Estate, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
SPV 1 Panama RE, S.A.	Panama	85.00 %	SPV 1 Panama RE, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock; and (4) Selina Operations Panama Two, S.A. owns 100% of SPV 1 Panama RE, S.A.'s outstanding stock.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama

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Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Operation One (1), S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operations Panama, S.A.	Panama	76.925 %	Selina Operations Panama, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock and (3) PCN Operations S.A. owns 90.5% of Selina Operations Panama S.A.'s outstanding stock represented in 1510 Class A shares. The ownership interest in Selina Operations Panama, S.A. comprises Class A Shares.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operations Panama Two S.A.	Panama	85.00 %	Selina Operations Panama Two, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; and (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock;	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation Red Frog, S.A.	Panama	76.925 %	Selina Operation Red Frog, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 90.5% of Selina Operations Panama, S.A.'s outstanding stock; and (4) Selina Operations Panama, S.A. owns 100% of the outstanding stock of Selina Operation Red Frog, S.A.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operations Bocas Del Toro, S.A.	Panama	76.925 %	Selina Operations Bocas Del Toro, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 90.5% of Selina Operations Panama, S.A.'s outstanding stock; and (4) Selina Operations Panama, S.A. owns 100% of the outstanding stock of Selina Operations Bocas Del Toro, S.A.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Pedasi, S.A.	Panama	76.925 %	Selina Pedasi, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 90.5% of Selina Operations Panama, S.A.'s outstanding stock; and (4) Selina Operations Panama, S.A. owns 100% of the outstanding stock of Selina Pedasi, S.A.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Management Panama, S.A.	Panama	100.00 %		Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Explore Panama, S.A.	Panama	76.925 %	Selina Explore Panama, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations S.A.'s outstanding stock; (3) PCN Operations S.A. owns 90.5% of Selina Operations Panama, S.A.'s outstanding stock; and (4) Selina Operations Panama, S.A. owns 100% of the outstanding stock of Selina Explore Panama, S.A.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Corriente Del Sur Investment, S.A.	Panama	76.925 %	Corriente Del Sur Investment, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations S.A.'s outstanding stock; (3) PCN Operations S.A. owns 90.5% of Selina Operations Panama, S.A.'s outstanding stock; and (4) Selina Operations Panama, S.A. owns 100% of the outstanding stock of Corriente Del Sur Investment, S.A.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation Venao, S.A.	Panama	76.925 %	Selina Operation Venao, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations S.A.'s outstanding stock; (3) PCN Operations S.A. owns 90.5% of Selina Operations Panama, S.A.'s outstanding stock; and (4) Selina Operations Panama, S.A. owns 100% of the outstanding stock of Selina Operation Venao, S.A.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama

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Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Operation Bola De Oro, S.A.	Panama	76.925 %	Selina Operation Bola De Oro, S.A. is a 76.925% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations S.A.'s outstanding stock; (3) PCN Operations S.A. owns 90.5% of Selina Operations Panama, S.A.'s outstanding stock; and (4) Selina Operations Panama, S.A. owns 100% of the outstanding stock of Selina Operation Bola De Oro, S.A.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation RioPac, S.A.	Panama	85.00 %	Selina Operation RioPac, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock; and (4) Selina Operations Panama Two, S.A. owns 100% of Selina Operation RioPac, S.A.'s outstanding stock.	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operations Panama III, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation El Valle, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation Boquete, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation Venao Tipi, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operation Santa Catalina, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Hospitality Academy, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
RY Management, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Rev-Share Col, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operations Argentina, S.R.L.	Argentina	100.00 %	Not applicable	Zabala 2465, 6th Floor, Apt. A, Buenos Aires, Argentina
Selina Operation Bariloche, S.R.L.	Argentina	100.00 %	Not applicable	Zabala 2465, 6th Floor, Apt. A, Buenos Aires, Argentina
Hostech, S.A.	Argentina	100.00 %	Not applicable	Zabala 2465, 6th Floor, Apt. A, Buenos Aires, Argentina
Selina Operations Mendoza, S.A.S	Argentina	100.00 %	Not applicable	Zabala 2465, 6th Floor, Apt. A, Buenos Aires, Argentina
Selina Holding Operations Argentina, S.A.	Argentina	100.00 %	Not applicable	Zabala 2465, 6th Floor, Apt. A, Buenos Aires, Argentina
Selina Argentina Real Estate, S.A.	Argentina	100.00 %	Not applicable	Zabala 2465, 6th Floor, Apt. A, Buenos Aires, Argentina
Selina Hospitality Bolivia, S.R.L.	Bolivia	100.00 %	Not applicable	La Paz, Ave. 20 de Octubre y Aspiazu No. 2080, Zona Sopocachi, Bolivia
Selina Operation La Paz, S.R.L.	Bolivia	100.00 %	Not applicable	La Paz, Ave. 20 de Octubre y Aspiazu No. 2080, Zona Sopocachi, Bolivia
Selina Explore Bolivia, S.R.L.	Bolivia	100.00 %	Not applicable	La Paz, Ave. 20 de Octubre y Aspiazu No. 2080, Zona Sopocachi, Bolivia
Selina Brazil Hospitalidade, S.A	Brazil	100.00 %	Not applicable	Rua Aspicuelta, Numero 237, CEP 05.433-010 Vila Madalena, Sao Paulo, Brasil
Selina Operation Hospedagem Eireli	Brazil	100.00 %	Not applicable	Rua Aspicuelta, Numero 237, CEP 05.433-010 Vila Madalena, Sao Paulo, Brasil
Selina Brazil Turismo, Ltda.	Brazil	100.00 %	Not applicable	Rua Aspicuelta, Numero 237, CEP 05.433-010 Vila Madalena, Sao Paulo, Brasil
Selina Operations Chile, SpA	Chile	100.00 %	Not applicable	Santiago, Chile
Selina Explore Chile, SpA	Chile	100.00 %	Not applicable	Santiago, Chile

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Operation Pucon, SpA	Chile	100.00 %	Not applicable	Santiago, Chile
Selina Operation Providencia, SpA	Chile	100.00 %	Not applicable	Santiago, Chile
Selina Chile Real Estate SpA	Chile	100.00 %	Not applicable	Santiago, Chile
Selina Real Estate Holding Costa Rica, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina San Jose City Real Estate, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Playa Jaco Real Estate, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina La Fortuna Real Estate, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Puerto Viejo Real Estate, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Miramar Vistas Real Estate, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Tamarindo Beach Real Estate, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Santa Teresa Re Dos, S.A.	Costa Rica	30 %	Selina Santa Teresa RE Dos, S.A. is a 30% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Real Estate Holding, S.A.'s outstanding stock; (2) Selina Real Estate Holding S.A. owns 100% of Selina Real Estate Holding Costa Rica, S.A.'s outstanding stock; and (4) Selina Real Estate Holding Costa Rica, S.A. owns 30% of the outstanding stock of Selina Santa Teresa RE Dos, S.A.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Jaco Assets, S.A.	Costa Rica	100.00 %	Not applicable	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Costa Rica, S.A.	Costa Rica	85.00 %	Selina Operation Costa Rica, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; and (3) PCN Operations, S.A. owns 100% of Selina Operation Costa Rica, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Santa Teresa, S.A.	Costa Rica	85.00 %	Selina Operation Santa Teresa, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation Santa Teresa, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Operation San Jose City, S.A.	Costa Rica	85.00 %	Selina Operation San Jose City, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation San Jose City, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Miramar Vistas, S.A.	Costa Rica	85.00 %	Selina Operation Miramar Vistas, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation Miramar Vistas, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Playa Jaco, S.A.	Costa Rica	85.00 %	Selina Operation Playa Jaco, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation Playa Jaco, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation La Fortuna, S.A.	Costa Rica	85.00 %	Selina Operation La Fortuna, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation La Fortuna, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Puerto Viejo, S.A.	Costa Rica	85.00 %	Selina Operation Puerto Viejo, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation Puerto Viejo, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Tamarindo Beach, S.A.	Costa Rica	85.00 %	Selina Operation Tamarindo Beach, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation Tamarindo Beach, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Restaurante Gato Negro, S.A.	Costa Rica	85.00 %	Restaurante Gato Negro, S.A. is a 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Restaurante Gato Negro S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Hotel Casitas Eclipse, S.A.	Costa Rica	85.00 %	Hotel Casitas Eclipse, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Hotel Casitas Eclipse S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Explore Costa Rica Ltd	Costa Rica	85.00 %	Selina Explore Costa Rica, Ltd. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Explore Costa Rica Ltd's outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Nosara Sunsets, S.A.	Costa Rica	85.00 %	Selina Operation Nosara Sunsets S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation Nosara Sunsets, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Monteverde Forest, S.A.	Costa Rica	85.00 %	Selina Operation Monteverde Forest S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operation Rica, S.A.'s outstanding stock; and (4) Selina Operation Costa Rica, S.A. owns 100% of Selina Operation Monteverde Forest, S.A.'s outstanding stock.	San José Escazú, Distrito San Rafael, en Trejos Montealegre, Centro Corporativo El Cedral, Edificio Numero 4, Piso 3, Oficinas de Vector Legal
Selina Operation Ecuador Selinaecu, S.A.	Ecuador	100.00 %	Not applicable	La Floresta, Avenida 12 de Octubre, No. 26-48, Quito, Ecuador
Selina Operation Quito Selinaquito, S.A.	Ecuador	100.00 %	Not applicable	La Floresta, Avenida 12 de Octubre, No. 26-48, Quito, Ecuador
Selina Explore Ecuador Selinaexplore, S.A.	Ecuador	100.00 %	Not applicable	La Floresta, Avenida 12 de Octubre, No. 26-48, Quito, Ecuador
Selina Operation Tena Selinatena, S.A.	Ecuador	100.00 %	Not applicable	La Floresta, Avenida 12 de Octubre, No. 26-48, Quito, Ecuador
Selina Operation Banos Selinabanos, S.A.	Ecuador	100.00 %	Not applicable	La Floresta, Avenida 12 de Octubre, No. 26-48, Quito, Ecuador
Selina Operation Cuenca Selinacuenca, S.A.	Ecuador	100.00 %	Not applicable	La Floresta, Avenida 12 de Octubre, No. 26-48, Quito, Ecuador
Selina Operation Montana Selinasol, S.A.	Ecuador	100.00 %	Not applicable	La Floresta, Avenida 12 de Octubre, No. 26-48, Quito, Ecuador
Selina Colombia Real Estate, S.A.S	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Bogota Real Estate, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Cartagena Real Estate, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Colombia, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Medellin, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Cartagena, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Santa Marta, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Explore Colombia, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Bogota, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Los Heroes, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Parque 93, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Villa De Leyva, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Filandia, S.A.S.	Colombia	100.00 %	Not applicable	Calle 11, #3-43 La Candelaria, Bogota, Colombia
Selina Operation Guatemala, S.A.	Guatemala	100.00 %	Not applicable	12 calle 1-25 zona 10, Edificio Géminis Diez, Torre Sur, Oficina 711, Guatemala
Selina Operation Atitlan, S.A.	Guatemala	100.00 %	Not applicable	12 calle 1-25 zona 10, Edificio Géminis Diez, Torre Sur, Oficina 711, Guatemala

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Operation Antigua, S.A.	Guatemala	100.00 %	Not applicable	12 calle 1-25 zona 10, Edificio Géminis Diez, Torre Sur, Oficina 711, Guatemala
Selina Operation Guatemala City, S.A.	Guatemala	100.00 %	Not applicable	12 calle 1-25 zona 10, Edificio Géminis Diez, Torre Sur, Oficina 711, Guatemala
Selina Operation Flores, S.A.	Guatemala	100.00 %	Not applicable	12 calle 1-25 zona 10, Edificio Géminis Diez, Torre Sur, Oficina 711, Guatemala
Selina Explore Guatemala, S.A.	Guatemala	100.00 %	Not applicable	12 calle 1-25 zona 10, Edificio Géminis Diez, Torre Sur, Oficina 711, Guatemala
Selina Hospitality Operations Jamaica Limited	Jamaica	100.00 %	Not applicable	48 Duke Street, Kingston CSO, Kingston, Jamaica
Selina Explore Jamaica Limited	Jamaica	100.00 %	Not applicable	48 Duke Street, Kingston CSO, Kingston, Jamaica
Selina Hospitality Operations Mexico, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Operations Mexico, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock represented in 1,000,000 Series A shares; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock represented in 99,000,000 Series A shares.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Cancun 1, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Cancun 1, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Cancun 1, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Cancun 2, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Cancun 2, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Cancun 2, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Playa Del Carmen, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Playa Del Carmen, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Playa Del Carmen, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Hospitality Tulum S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Tulum S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Tulum S.A. DeC.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Mexico City 1, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Mexico City 1, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Mexico City 1, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Mexico City 2, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Mexico City 2, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Mexico City 2, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Guadalajara, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Guadalajara, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Guadalajara, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Hospitality Puerto Vallarta, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Puerto Vallarta, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Playa Del Carmen, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Sayulita, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Sayulita, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Sayulita, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Mexico Subholding Two, S.A. De C.V.	Mexico	98.4 %	Selina Mexico Subholding Two, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; and (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Puerto Escondido, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Puerto Escondido, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Puerto Escondido, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Mexico Subholding One, S.A. De C.V.	Mexico	98.4 %	Selina Mexico Subholding One, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Hospitality Oaxaca, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Oaxaca, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Oaxaca, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Merida, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Merida, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Merida, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Isla Mujeres, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Isla Mujeres, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Isla Mujeres, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality San Miguel De Allende, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality San Miguel De Allende, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality San Miguel De Allende, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Hospitality Holbox, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Holbox, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Holbox, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality San Cristobal De Las Casas, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality San Cristobal De Las Casas, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality San Cristobal De Las Casas, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Hospitality Bacalar, S.A. De C.V.	Mexico	98.4 %	Selina Hospitality Bacalar, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Selina Hospitality Bacalar, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Personas Y Hospitalidad, S.A. De C.V.	Mexico	98.4 %	Personas Y Hospitalidad, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Personas Y Hospitalidad, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Explore Selina Tours, S.A. De C.V.	Mexico	98.4 %	Explore Selina Tours, S.A. De C.V. is a 98.4% owned subsidiary of Selina Hospitality PLC, as follows: (1) Selina Hospitality PLC owns (i) directly, 0.98% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; and (2) indirectly, through Selina Operation One (ii), S.A. (a wholly owned subsidiary of Selina Hospitality PLC), 97.42% of Selina Hospitality Operations Mexico, S.A. De C.V.'s outstanding stock; (2) Selina Hospitality Operations Mexico, S.A. De C.V. owns 100% of the outstanding stock of Selina Mexico Subholding One, S.A. De C.V.; (3) Selina Mexico Subholding One, S.A. De C.V. owns 100% of the outstanding stock of owns 100% of the outstanding stock of Selina Mexico Subholding Two, S.A. De C.V.; and (4) Selina Mexico Subholding Two, S.A. De C.V. owns 100% of the outstanding stock of Explore Selina Tours, S.A. De C.V.	Calle Cazón No. 37 mz 18 lt 12 Sm 3 Cancún, Quintana Roo, Mexico
Selina Operations Nicaragua, S.A.	Nicaragua	85.00 %	Selina Operations Nicaragua, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock; (4) Selina Operations Panama Two, SA. Owns 1% of Selina Operation Nicaragua, S.A.'s outstanding stock; and (5) PCN Operations S.A. owns 99% of Selina Operations Nicaragua S.A.'s outstanding stock.	Villa Fontana, Centro Financiero Invercasa III, 4to Piso, MOD 4E, Managua, Nicaragua
Selina Operation San Juan Del Sur, S.A.	Nicaragua	85.00 %	Selina Operation San Juan Del Sur, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock; (4) Selina Operations Panama Two, SA. Owns 1% of Selina Operation Nicaragua, S.A.'s outstanding stock; (5) PCN Operations S.A. owns 99% of Selina Operations Nicaragua S.A.'s outstanding stock; and (6) Selina Operations Nicaragua, S.A. owns 100% of Selina Operations San Juan Del Sur S.A.'s outstanding stock.	Mercado Municipal 1c. al Este, Calle El Calvano, San Juan del Sur, Nicaragua
Selina Operation Granada, S.A.	Nicaragua	85.00 %	Selina Operation Granada, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock; (4) Selina Operations Panama Two, SA. Owns 1% of Selina Operation Nicaragua, S.A.'s outstanding stock; (5) PCN Operations S.A. owns 99% of Selina Operations Nicaragua S.A.'s outstanding stock; and (6) Selina Operations Nicaragua, S.A. owns 100% of Selina Operation Granada S.A.'s outstanding stock.	Libertad Guest House, Calle La Libertad, Granada 43000, Nicaragua
Selina Operation Maderas, S.A.	Nicaragua	85.00 %	Selina Operation Maderas, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock; (4) Selina Operations Panama Two, SA. Owns 1% of Selina Operation Nicaragua, S.A.'s outstanding stock; (5) PCN Operations S.A. owns 99% of Selina Operations Nicaragua S.A.'s outstanding stock; and (6) Selina Operations Nicaragua, S.A. owns 100% of Selina Operation Maderas S.A.'s outstanding stock.	Maderas, 700 meters from Maderas Village hostel, 700 meters from the beach, Nicaragua
Selina Explore Nicaragua, S.A.	Nicaragua	85.00 %	Selina Explore Nicaragua, S.A. is an 85% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1), S.A.'s outstanding stock; (2) Selina Operation One (1), S.A. owns 85% of PCN Operations, S.A.'s outstanding stock; (3) PCN Operations, S.A. owns 100% of Selina Operations Panama Two, S.A.'s outstanding stock; (4) Selina Operations Panama Two, SA. Owns 1% of Selina Operation Nicaragua, S.A.'s outstanding stock; (5) PCN Operations S.A. owns 99% of Selina Operations Nicaragua S.A.'s outstanding stock; and (6) Selina Operations Nicaragua, S.A. owns 100% of Selina Explore Nicaragua S.A.'s outstanding stock.	Villa Fontana, Centro Financiero Invercasa III, 4to Piso, MOD 4E, Managua, Nicaragua

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina Playa Maderas Real Estate, S.A.	Nicaragua	100.00 %	Not applicable	Villa Fontana, Centro Financiero Invercasa III, 4to Piso, MOD 4E, Managua, Nicaragua
Selina Playa Maderas JV, S.A.	Panama	100.00 %	Not applicable	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Selina Operations Peru, S.A.C	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Selina Operation Mancora, S.A.C.	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Turismo Costa Sur, S.A.C	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Rio Colorado, S.R.L.	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Selina Operation Huaraz, S.A.C	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Selina Operation Arequipa, S.A.C	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Selina Operation Miraflores, S.A.C	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Selina Operation Cusco, S.A.C.	Peru	100.00 %	Not applicable	Alcanfores 425 - 465, Miraflores, Lima LIMA 18, Peru
Selina Operations US Corp	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Miami Operations LLC	USA	80.00 %	Selina Miami Operations LLC is an 80.00% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations US Corp.'s outstanding stock; and (2) Selina Operations US Corp. owns 80% of Selina Miami Operations LLC's outstanding membership interest.	1201 Hays Street, Tallahassee, Florida
Selina Operation Casa Florida LLC	USA	80.00 %	Selina Operation Casa Florida LLC is an 80.00% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations US Corp.'s outstanding stock; (2) Selina Operations US Corp. owns 80% of Selina Miami Operations LLC's outstanding membership interest; and (4) Selina Miami Operations LLC owns 100% of the outstanding membership interest of Selina Operation Casa Florida LLC.	1201 Hays Street, Tallahassee, Florida
Selina Operation Miami River LLC	USA	80.00 %	Selina Operation Miami River LLC is an 80.00% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations US Corp.'s outstanding stock; (2) Selina Operations US Corp. owns 80% of Selina Miami Operations LLC's outstanding membership interest; and (4) Selina Miami Operations LLC owns 100% of the outstanding membership interest of Selina Operation Miami River LLC.	1201 Hays Street, Tallahassee, Florida
Selina Operation Little Havana LLC	USA	80.00 %	Selina Operation Little Havana LLC is an 80.00% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations US Corp.'s outstanding stock; (2) Selina Operations US Corp. owns 80% of Selina Miami Operations LLC's outstanding membership interest; and (4) Selina Miami Operations LLC owns 100% of the outstanding membership interest of Selina Operation Little Havana LLC.	1201 Hays Street, Tallahassee, Florida
Selina Operation North Miami LLC	USA	80.00 %	Selina Operation North Miami LLC is an 80.00% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations US Corp.'s outstanding stock; (2) Selina Operations US Corp. owns 80% of Selina Miami Operations LLC's outstanding membership interest; and (4) Selina Miami Operations LLC owns 100% of the outstanding membership interest of Selina Operation North Miami LLC.	1201 Hays Street, Tallahassee, Florida
Selina Operation St Petersburg LLC	USA	80.00 %	Selina Operation St Petersburg LLC is an 80.00% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operations US Corp.'s outstanding stock; (2) Selina Operations US Corp. owns 80% of Selina Miami Operations LLC's outstanding membership interest; and (4) Selina Miami Operations LLC owns 100% of the outstanding membership interest of Selina Operation St Petersburg LLC.	1201 Hays Street, Tallahassee, Florida

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
Selina RY Holding Inc.	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Woodstock LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Chelsea LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Big Bear LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Chicago LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation NY Ave. LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Adams Morgan LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Ski Mountain LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Fredericksburg LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation New Orleans LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Downtown New Orleans LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Ashville LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation San Diego LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Palm Springs LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Astoria Hotel LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Downtown Portland LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Campground Astoria LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Operation Philadelphia LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Explore US LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Global Services US LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina US Real Estate LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Selina Woodstock Real Estate LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
SPV 1 US LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
SPV 2 US LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
SPV 3 US LLC	USA	100.00 %	Not applicable	Selina Miami River Hotel, 437 SW 2 Street, Miami, FL 33130
Samba Merger Sub, Inc.	USA	100.00 %	Not applicable	251 Little Falls Drive, Wilmington, Delaware 19808, County of New Castle
Selina Operations Dr, S.A.	Dominican Republic	100.00 %	Not applicable	Ave. Winston Churchill, NO. 1099, Citi Tower, 14th Floor, Ens. Piantini Santo Domingo
Selina Operation Punta Cana, S.A.	Dominican Republic	100.00 %	Not applicable	Ave. Winston Churchill, NO. 1099, Citi Tower, 14th Floor, Ens. Piantini Santo Domingo
Selina Operation Santo Domingo, S.A.	Dominican Republic	100.00 %	Not applicable	Ave. Winston Churchill, NO. 1099, Citi Tower, 14th Floor, Ens. Piantini Santo Domingo
Selina Operation Punta del Este, S.A.	Uruguay	100.00 %	Not applicable	El Foque 759, 20100 Punta del Este, Departamento de Maldonado, Uruguay
Selina Operation Uruguay, S.A.	Uruguay	100.00 %	Not applicable	El Foque 759, 20100 Punta del Este, Departamento de Maldonado, Uruguay
Valiker S.A.	Uruguay	100.00 %	Not applicable	El Foque 759, 20100 Punta del Este, Departamento de Maldonado, Uruguay

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Name	Country of registration or incorporation	Effective interest percentage	Effective interest percentage details	Registered Office Address
PCN Operations, S.A.	Panama	75 %	PCN Operations S.A. is a 75% owned subsidiary of Selina Hospitality PLC as follows: (1) Selina Hospitality PLC owns 100% of Selina Operation One (1)'s outstanding stock; and (2) Selina Operation One (1) S.A. owns 85% of PCN Operations S.A.'s outstanding stock.	Calle 12 y Avenida B, Edif. Bola de Oro, Casco Antiguo, Ciudad de Panamá, República de Panamá.
Selina Operation Morocco SARL	Morocco	100.00%	Not applicable	49 RUE AHMED BARAKAT RDC N 3 MAARIF, Casablanca
Selina Morocco SPV 1 SARLAU	Morocco	100.00%	Not applicable	49 RUE AHMED BARAKAT RDC N 3 MAARIF, Casablanca
Selina Morocco SPV 2 SARLU	Morocco	100.00%	Not applicable	49 RUE AHMED BARAKAT RDC N 3 MAARIF, Casablanca
Selina Morocco SPV 3 SARLU	Morocco	100.00%	Not applicable	49 RUE AHMED BARAKAT RDC N 3 MAARIF, Casablanca
Remote Year South Africa Pty Ltd.	South Africa	100.00%	Not applicable	Watershed, 17 Dock Road, Victoria and Alfred Waterfront, Cape Town, 8002

Unless otherwise stated, the ownership interest disclosed comprises either ordinary shares, certificated or un-certificated membership interests which are indirectly held by the Parent Company.

The parent company's investments comprised of equity investments as well as stock compensation expense attributable to employees of particular subsidiaries (please see Note 28 for details on stock compensation expense) in thousands of US\$.

	<u>2022</u>	<u>2021</u>
	(In Thousands of US\$)	
Balance as at January 1	44,419	38,231
Additions	47,575	6,188
Impairment	(7,924)	—
Balance as at December 31	84,070	44,419

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

In Thousands of US\$	Parent Company	Parent Company
	2022	2021
Selina Operation One (1) S.A.	10	10
Selina Operations US Corp.	28,833	28,037
Selina Operations AUT GmbH	19	19
Selina Operations Germany GmbH	50	45
Selina Operation Hellas, A.E.	32	31
Selina Real Estate Holding S.A.	10	10
Selina Global Service Spain SL	6,380	3
Selina Bogota Real Estate S.A.S.	3,784	3,784
Selina Ventures Holding Ltd.	3,403	3,403
Selina RY Ltd.	365	365
Selina Operations Argentina SRL	128	101
Selina Brazil Hospitalidade Ltda.	2,886	2,878
Selina Operation Colombia S.A.	69	54
Selina Operation Costa Rica S.A.	22	18
Selina Operation Quito SelinaQuito, S.A.	7	6
Selina Operation Israel Ltd.	50	40
Selina Services Israel Ltd.	1,102	874
Selina Hospitality Operations Mexico, S.A. de C.V.	31,194	1
Selina Management Panama, S.A.	2,984	2,506
Selina Hospitality Bolivia S.R.L.	*	*
Selina Operation Guatemala S.A.	*	*
Selina Operations Nicaragua S.A.	*	*
Selina Operation Peru S.A.C.	14	11
Seli-na Operation Porto, Unipessoal Lda.	46	36
Selina Holding Australia Pty Ltd	524	524
Selina Operation Midlands Ltd.	*	*
Selina Operation Brighton Ltd.	*	*
Selina Holding Thailand	60	0
BOA Acquisition Corp.	7,924	0
Impairment BOA Acquisition Corp	(7,924)	0
Selina Management Company UK Limited	2,099	1,663
	84,070	44,419

*Under one thousand dollars

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

NOTE 30:- INVESTMENT IN ASSOCIATES AND JOINT VENTURES

Acquisition of Mantra By Selina Ltd.

On September 22, 2022, the Group signed a joint venture agreement to effectively purchase 50.01% of the issued and paid-up shares of Mantra by Selina, Ltd (“Mantra”), a wellness retreat business.

The total consideration of this transaction consists of a mix of cash and equity-settled payment totaling \$0.5 million, and consideration in kind of \$1.5 million through services to be provided to Mantra by Selina. The agreement also contains certain other clauses whereby, subject to certain revenue performance metrics, Selina shall be entitled to receive additional shares of Mantra, or Mantra will have the right to repurchase additional shares from Selina (not to go below 50.01%), as well as put and call options on the remaining stake up to 100%, at a price to be determined based on Mantra’s net profit over a certain period.

The Group accounted for this transaction as a joint arrangement under IFRS 11 (Joint Arrangements), and the investment is presented as "Investments in associates and joint arrangements" within the Consolidated Statement of Financial Position for the year ended December 31, 2022.

As of December 31, 2022, the following were associate undertakings of the Group:

Name	Country of registration or incorporation	Effective interest percentage	Registered Office Address
Selina Real Estate 1, S.A. ¹	Panama	30.00%	Calle 12 y Avenida B, Edificio Bola de Oro, Casco Antiguo, Ciudad de Panama, República de Panama
Leo Riders Limited	Gibraltar	40.00%	57/63 Line Wall Road, Gibraltar GX11 1AA
Tze'elim Tourism Guest Rooms - Agricultural Cooperative Society Ltd.	Israel	35.00%	Kibbutz Tze'elim, Be'er Sheva 85520, Israel
Mantra by Selina Ltd.	Israel	50.01%	Of 12 Masalawati Brothers St., Tel Aviv, Israel

¹ This entity no longer owns the assets it was incorporated to hold. Therefore, it is currently in the process of liquidation.

There were no direct associate undertakings of the Parent Company.

	<u>2022</u>	<u>2021</u>
	(In Thousands of US\$)	
Cost		
Value as at January 1	887	718
Additions	3,102	161
Decreases	—	(54)
Write-offs	(737)	—
Share of gain / (loss) in associate	84	62
As at December 31	<u>3,336</u>	<u>887</u>

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

The associates recognized no profits or losses from any discontinued operations, or other comprehensive income.

There were no guarantees or implications on wind up of the associates that would be considered a significant risk to the Group, or other significant risks associated with the Group's interests in associates.

NOTE 31:- SUBSEQUENT EVENTS

Authority to Allot Shares

On March 8, 2023, the shareholders of the Company approved resolutions authorizing the directors to allot shares in the Company, on a non-preemptive basis, up to an aggregate nominal amount of \$308,382, equating to a maximum of 60,900,000 ordinary shares. This authority will, unless renewed, varied or revoked, was set to expire on March 8, 2028.

On August 18, 2023, the shareholders of the Company approved resolutions authorizing the directors to allot shares in the Company, on a non-preemptive basis, up to (i) an aggregate nominal amount of \$752,223, equating to a maximum of 148,551,000 ordinary shares, to be utilized to complete the strategic investment of up to \$50.0 million to be made by Osprey Investments Limited and (ii) an aggregate nominal amount of \$354,461, equating to a maximum of 70,000,000 ordinary shares, to be utilized for other fundraising and/or liability management initiatives. These authorities supersede the previous authorities granted at the March 8, 2023 shareholder meeting and will, unless renewed, varied or revoked, expire on August 18, 2028.

Effectiveness of the Company's Registration Statements

On February 15, 2023, the Company announced that its Resale Registration Statement on Form F-1 filed with the U.S. Securities and Exchange Commission on November 30, 2022 and amended on January 20, 2023, was declared effective ("First Registration Statement"). The First Registration Statement relates to the issuance by Company of up to 18,516,595 ordinary shares in connection with the exercise of certain warrants, including (i) 7,666,666 Ordinary Shares issuable upon the exercise of publicly traded warrants (the "Public Warrants"); (ii) 6,575,000 Ordinary Shares issuable upon the exercise of private placement warrants (the "Private Placement Warrants"); and (iii) 4,274,929 Ordinary Shares issuable upon the exercise of warrants (the "Convertible Note Warrants") issued in connection with the CLN 2022.

The First Registration Statement also registers for transfer or resale up to 118,703,922 Ordinary Shares comprised of: (i) an aggregate of 82,261,678 Ordinary Shares held by certain existing shareholders, CLN 2020 noteholders and related warrant holders as of the closing of the Business Combination; (ii) 5,445,000 Ordinary Shares issued to the PIPE investors; (iii) 1,230,000 Ordinary Shares issued to certain PIPE investors to satisfy pre-funding fees owed to them; (iv) 450,000 Ordinary Shares issued to BTIG LLC, BOA's underwriter, in respect of its services provided in connection with the initial public offering of BOA; (v) up to 13,595,652 Ordinary Shares issuable upon conversion of the notes issued under the CLN 2022; (vi) 375,000 Ordinary Shares issued to HG Vora Special Opportunities Master Fund, Ltd. ("HG Vora") upon the exercise of warrants that were

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

issued to HG Vora in connection with the execution of a \$25.0 million bridge loan facility to Selina; (vii) 4,496,663 Ordinary Shares issued or issuable to certain of the Company's third-party services providers and joint venture partners in lieu of cash payments due to them; and (viii) the 6,575,000 Private Placement Warrants; and (ix) the 4,274,929 Convertible Note Warrants. A total of 10,849,929 warrants, including the 6,575,000 Private Placement Warrants and 4,274,929 Convertible Note Warrants, are registered under the First Registration Statement.

On July 20, 2023, the Company filed with the Securities and Exchange Commission an additional Resale Registration Statement on Form F-1, which Resale Registration Statement was amended on August 18, 2023 and declared effective the same day (the "Second Registration Statement"). The Second Registration Statement registers (i) the issuance by the Company of up to 1,394,061 Public Warrants and 4,484,919 ordinary shares issuable upon the exercise of certain warrants and the conversion of certain convertible notes, as well as (ii) the resale by the selling securityholders set out in the Second Registration Statement of up to 8,651,624 ordinary shares of the Company.

Additional Equity Subscriptions

In the first quarter of 2023, the Company entered into subscription agreements with various parties pursuant to which the Company has issued or will issue (i) 220,733 ordinary shares to certain service providers in lieu of \$740,000 in payables due to such parties, and (ii) 506,755 ordinary shares to certain investors as well as warrants to purchase 253,377 additional ordinary shares, with one-third of such warrants having a subscription price of \$2.00 per share, one-third having a subscription price of \$2.50 per share and one-third having a subscription price of \$3.00 per share, in exchange for the investment of \$750,000 in cash proceeds by the investors.

In the second quarter of 2023, the Company entered into subscription agreements with various parties pursuant to which the Company has issued or will issue (i) up to 739,110 ordinary shares to certain service providers in lieu of \$686,533 in payables due to such parties, (ii) 678,221 ordinary shares to certain investors as well as warrants to purchase 174,825 additional ordinary shares, with one-third of such warrants having a subscription price of \$2.00 per share, one-third having a subscription price of \$2.50 per share and one-third having a subscription price of \$3.00 per share, in exchange for the investment of \$845,000 in cash proceeds by the investors, and (iii) convertible promissory notes between the Company, as the borrower and certain investors, as the lenders, in an aggregate principal amount of \$247,500, which notes have a one year maturity date, accrue interest at a rate of 18% per annum, include certain redemption and put rights, and are convertible into such number of shares of the Company, at the election of the Company or the lender under certain circumstances, calculated as 100% (if converted at the election of the lender) or 125% (if converted at the election of the Company) of the principal amount of the loan plus accrued and unpaid interest then due under the note divided by a conversion price equal to the closing share price of the Company's ordinary shares on the trading day prior to the date of the conversion, subject to certain floor prices depending on the circumstances of the conversion.

Draw under Loan Facility with Inter-American Investment Corporation ("IDB")

On May 31, 2023, the Company drew \$10.0 million as part of the sixth draw (the "Sixth Draw") made under the \$50.0 million loan facility that the Company entered into with Inter-American Investment Corporation, as the lender, in November 2020.

Prior to the Sixth Draw, on May 17, 2023, the loan facility was amended to modify and temporarily waive certain financial covenants, as applicable, and establish additional reserve accounts in order to allow for the funding of the Sixth Draw. The parent company guarantee provided by the Company in connection with the IDB facility also was amended at that time to provide for the guarantee by the Company of the payment of certain other liabilities of the Group--or alternatively the repayment of an equivalent amount to IDB--to the extent those liabilities are to be paid by obligors under the IDB facility. Further to those amendments and the funding of the Sixth Draw, in the second quarter of 2023 the Company made additional cash deposits of \$3.0 million to a debt service reserve account in order to comply with covenants under the facility. As of June 30, 2023, a total \$5.0 million was held in a debt service reserve account for the loan and a total of \$10.0 million remains to be drawn, subject to the satisfaction of the relevant funding requirements.

New financing of up to \$50 million

On June 2023, Selina has secured agreements for a strategic investment totaling up to \$50 million led by an affiliate of Global University Systems ("GUS" or the "Investor"), a leading global higher education platform. This funding is part of the Company's plan to strengthen its balance sheet as it continues on its path to achieving profitability and cash flow positive operations. The investment by GUS will be completed in multiple tranches as follows:

- The first tranche comprises an immediate \$10.0 million in funding under a secured convertible debt instrument (the "First Convertible Note").
- After securing an additional \$20.0 million in PIPE equity or other funding from parties other than the Investor or any of its affiliates and satisfying other funding conditions, the Investor commits to an additional tranche of \$10.0 million via a private investment in public equity and an additional \$10.0 million in PIPE investment and/or convertible debt.
- The arrangements also provide for an optional third tranche that includes \$20.0 million from the Investor, consisting of PIPE investment and/or convertible debt, in each case generally on the same terms as the initial convertible debt and PIPE funding.
- Should all investments be completed, including the additional \$20.0 million in conditional funding required to unlock the second tranche of investments, Selina will have secured \$50 to \$70 million of additional capital.

As part of its investment, the Investor will receive warrants to acquire additional shares in the Company at a premium to the current trading price and have the ability to appoint two directors to Selina's Board of Directors.

On June 27, 2023, the first tranche of \$10.0 million was funding under the First Convertible Note. On August 2023, the Company and GUS entered into a new convertible note subscription agreement, on substantially the same terms as those agreed for the First Convertible Note, pursuant to which GUS invested an additional \$4.0 million in return for the issuance of a second convertible note (the "Second Convertible Note"). In connection

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

with the funding of the Second Convertible Note, GUS will receive further warrants to acquire additional shares in the Company at a premium to the current trading price and the parties amended and restated a future funding letter ("Amended Future Funding Letter").

Second Amendment to Separation Agreement with YAM at Selina Ops, L.P.

On June 2023, Selina entered into a Second Amendment to Separation Agreement with YAM at Selina Ops, L.P. ("YAM"). Pursuant to the Second Amendment and an equity subscription agreement entered into between the Company and YAM, the Company has issued to YAM 6,248,840 ordinary shares of the Company to be sold by YAM, with the proceeds to be applied towards the payment of \$9,502,244 owed to YAM under the joint venture arrangements. These shares are in addition to 1,400,000 ordinary shares previously granted to YAM in 2022 under a First Amendment to Separation Agreement to be applied towards the payment of \$2,761,955 that was due to YAM at that time. Once all payments owed to YAM under the joint venture arrangement and original separation agreement entered into with YAM and June 2022 have been made in accordance with the terms of the relevant agreements, YAM will transfer to the Company its joint venture interest in PCN.

Hotel Closures

In the second quarter 2023, Selina has begun the selective exit of leases of underperforming locations, a critical step towards achieving long-term financial sustainability. The closure of five properties in Mexico, US, Greece, Austria, and Costa Rica, which contributed \$2.8 million of the \$6.7 million unit-level operating loss in 2022, are expected to be completed by the end of the third quarter 2023.

Operational Optimization

During the second quarter 2023, the Company launched a Labour Restructuring Plan that is anticipated to impact over 350 full-time employees at the unit and corporate levels, with expected annual payroll savings of \$5.8 million and a one-time restructuring cost of approximately \$1.0 million. The restructuring is expected to be completed by the end of the third quarter 2023.

Board Member's resignation

On August 10, 2023, Adi Soffer Teeni, who had been a director of the Company since the Company's listing on Nasdaq on October 27, 2022, tendered her resignation from the Company's Board of Directors and all committees thereof effective with immediate effect. Ms. Soffer's resignation from the Board was not the result of any disagreement with the Company or the Board.

Lock-Up Waiver

On August 10, 2023, the Board of Directors of Selina Hospitality PLC agreed to waive the lock-up restrictions set forth in the Investors' Rights Agreement, dated October 27, 2022, with respect to an aggregate of 55,763,479 of the Company's ordinary shares beneficially owned by certain of the Company's major shareholders. The effectiveness of such waiver took place on August 18, 2023.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

NOTE 32:- SUBSIDIARY COMPANIES AUDIT EXEMPTION: PARENT UNDERTAKING DECLARATION OF GUARANTEE

The Directors of the following subsidiaries have elected to take the exemption afforded by s479A of the Companies Act 2006 to not have their financial statements for the year ended 31 December 2022 subjected to an audit on the grounds that they have been wholly included in the consolidated financial statements of their UK parent company, Selina Hospitality PLC, and that parent has provided a guarantee in accordance with s479C of the Companies Act 2006.

Company	Registered number
Selina Management Company UK Ltd	10975317
Selina Operations UK Ltd	11536082
Selina Operation Camden Ltd.	12012509
Selina Operation Brighton Ltd.	12111241
Selina Operations Midlands Ltd (formerly Hatter's Hostel Ltd)	04844466
Selina Loyalty Management Ltd	12136790
Selina Ventures Holding Ltd	12144828
Selina Wheel Ventures Limited	12852830
Selina Operation Bath Ltd	12282407
Selina Operation Holborn Ltd (formerly Selina UK Real Estate Ltd)	11535943
Selina RY Ltd (formerly Selina East London Real Estate UK Ltd)	11842933
Global DemandCo Limited	12430055
Selina International Music Summits Ltd.	14176287

The parent hereby guarantees all outstanding liabilities to which the subsidiary companies are subject at the end of the financial year to which this guarantee relates, until they are satisfied in full. This guarantee is enforceable against the parent by any person to whom the subsidiary company is liable in respect of those liabilities.

NOTE 33:- AUDITOR'S REMUNERATION

Fees payable to the Group's auditors:	2022	2021
	(In Thousands of US\$)	
Audit Fees	1,596	1,269
Audit-Related Fees	295	—
Tax Fees	—	—
All Other Fees	104	7
Total	1,994	1,276

Audit Fees

Audit Fees consist of fees for the audit of the consolidated financial statements of the Company and for the review of the interim financial statements of the Company.

SELINA HOSPITALITY PLC AND ITS SUBSIDIARIES

Audit-Related Fees

Audit-Related Fees mainly consist of procedures related to consents and assistance with and review of documents filed with the SEC.

Tax Fees

No tax fees were paid to our independent auditor during the period.

All Other Fees

All Other Fees consist of secretarial services and miscellaneous assistance.

Certificate Of Completion

Envelope Id: 3A1F6A3F32FE464B94BC86124DC8BC8F	Status: Completed
Subject: Complete with DocuSign: Selina UK Accounts FY22_FINAL.pdf	
Source Envelope:	
Document Pages: 200	Signatures: 6
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
EnvelopeId Stamping: Enabled	Jonathon Grech
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	AV 7 # 113 - 16 / Piso 4
	Bogota, 000
	jon.grech@selina.com
	IP Address: 81.130.233.172


Record Tracking

Status: Original	Holder: Jonathon Grech	Location: DocuSign
9/14/2023 11:07:10 AM	jon.grech@selina.com	

Signer Events

Eileen Moore
 eileenmoorejohanson@gmail.com
 Security Level: Email, Account Authentication (None)

Signature

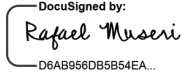
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 Signature Adoption: Pre-selected Style
 Using IP Address: 70.165.212.246
 Signed using mobile

Timestamp

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 Viewed: 9/14/2023 12:26:27 PM
 Signed: 9/14/2023 12:26:57 PM

Electronic Record and Signature Disclosure:
 Accepted: 9/14/2023 12:26:27 PM
 ID: ef56d922-115e-4a24-b4be-81023b40e51c

Rafael Museri
 rafael@selina.com
 CEO
 SELINA Hostel
 Security Level: Email, Account Authentication (None)

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 Signature Adoption: Pre-selected Style
 Using IP Address: 104.28.94.118
 Signed using mobile

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 Viewed: 9/14/2023 12:18:41 PM
 Signed: 9/14/2023 12:19:34 PM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	9/14/2023 11:19:23 AM
Certified Delivered	Security Checked	9/14/2023 12:18:41 PM
Signing Complete	Security Checked	9/14/2023 12:19:34 PM

Envelope Summary Events	Status	Timestamps
Completed	Security Checked	9/14/2023 12:26:57 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

From time to time, SELINA Hostel (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

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Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

How to contact SELINA Hostel:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: elirans@selina.com

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