

30 November 2023

ME GROUP INTERNATIONAL PLC
("ME Group" or "the Group" or "the Company")

Year-end Trading Update

Record financial performance, with rollout of next generation photobooths underway

ME Group International plc (LSE: MEGP), the instant-service equipment group, announces a post-year end update in respect of the 12 months ended 31 October 2023.

Trading Update

Following a strong first-half performance, the Group continued to see positive trading momentum throughout the second half, particularly across its core Photobooth and Laundry operations, reflecting continued strong consumer demand. The Group expects to have delivered a record financial performance for the year, despite some operational challenges within its Feed.ME division, which has since been reorganised.

For the 12 months to 31 October 2023, the Group expects revenue to be marginally below the lower end of the previous guidance range¹ but to be no less than £298 million. Nevertheless, given the Group's focus on profitability, EBITDA remains in line with the previously stated guidance range¹ and the Group expects it to be significantly above £100 million. Profit Before Tax is expected to be towards the top end of the previous guided range¹ and no less than £67 million.

Strategic Progress

The Group also made good progress in delivering on its five-year growth strategy.

Through technological innovation, the Group has continued to expand and diversify its services. The rollout of its next-generation multi-service photobooths is well underway, initially focused in France, with approximately 547 machines installed to date.

This next generation photobooth was developed by the Group's in-house R&D team and offers range of new functionalities, focused around enhancing the user experience. These new features include 'Mobile to Print', user personalisation services using AI and photo filters. The Group expects other new functions will be added over time.

The Group is currently installing approximately 180 next-generation units per month and aims to increase this to approximately 250 new installations per month during 2024.

At the same time, the Group is modernising the hardware of its existing photobooth estate and installing its new proprietary software at a rate of around 200 machines per month. This proprietary software enables the Group's engineers to quickly and cost-effectively upgrade each machine, remotely rather than needing to physically visit the machines.

During the period, the Group significantly extended its presence in Japan through the acquisition of 3,548 photoboos acquired from FUJI in September 2023, positioning the Group as the leading operator in the Japanese photobooth market, with over 15,000 machines in operation today.

Expansion of the Group's laundry operations also remains a key priority and continues at pace. More than 820 Revolution machines were installed during the year across the UK & Republic of Ireland and Continental Europe, bringing the total number of operating Revolution units to 5,533, representing growth of 16% in the total number of machines operated by the Group.

In line with its strategy to further diversify and expand the breadth of products and services offered by the Group, it continues to actively invest in R&D to drive technological innovation. With the next generation in Photoboos, the Group expects to trial and rollout new exciting features during 2024.

Financial Position

The Group remains well capitalised and in a strong financial position, with net cash of approximately £34.3 million and £4.3 million in convertible bonds as at 31 October 2023.

During the year, the Group repurchased £1.7 million of its ordinary shares and also paid dividends totalling £13.6 million (comprising of the final dividend for 2022 of £11.3 million and a special dividend for 2022 of £2.3 million). In November 2023, the Company paid its announced interim dividend for 2023, totalling £11.2 million.

Annual Results

The Group will publish its 2023 Annual Results in February 2024.

1. *Previous FY 2023 guidance was for revenues of between £300 million and £320 million, EBITDA between £100 million and £110 million and profit before tax between £64 million and £67 million.*

ENQUIRIES:

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NOTES TO EDITORS

ME Group International plc (LSE: MEGP) operates, sells and services a wide range of instant-service vending equipment, primarily aimed at the consumer market.

The Group operates vending units across 19 countries and its technological innovation is focused on four principal areas:

- Photo.ME - Photoboos and integrated biometric identification solutions
- Wash.ME - Unattended laundry services and launderettes

- Print.ME - High-quality digital printing kiosks
- Feed.ME - Vending equipment for the food service market

In addition, the Group operates other vending equipment such as children's rides, amusement machines, and business service equipment.

Whilst the Group both sells and services this equipment, the majority of units are owned, operated and maintained by the Group. The Group pays the site owner a commission based on turnover, which varies depending on the country, location and the type of machine.

The Group has built long-term relationships with major site owners and its equipment is generally sited in prime locations in areas of high footfall such as supermarkets, shopping malls (indoors and outdoors), transport hubs, and administration buildings (City Halls, Police etc.). Equipment is maintained and serviced by an established network of more than 650 field engineers.

In August 2022 the Company changed its listed entity name to ME Group International plc (previously Photo-Me International plc) to better reflect the Group's diversification focus and business strategy.

The Company's shares have been listed on the London Stock Exchange since 1962.
For further information: www.me-group.com