



Laundry driving growth and diversification

Who we are

We are an international market leader in automated instant-service equipment with operations across 18 countries.

Contents

Strategic report

Business at a Glance	4
Our Business	6
Why invest?	8
Evolution of business mix	10
Chairman's Statement	18
Chief Executive's Report	22
Innovation and Diversification	30
Review of Performance by Geography	32
Section 172(1) Statement	36
Principal Risks	42
Sustainability at ME Group	46
Specific Sustainability Metrics and Reporting	52
TCFD Report	57
Longer-term Viability Statement	66

Corporate Governance

Directors' Report	70
Board of Directors and Company Secretary	72
Corporate Governance	80
Statement of Directors' Responsibilities	92
Directors' Remuneration Report	94
Remuneration Policy Report	98
Annual Report on Remuneration	104

Financial Statements

Independent Auditor's Report to the Members of Me Group International plc	114
Group Statement of Comprehensive Income	122
Group Statement of Financial Position	123
Group Statement of Cash Flows	124
Group Statement of Changes in Equity	125
Notes to the Consolidated Financial Statements	126
Company Statement of Financial Position	181
Company Statement of Cash Flows	182
Company Statement of Changes in Equity	183
Notes to the Company Financial Statements	184
Glossary	198
Company Information & Advisers	199
Shareholder Information	200

Navigation

We use the various icons shown here to help you navigate through the document and its content



Contents page



Pages within this report

Key financials

for the 12 months ended 31 October 2024

2024 REVENUE	
£307.9m Reported	£317.8m Constant Currency ⁴
2023 Reported: £297.7m	
EBITDA ¹	
£114.2m Reported	£117.5m Constant Currency ⁴
2023 Reported: £106.6m	
PROFIT BEFORE TAX	
£73.4m Reported	£74.1m Constant Currency ⁴
2023 Reported: £67.1m	
GROSS CASH	
£86.1m Reported	£89.8m Constant Currency ⁴
2023 Reported: £111.1m	
NET CASH ²	
£38.2m Reported	£41.8m Constant Currency ⁴
2023 Reported: £33.9m	
CASH GENERATED FROM OPERATIONS	
£107.4m Reported	n/a Constant Currency ⁴
2023 Reported: £109.9m	
DILUTED EARNINGS PER SHARE	
14.27p Reported	14.41p Constant Currency ⁴
2023 Reported: 13.31p	
TOTAL DIVIDENDS PER ORDINARY SHARE ³	
7.90p Reported	n/a Constant Currency ⁴
2023 Reported: 7.39p	

¹ EBITDA is profit before tax, depreciation, amortisation, non-operating income/expense and finance cost and income.

² Net cash excludes investments in convertible bonds (£3.7 million) and lease liabilities (£11.8 million). See note 20 for details of net cash.

³ Interim Dividend of 3.45p per ordinary share paid on 29 November 2024 amounting to £13.0 million. Recommended Final Dividend of 4.45p per ordinary share will be paid on 23 May 2025, subject to approval at the Annual General Meeting.

⁴ Constant currency is 2024 results translated using the prior year's foreign exchange rates. Refer to the Glossary for details of the calculation. This excludes the impact from foreign exchange rate movements ("FX impact") during FY 2024, particularly the Japanese yen which saw a 12% decrease in value against pound sterling (average rate of exchange used in FY2024 was Yen/£ 191.71 vs FY 2023: 171.68), and a 2.1% decrease in the euro against pound sterling (average rate of exchange used in FY 2024 was € /£ 1.173 vs FY 2023: 1.149).

Summary of 2024

Another record year of profitability

Rapid expansion of laundry operations across key geographies

Innovation strategy showcased through the launch of new automated Kee.ME key cutting service

Strong cash generation through operations

Ongoing rollout of next-generation photobooths

Return of cash to shareholders with 6.8% increase in total dividend



Strategic report

Business at a Glance	4
Our Business	6
Why invest?	8
Evolution of business mix	10
Chairman's Statement	18
Chief Executive's Report	22
Innovation and Diversification	30
Review of Performance by Geography	32
Section 172(1) Statement	36
Principal Risks	42
Sustainability at ME Group	46
Specific Sustainability Metrics and Reporting	52
TCFD Report	57
Longer-term Viability Statement	66



Unattended 24/7 laundry services and laundrettes.
Growing network of large-capacity unattended
laundry services, offering a range of machine formats
for partners and end consumers.

Business at a Glance

UK & Republic of Ireland

MACHINES IN OPERATION

6,321

REVENUE

£49.2m

EBITDA

£19.2m

EBITDA MARGIN

39.0%

Key partnerships



Continental Europe

MACHINES IN OPERATION

26,909

REVENUE

£209.0m

EBITDA

£94.5m

EBITDA MARGIN

45.2%

Key partnerships



Our business services

CORE ACTIVITIES

Photo.ME
GROUP

Photobooths and integrated biometric identification solutions →

Wash.ME
GROUP

Unattended laundry services and launderettes →

ANCILLARY ACTIVITIES

Print.ME
GROUP

High-quality digital printing kiosks →

Other Vending

Primarily vending equipment for the food service market (Feed.ME), children's rides (Amuse.ME), and photocopying (Copy.ME) →

UK listed business with a global presence

Asia Pacific

MACHINES IN OPERATION

15,000

REVENUE

£49.7m

EBITDA

£11.0m

EBITDA MARGIN

22.1%

Key partnerships

 **FUJICOLOR**

 **コスモス**

3

CORE GEOGRAPHIES

Continental Europe, UK & Republic of Ireland and Asia Pacific

2

R&D CENTRES

Primary facilities in France and Vietnam, In-house team of more than 50 engineers

OPERATIONS IN

18 countries

Australia, Austria, Belgium, China, Finland, France, Germany, Ireland, Italy, Japan, Morocco, the Netherlands, Portugal, Singapore, Spain, Switzerland, United Kingdom and Vietnam

VENDING UNITS IN OPERATION

48,230

Our Business

What does ME Group do?

ME Group is an international market leader in automated self-service equipment, aimed primarily at the consumer sector.

Our core activities are photobooth and laundry operations and our machine estate comprises high quality and user-friendly design across 18 countries.

The Group operates most of its vending equipment and a percentage of the machine turnover or a fixed fee, or a combination of these is paid to the site owner.

Our long-term contracts with site owners provide predictable year-on-year recurring revenue streams and visibility.

We are highly focused on maximising return on capital across our services by offering best-in-class automated solutions and a disciplined approach to operational efficiencies.

Our business is focused on three main areas:

Core activities

Photo.ME
Wash.ME

Ancillary activities

Print.ME
Feed.ME
Other Vending

Innovation & Diversification

In-house R&D team

OUR BUSINESS MODEL

Supports our market-leading position and growth strategy

FURTHER DETAIL ON PAGE 11 →

CORE ACTIVITIES

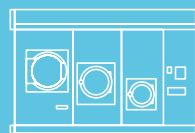
Core activities include our two largest business areas by number of machines and revenue, EBITDA and profit before tax contribution. Our core activities offer significant geographic scale, growth opportunities and / or revenue contribution. These services are sought by our customers, as they offer complementary benefits including increased site footfall and repeat business, and by consumers.

FURTHER DETAIL ON PAGE 12 →



Photo.ME
GROUP

Photobooth operations



Wash.ME
GROUP

Revolution laundry operations

ANCILLARY ACTIVITIES

Ancillary activities include our smaller businesses in terms of contribution to the Group, which are cash generative and profitable. These machines are often located alongside our core activities, benefitting from our ability to leverage existing site owner relationships, and are maintained by our network of field engineers.

FURTHER DETAIL ON PAGE 16 →

Print.ME
GROUP

Digital printing kiosks

Other Vending

Feed.ME
GROUP

Food service vending equipment

Amuse.ME
GROUP

Children's rides

Copy.ME
GROUP

Photocopier services

INNOVATION & DIVERSIFICATION

In-house R&D capability to diversify products and services

The Group has a dedicated approach to innovation which supports the diversification of our products and services. Our in-house R&D team of 50+ engineers is focused on creating new complementary services and evolving the services offered across our existing estate in response to ever-changing consumer needs, whilst maximising our return on investment.

Why invest?

ME Group has a significant competitive advantage across its key markets. Its dominant market position and high barriers to entry position the Group for long-term success.

OUR PURPOSE

Providing local services that make everyday life easier.

OUR MISSION

To service the needs of customers and consumers across multiple different touch-points.

OUR VISION

To be the global market leader for automated self-service equipment.

OUR VALUES

Through our strong and collaborative teams, we meet the needs of our partners and consumers by delivering efficient and reliable services, whilst contributing positively to the localities, communities and the environment in which we operate.



Our key strengths include:

Strong financial position

1.

Our strong financial position and highly cash generative operations, provide predictable cash flows and allow us to fund our capital expenditure programme and invest in future growth, alongside creating value for our shareholders. In 2024, £107.4 million of cash was generated from operations.

Long-standing site partnerships

2.

We have well-established long-term partnerships and long-term contracts with site owners in attractive, high-footfall locations, enabling us to offer multiple products and services onsite as well as providing good revenue visibility. Our machines are maintained by our 650-strong network of field engineers, minimising downtime and giving us operational leverage.

Laundry opportunity

3.

Our laundry operations are rapidly growing, with further opportunities for expansion across existing and new markets, underpinned by a market-leading offer and strong customer demand, whilst providing site owners with a unique opportunity to expand available services which drive site footfall. A record number of machines were installed in 2024, with a long term target of installing 20,000+ machines globally.

Established photobooths estate

4.

Our network of photobooths offers consumers market-leading digital photo ID services for official documents. Our photobooth estate is highly cash-generative.

Asset lifecycle

5.

Our machines are designed to operate over an extensive lifecycle which, in turn, generates long-term profitable performance, supported by low incremental costs for maintenance and technological upgrades to provide a high standard of service and best-in-class user experience for consumers.

Entrepreneurial spirit

6.

Proven track record of innovation and diversification of services in response to the evolving needs of our customers and consumers. Our two R&D centres are pivotal in driving the advancement of new products and technologies, supported by investment from our strong levels of cash flow, helping to create long-term value for investors.

Evolution of business mix

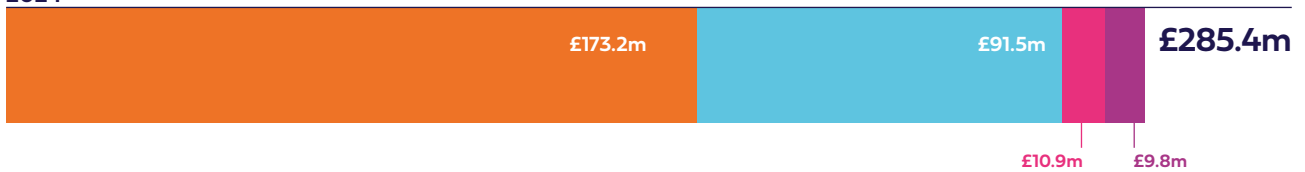
Growth of ME Group and the evolution of products and services over the last five years.

Since 2019, the proportion of Group revenue from laundry operations has increased significantly to 32.1% in 2024 from 18.3% in 2019.

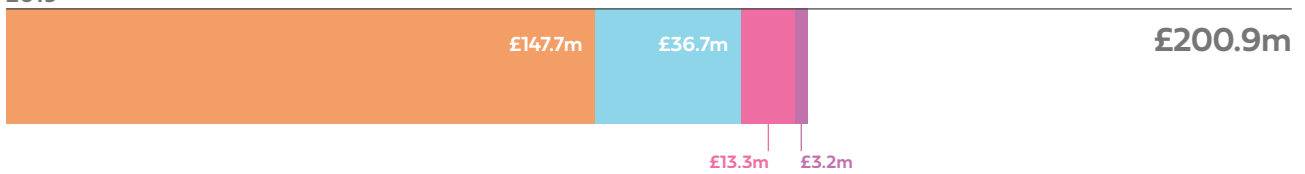
In 2024, laundry operations contributed 41.2% of Group EBITDA, compared with 23.4% in 2019. During this period, Wash.ME EBITDA margin has increased to 51.4%, from 44.4% in 2019. Laundry operations contribute nearly three times more EBITDA than they did in 2019.

Vending Revenue

2024



2019



EBITDA

2024



2019



¹ EBITDA for other vending also includes revenue from the sale of food vending equipment and the sale of other equipment, spare parts, consumables & services.

- Photo.ME
- Wash.ME
- Print.ME
- Other vending (including Feed.ME)
- Corporate costs

Proportion of Group revenue from laundry operations:

2019

18.3%

2024

32.1%

Laundry operations contribution to Group EBITDA:

2019

23.4%

2024

41.2%

Wash.ME EBITDA margin has increased:

2019

44.4%

2024

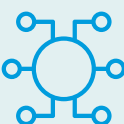
51.4%

Our growth strategy

Our growth strategy is primarily focused on growing our core business areas, which are laundry and photobooth operations, as we utilise and reinvest cash generated from our operations to drive future growth and returns through:



Expansion in existing and new geographic territories; entry into Finland and Australia, including the trialling of 11 photobooths in Australia, our newest geographic region



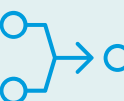
Entering new market segments; expanded our UK Revolution laundry footprint at petrol forecourts through a new partnership agreement with MFG



New product and technology innovation; the launch of Kee.ME, our new automated key-cutting service as we continue to diversify our operations



Continued expansion and diversification of services; installation of new proprietary software to upgrade the user experience and services within our existing photobooth estate



Strategic mergers and acquisitions; integration of Japanese photobooths estate acquired under FUJIFILM transaction. Sale of SEMPA SAS to prioritise growth of core activities

Core business area

Photo.ME
GROUP

Photobooths with integrated biometric photo identification solutions. A global leader in the photobooth market for instant photo ID, portraits and fun photographs.

Our services are primarily aimed at the consumer market, with machines typically located in convenient, high-footfall locations such as travel hubs, shopping centres and supermarkets.

Established, stable and profitable estate generating strong cash flow, through long-standing contracts with site owners, which support investment in the Group's growth strategy and new product development.

The Group pays the site owner a percentage of machine turnover or a fixed fee or a combination of these.

Our photobooths offer

- **Integrated proprietary software** to conform to International Standards Organisation (ISO) and International Civil Aviation Organisation (ICAO) photo ID regulations
- **Secure digital photo ID technology** to improve and digitalise security ID, working closely with national institutions to ensure compliance with Photo ID standard and security requirements, offering secure integrated solutions including biometric data capture, secure and direct transfer of data and 3D facial image capture
- **Portraits and fun photos** provide fun user experiences such as beautifying, vintage, portrait editing features, video capture etc.

% OF GROUP TOTAL VENDING ESTATE

63.5%

2023: 64.7%

PHOTOBOOTH UNITS IN OPERATION

30,613

2023: 30,762

OPERATIONS IN

18 countries

Australia, Austria, Belgium, China, Finland, France, Germany, Ireland, Italy, Japan, Morocco, the Netherlands, Portugal, Singapore, Spain, Switzerland, United Kingdom, Vietnam

KEY FINANCIALS¹

VENDING REVENUE²

£173.2m

2023: £172.5m

CHANGE
+0.4%

Constant currency:

+4.5%

EBITDA

£61.6m

2023: £61.8m

CHANGE
-0.3%

Constant currency:

+2.8%

EBITDA MARGIN

35.6%

2023: 35.8%

CHANGE
-0.3%/bps

Constant currency:

-0.6%/bps

AVERAGE REVENUE PER MACHINE (EXCL. VAT)

£5,644

2023: £5,869

CHANGE
-4.5%

Constant currency:

-0.7%

¹ For the 12 months ended 31 October 2024

² Vending revenue is earned from machines in operation and excludes revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.



Rollout of next-generation photobooths

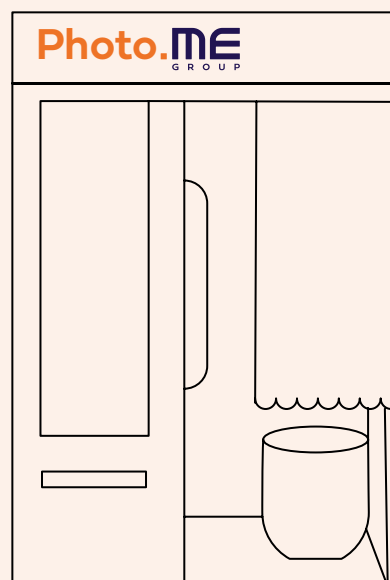
Our latest photobooths offer consumers a multi-functional booth providing a range of services in addition to our core photo ID product.

Features include:

- Photo ID for official documentation with secure upload technology
- User personalisation services, using AI and photo filter technology for fun images
- 'Mobile to print' functionality for photographs

Deployment strategy:

- 2,000 next-generation photobooths installed as at 31 October 2024
- Capital expenditure for photobooths was £17.1million
- Plans to install 8,000 next-generation photobooths by the end of FY 2027
- Installation of new cloud-based proprietary software to upgrade to existing photobooth estate. Target installations: 3,200 machines in France in 2025, followed by a Europe-wide deployment to a further 4,600 machines in 2026



Features include:

User personalisation services, using AI and photo filter technology for fun images

Photo ID for official documentation with secure upload technology

'Mobile to print' functionality for photographs

Core business area



Unattended 24/7 laundry services and launderettes.

Rapidly expanding network of large capacity self-service laundry services, in high footfall locations through new and existing partnerships with strategic site owners offering a range of machine formats for partners and end consumers.

The Group pays the site owner a percentage of machine turnover or fixed fee, or a combination of these. Laundry is increasing as a proportion of total Group revenue and EBITDA.

Why consumers use our laundry machines

- Large capacity – up to 20KG capacity machines to wash items too large for domestic washing machines – for example duvets and horse blankets
- Speed – offering energy-efficient quick wash and dry options
- Corporate and communal use – small businesses such as hairdressers and restaurants; other users such as local sports teams

% OF GROUP TOTAL VENDING ESTATE

13.4%

2023: 11.6%

LAUNDRY UNITS DEPLOYED¹

7,892

2023: 6,870

OPERATIONS IN

12 countries

Austria, Belgium, China, France, Germany, Ireland, Japan, the Netherlands, Portugal, Spain, Switzerland, United Kingdom

KEY FINANCIALS²

VENDING REVENUE³

£91.5m

2023: £77.3m

CHANGE
+18.4%

Constant currency:

+20.4%

EBITDA

£47.0m

2023: £39.5m

CHANGE
+19.0%

Constant currency:

+21.0%

EBITDA MARGIN

51.4%

2023: 51.1%

CHANGE
+0.3%/bps

Constant currency:

+0.2%/bps

AVERAGE REVENUE PER MACHINE (EXCL. VAT)

£15,204

2023: £15,454

CHANGE
+2.1%

Constant currency:

+3.7%

¹ Laundry units owned, sold and acquired.

² For the 12 months ended 31 October 2024.

³ Vending revenue is earned from machines in operation and excludes revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.



Rollout of Revolution laundry machine

- A record 1,168 Revolution laundry machines were installed in FY 2024 in France and the United Kingdom, including full range of formats e.g. the compact 'Flex' model.
- Exceeded target of an average of 80-90 units installed per month.
- 900 net machines installed, after the relocation of machines to maximise quality and profitability of estate.
- Capital expenditure was £25.4 million.
- At 31 October 2024, the Group operated 6,433 Revolution laundry machines.

New Partnerships



Motor Fuel Group ("MFG"), the UK's largest independent forecourt operator.

ME Group can install and operate up to 300 Wash.ME Revolution laundry machines across MFG sites over the next five years.

Wash.ME Revolution laundry machines give consumers access to self-service, large-capacity (9kg and 20kg drums), energy-efficient, high-speed washing and drying laundry services, 24 hours a day, seven days a week.



Morrisons, one of the UK's largest supermarket chains, with more than 490 sites nationwide.

Extended existing relationship with a key strategic partner WM Morrisons Supermarket Limited ("Morrisons") under which ME Group operates 488 photobooths, 424 children's rides and 37 Revolution laundry machines at Morrisons locations in the UK.

Under the new five-year contract, ME Group will install at least 200 Revolution laundry machines at Morrisons locations, which are expected to be installed over the next three years.

1,000th Revolution laundry milestone achieved in the UK

In 2024, the Group installed its 1,000th Revolution laundry machine in the UK, following the rapid expansion of its self-service laundry machines.

In the year, more than 330 machines were installed in convenient, high-footfall sites, including petrol forecourts and supermarkets across the UK, building on its long-term relationships and contracts with site owners alongside new partnerships. At the year end, the Group operated 1,650 machines in the UK and Republic of Ireland.

Ancillary business areas



High-quality digital printing kiosks.

Convenient, affordable and easy-to-use instant-printing services for consumers, positioned in attractive high-footfall locations across Europe.

The Group pays the site owner a percentage of machine turnover or fixed fee or a combination of these.

Our digital printing offer

- Industry-leading technology offering a wide range of competitively-priced, high-quality printing formats and personalised products from smartphones.
- Fully integrated with major social media networks, providing consumers with convenient, easy-to-use, reliable services for a seamless customer experience.

% OF GROUP TOTAL VENDING ESTATE

9.4%

2023: 10.0%

UNITS IN OPERATION

4,526

2023: 4,734

OPERATIONS IN

9 countries

Belgium, China, France, Germany, Japan, the Netherlands, Portugal, Spain, Switzerland, United Kingdom

KEY FINANCIALS¹

VENDING REVENUE²

£10.9m

2023: £11.3m

CHANGE
-3.5%

Constant currency:

-1.8%

EBITDA

£4.9m

2023: £4.2m

CHANGE
+16.7%

Constant currency:

+21.4%

EBITDA MARGIN

45.0%

2023: 37.2%

CHANGE
+7.8%/bps

Constant currency:

+8.8%/bps

AVERAGE REVENUE PER MACHINE (EXCL. VAT)

£2,354

2023: £2,374

CHANGE
-0.8%

Constant currency:

+1.0%

¹ For the 12 months ended 31 October 2024.

² Vending revenue is earned from machines in operation and excludes revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.

Copy.ME
GROUP

Amuse.ME
GROUP

Feed.ME
GROUP

Other vending (Including Feed.ME)

Typically situated at high-footfall sites where the Group has an existing relationship with the site owner and can benefit from operating synergies, such as using its field engineer and maintenance network.

The Group pays the site owner a percentage of machine turnover or a fixed fee or a combination of these.

The Group also sells self-service fruit juice machines (B2C) and pizza machines (B2B). Contracts typically include a maintenance agreement for the Group to service the equipment for the duration of the contract.

In May 2024, the Group disposed of its commercial self-service fresh fruit juice equipment business, SEMPA SAS. As SEMPA SAS contributed a large share of Feed.ME revenue (2023: £4.8m), the remaining Feed.ME business has now been incorporated into the Other Vending ancillary business area. The comparative figures for Other Vending have been adjusted to include Feed.ME.

Operations primarily include:

- **Feed.ME** vending equipment for food and fruit juice service market.
- **Amuse.ME** self-service traditional amusement and interactive children's rides.
- **Copy.ME** photocopiers which enable consumers to reproduce physical documents, safely and securely, using the latest technology.

% OF GROUP TOTAL VENDING ESTATE

13.7%

2023: 14.4%

UNITS IN OPERATION

6,629

2023: 6,496

FRESH ORANGE JUICE MACHINES

460

in Japan and Australia

OPERATIONS IN

14 countries

Australia, Austria, Belgium, China, France, Germany, Ireland, Japan, the Netherlands, Portugal, Spain, Singapore, Switzerland, United Kingdom

KEY FINANCIALS¹

TOTAL REVENUE²

£28.0m

2023: £32.3m

CHANGE

-13.3%

Constant currency:

-9.9%

EBITDA

£11.2m

2023: £12.6m

CHANGE

-11.1%

Constant currency:

-8.7%

EBITDA MARGIN

40.0%

2023: 39.0%

CHANGE

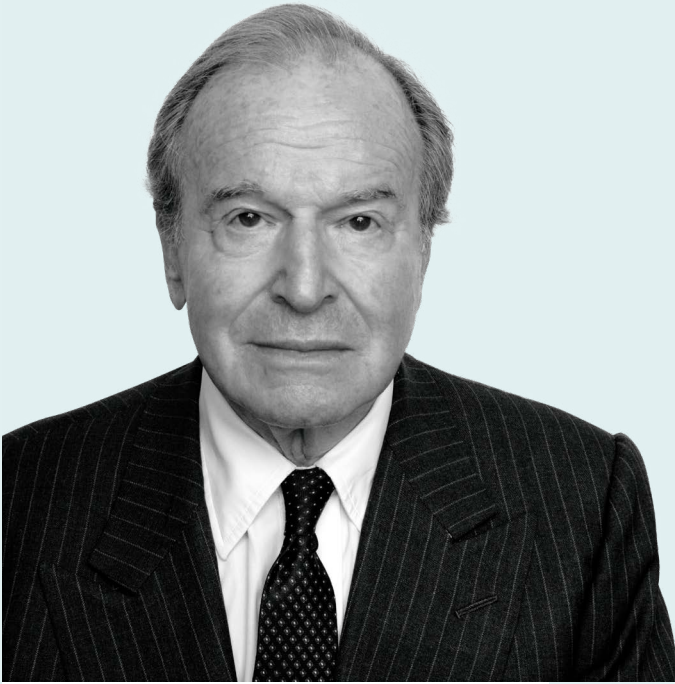
+1.0%/bps

Constant currency:

+0.5%/bps

¹ For the 12 months ended 31 October 2024.

² Total revenue is vending revenue from the operation of Other Vending machines plus revenue from the sale of equipment, consumables, spare parts and services.



Sir John Lewis OBE
Non-executive Chairman

Driving value to our shareholders

I am pleased to report the Group's financial results for the 12 months ended 31 October 2024, which was yet another year of record profitability.

REPORTED REVENUE

£307.9m

12 months ended 31 October 2024

NET CASH POSITION

£38.2m

As at 31 October 2024

2024 Overview

In 2024, the Group delivered a strong performance across its key financial metrics including a 3.4% increase in revenue (up 6.8% excluding FX impact⁴), a 7.1% increase in EBITDA (up 10.2% FX impact⁴) and, most encouragingly, a 9.4% increase in reported profit before tax (up 10.4% excluding FX impact⁴). Profit before tax during the period reached a record level of £73.4 million.

This performance was achieved despite foreign exchange headwinds through the financial year ("FX impact⁴") which saw the value of the Japanese yen and the euro against the British pound sterling decline by 12.0% and 2.1% respectively compared with 2023.

Given the FX headwinds throughout 2024, the Group is exploring options to mitigate its exposure to currency risk. This includes hedging its large GBP commitments, such as dividends. However, as the Group earns a large share of its revenue in foreign currencies, its consolidated results will be impacted by exchange rate fluctuations to some extent.

This strong performance reflects robust demand for our products and services as well as the significant competitive advantages that ME Group holds which position the Group for long-term success.

In 2023, we were pleased to have been included as a constituent of the FTSE 250 index and, since then, the Group has continued to deliver on its growth strategy and build on our position as a leader in instant-service vending equipment, primarily aimed at the consumer market.

Our growth strategy

The Group's growth strategy is primarily focused on laundry expansion as we continue to diversify our operations and drive attractive levels of return on invested capital. This is reflected by our strong performance against our targeted payback periods and return on capital, which significantly exceeds our cost of capital.

Our core activity is to install and operate automated vending equipment, primarily photobooths and laundry machines, in high footfall areas in return for commission and/or a fixed fee. We benefit from an established and dominant market position and high barriers to entry, underpinned by the Group's key strengths which include long-standing partnerships with site owners; growth of our laundry operations; stable cash flows from our established photobooth estate; and the extended lifecycle of our assets.

Our innovative approach allows us to refresh and diversify the services available through our machines, alongside a disciplined financial approach and a focus on minimising production and operational costs, enabling us to capitalise on operating leverage as we grow our machine estate.

The Board

Post-period end, the Group announced two changes to the composition of its Board of Directors.

On 6 November 2024, Emmanuel Olympitis (Non-executive Director) informed the Board of his decision to step down from his role and leave the Board with effect from 30 November 2024. Emmanuel served as Senior Independent Director, Chair of the Remuneration Committee and was a member of the Audit and Nomination Committees.

Following Emmanuel's departure, René Proglio, an Independent Non-executive Director and Chair of the Audit Committee, became the Senior Independent Director and Françoise Coutaz-Replan, an Independent Non-executive Director and member of the Audit and Remuneration Committees, became Chair of the Remuneration Committee and she joined the Nomination Committee.

Chairman's Statement continued

On 3 December 2024, Camille Claverie (Non-executive Director) informed the Board of her decision to step down, with effect from 4 December 2024.

On behalf of the Board, I would like to thank Emmanuel and Camille for their hard work and valuable contributions over the years and we wish them all the best for the future.



The Board of Directors continues to believe the Company has a strong leadership team in place to continue delivering on the Group's long-term growth strategy. Given that two Non-executive Directors stepped down after the year end, the Nomination Committee is considering the composition of the Board in the current financial year.

Dividends

The Company's dividend policy seeks to pay annual dividends in excess of 55% of the Group's annual profits after tax, subject to market and capital requirements. Typically, one-third of this is paid as an interim dividend (paid in November) and the remaining two-thirds is paid as a final dividend (paid in May).

In line with this policy and the strong financial performance, the Board declared an interim dividend in respect of FY2024 of 3.45 pence per Ordinary share (the "Interim Dividend"), an increase of 16.2%, which amounted to £13.0 million, paid to shareholders on 29 November 2024, for those on the register on 7 November 2024.

The Board has recommended a final dividend for 2024 of 4.45 pence per Ordinary share ("Final Dividend") amounting to £16.8 million. Together with the Interim Dividend, this brings the total dividend for FY 2024 to 7.90 pence per Ordinary share (£29.8 million), an increase of 6.8% and representing 55.3% of the Group's earnings per share for FY24.

Subject to approval at the Company's annual general meeting on 25 April 2025, the Final Dividend will be paid on 23 May 2025 to shareholders on the register at close of business on 25 April 2025. The ex-dividend date will be 24 April 2025.

Our strong performance reflects robust demand for our products and services as well as the significant competitive advantages that ME Group holds.

Cancellation of Treasury Shares

On 12 July 2024, the Board passed a resolution to cancel all of its 2,368,626 ordinary shares of 0.5 pence each held in treasury with effect from the same date. These shares held in treasury were purchased via the previously announced buyback at an average price of 133.17 pence per ordinary share. As of 31 October 2024, the total issued share capital comprised 376,763,753 ordinary shares of 0.5p each and the total number of voting rights is 376,763,753.

Defined benefit pension scheme

The Company runs a defined benefit pension scheme, the Photo-Me International Plc Pension and Life Assurance Fund. In November 2024, the Trustee of the Fund entered into an insurance contract with Legal & General that provides pensions for certain members of the Fund. As a result, the benefits for all members of the Fund are now secured with an insurance company, via policies in the name of the Trustee. The intention is that in due course these policies will be transferred into the name of the individual members and the Fund wound-up.

To provide additional security to the Fund, the Company previously set up an Escrow account which the Fund could call upon in certain circumstances. This has a value of circa £1 million and once the Fund has been wound-up the Escrow funds can be released to the Company.

Sustainability

We remain committed to strengthening our sustainability activity to deliver our goals through inventing eco-responsible local services to support growth by integrating social, environmental, and economic expectations into our strategy and operations. Details of our Sustainability approach and KPIs are set out on pages 46 to 65.

Looking ahead

We are focused on delivering our long-term growth strategy, driven by further progress in our core photobooth and laundry activities. We will continue our journey to modernise and upgrade our machine estate as we rollout our next generation photobooth, and at the same time continue to evolve our business mix through the rapid expansion of our laundry operations. Furthermore, we will further diversify the products and services we offer our strategic partners and end consumers through our innovation strategy.

In FY 2025 year-to-date, we have continued to make progress in expanding our Revolution laundry estate, with Revolution laundry installations progressing as planned. In FY 2025, we anticipate installing a total of 1,200 net Revolution laundry machines across our target geographies and expect to install 3,200 next-generation photoboos. As a result, the Board anticipates profit before tax to be between £76 million and £80 million.

The Board remains confident in the Group's growth strategy and strong financial position, which provide a platform for future growth opportunities.

Sir John Lewis OBE

Non-executive Chairman

24 February 2025



Serge Crasnianski
Chief Executive Officer & Deputy Chairman

Another year of record profitability

Our core business areas have once again delivered good growth across our geographies, which in turn delivered Revenue, EBITDA and Profit before tax growth for the Group.

REVENUE

£307.9m

12 months ended 31 October 2024

PROFIT BEFORE TAX

£73.4m

12 months ended 31 October 2024

Business review

We are pleased to report another year of strong performance and record profitability in 2024.

The positive trading momentum throughout H1 2024 continued in H2 2024 and reflected further strategic progress from the Group's core automated photobooth and laundry operations which are both exceptionally profitable and highly cash generative. We remained focused on profitability, returns and cash generation, with these metrics being key performance indicators for the Group.

Our core business areas have once again delivered good growth across our geographies, which in turn delivered revenue, EBITDA and Profit Before Tax growth for the Group.

Financial performance

In line with the Group's strategic focus, our core business areas of Photo.ME and Wash.ME continued to be the main driver. Our photobooth operations (Photo.ME) continued to deliver stable cash flow which supported our investments across our business, whilst laundry operations (Wash.ME) further expanded in terms of the number of units and their financial contribution to the Group.

Total revenue increased by 3.4% to £307.9 million (2023: £297.7 million). However, excluding the FX impact⁴ revenue grew by 6.8%. This performance was mainly driven by strong growth in our Wash.ME Revolution laundry business which delivered a 19.1% increase to vending revenue year-on-year (up 21.2% excluding the FX impact⁴) as we continued to expand our laundry operations in key geographies, with Wash.ME vending revenue in Continental Europe up 19.8% and up 15.7% in the UK & Republic of Ireland.

By geography, our largest region Continental Europe, reported revenue growth of 1.9% (up 3.8% excluding FX impact⁴) and the UK & Republic of Ireland reported revenue growth of 2.1% (up 2.7% excluding FX impact⁴). Asia Pacific revenue increased by 12.2% (up 24.6% excluding FX impact⁴) following integration of the recent photobooth acquisition in Japan.

As a result of the above, Group EBITDA increased by 7.1% to £114.2 million (up 10.2% excluding FX impact⁴), and delivered an expanding Group EBITDA margin of 37.1% (2023: 35.8%).

Reported profit before tax improved by £6.3 million to £73.4 million (2023: £67.1 million), an increase of 9.4% (up 10.4% excluding FX impact⁴).

The Group's corporation tax charge for the year was £2.9 million higher at £19.3 million, resulting in an effective tax rate of 26.3%. In 2023, the tax charge was £16.4 million, an effective tax rate of 24.5%.

Capital expenditure was £54.6 million, primarily related to laundry (£25.4 million), photoboos (£17.1 million), kiosks (£0.7 million), and plant, machinery and vehicles (£4.5 million).

Chief Executive's Report continued

Cashflow and net cash position

	31 October 2024	31 October 2023
Opening net cash	£33.9m	£34.0m
Cash generated from operations	£107.4m	£109.9m
Payments in relation to provisions and pensions	£(0.8)m	£(0.9)m
Net interest paid	£(1.9)m	£(1.2)m
Taxation	£(17.5)m	£(20.2)m
Net cash generated from operating activities	£87.2m	£87.6m
Net cash used in investing activities	£(47.6)m	£(57.0)m
Net cash used in financing activities	£(34.7)m	£(30.8)m
Net cash generated / (utilised)	£4.9m	£(0.2)m
Impact of exchange rates	£(0.6)m	£0.1m
Net cash inflow / (outflow)	£4.3m	£(0.1)m
Closing net cash	£38.2m	£33.9m
Consisting of:		
Cash and cash equivalents	£86.1m	£111.1m
Non-current borrowings	£(28.5)m	£(50.2)m
Current borrowings	£(19.4)m	£(27.0)m
Closing net cash	£38.2m	£33.9m

The Group remains highly cash generative, with cash generated from operations amounting to £107.4 million (2023: £109.9 million).

In the year the Group disposed of property and other fixed assets for £3.3m and a subsidiary, SEMPA SAS, for £3.7m. These proceeds offset with capital expenditure of £54.6m resulting in lower net cash used in investing activities of £47.6m.

The Group remains well capitalised and in a strong financial position, with net cash of £38.2 million as at 31 October 2024 (2023: £33.9 million), up 12.7%, and excluding FX impact⁴, net cash increased by 23.3%.

Further details of the Group's performance by business area and geographic region are set out on pages 25 to 35.

Overview of principal business areas

The Group's operations are categorised into core activities (photobooths and laundry) and ancillary activities (digital printing and other vending). Below is an overview of each of the Group's business areas.



Photobooths and secure integrated biometric photo ID solutions (Core business)

	12 months ended 31 October 2024	12 months ended 31 October 2023
Number of units in operation	30,613	30,762
Percentage of total group vending estate (number of units)	63.5%	64.7%
Vending Revenue ¹	£173.2m	£172.5m
Capex	£17.1m	£8.9m
EBITDA	£61.6m	£61.8m

¹ Vending revenue is earned from machines in operation and excludes revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.

Our established photobooth operations remain the Group's largest business by number of units, revenue and EBITDA contribution. This core business area delivered solid demand and stable cash flow. Part of the cash generated from photobooths is reinvested to support the Group's growth strategy, including the ongoing expansion of Wash.ME.

Photobooth activities performed as expected with total vending revenue up 0.4% at £173.2 million (up 4.4% excluding FX impact⁴). While Continental Europe is the largest contributor of vending revenue by region, Asia Pacific delivered the strongest growth, up 15.6% year-on-year (up 28.7% excluding FX impact⁴), which reflected the expansion of the photobooth service in Japan following the Group's acquisition in October 2023. Vending revenue in the UK and Ireland was down by 10.6% due to end of a high commission contract that has had an impact on revenues but a much more limited impact on profits due to the high commission rate.

In total, Photo.ME represented 56.3% of Group revenue. The average revenue per machine (excluding VAT) was £5,644 per year (2023: £5,908). However, this reduction was mainly due to

currency impact alongside slightly lower demand in H1 2024. Excluding the FX impact⁴, the average revenue per machine reduced by 0.7%.

EBITDA was broadly flat at £61.6 million (2023: £61.8 million) and represented 53.9% of total Group EBITDA. The EBITDA margin was 35.6%.

Capex increased to £17.1 million, up 92.1%, as the Group progressed with its rollout of next-generation photobooths, with more than 1,980 installed during 2024, primarily in France, prioritising the replacement of older machines in high-footfall locations.

At 31 October 2024, the number of photobooths in operation was 30,613, in line with the prior year (2023: 30,762). Photobooths represented 63.5% of the Group's total vending estate.

Growth strategy update

The photo ID market across existing and new geographic markets remains attractive for longer-term opportunities.

In 2025, we plan to invest between £10.0 million and £12.0 million in our photobooth operations, with the majority of this investment targeted on replacing old machines.

In France, which accounts for more than half of the Group's photobooth revenue, the Group is progressing deployment of its next-generation photobooth, with a total of 1,980 machines installed to date. These machines offer consumers enhanced services in addition to core official photo ID secure upload technology, such as user personalisation through AI, photo filter technology for fun images and 'mobile to print' functionalities. While installations have been slightly slower than anticipated, partly due to some technical issues, the Group plans to have installed 8,000 next-generation photobooths by the end of financial year 2027.

Chief Executive's Report continued

In addition, the Group is modernising the hardware of its existing photobooth estate by installing new proprietary software. This includes additional features and improved consumer functionality which is being installed across our Starbooth estate in France. The upgrade programme is expected to be completed by October 2025 and will see c3,200 Starbooths upgraded.

Last year, we announced a trial of 11 photobooths across Sydney and Melbourne, having entered the Australian market in 2021 via a small acquisition. The trial is ongoing and operations in Australia remain at an early stage.

Wash.ME
GROUP

Unattended Revolution laundry services and laundrettes (Core Business)

	12 months ended 31 October 2024	12 months ended 31 October 2023
Total Laundry units deployed (owned, sold and acquisitions)	7,892	6,870
Total revenue from Laundry operations ¹	£95.8m	£81.6m
Total Laundry EBITDA	£47.0m	£39.5m
Revolution		
Number of Revolutions in operation	6,433	5,533
Percentage of total group vending estate (number of units)	13.3%	11.6%
Vending revenue from Revolutions ²	£90.6m	£76.1m
Revolution capex	£25.4m	£24.7m

¹ Revenue from the operation of laundry machines plus revenue from the sale of laundry machines.

² Vending revenue is revenue earned from machines in operation and excludes revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.

Our estate of Wash.ME unattended laundry services offer consumers affordable, large-capacity washing machines in convenient locations, whilst driving repeat business to partner sites and increasing dwell time. This core business area is the Group's fastest-growing business by number of machine installations, revenue and EBITDA.

Total revenue from laundry operations grew by 17.4% to £95.8 million (up 19.5% excluding FX impact⁴), driven by the expansion of our Revolution laundry operations which generate a higher level of turnover.

At 31 October 2024, the total number of laundry units deployed (owned and sold) was up 14.9% to 7,892. Total laundry EBITDA increased by 19.0% to £47.0 million (up 21.0% excluding FX impact⁴). Total laundry EBITDA margin was 49.1%, compared with 48.4% in 2023.

Revolution laundry operations driving growth

During 2024, a record number of Revolution machines were installed, with 1,168 machines (consisting of 900 new machines and 268 relocations) added across key regions including France and the UK. This resulted in a 16.3% increase in the total number of Revolution machines to 6,433, in line with our target rate of 80-90 installations each month. Revolution laundry machines accounted for 13.3% of the Group's total estate by number of machines, up from 11.6% in 2023.

Vending revenue from Group-operated Revolution laundry machines grew by 19.1% to £90.6 million (up 21.2% excluding the FX impact⁴). This growth reflected an increase in consumer demand and estate expansion across our key focus markets, with laundry vending revenue in Continental Europe up 19.8% (up 22.2% excluding FX impact⁴) and up 15.7% in the UK and Republic of Ireland (up 17.0% excluding FX impact⁴).

Revolution laundry operations represented 29.4% of Group revenue, up from 25.6% in 2023. The average revenue per machine (excluding VAT) increased by 2.3% to £15,143 per year (2023: £14,795). Excluding the FX impact⁴, the average revenue per machine increased by 4.2%.

Revolution Capex increased 2.8% to £25.4 million, which was almost solely related to the costs associated with deploying Revolution machines, including purchase and installation costs.

Growth strategy update

The expansion of laundry operations is a key growth driver for the Group as we continue to expand operations through new and existing



partnerships in target territories and convenient, high-footfall locations. During 2024 we secured several new strategic partnerships, including with leading independent forecourt operator Motor Fuel Group (“MFG”). Under the agreement with MFG, the Group will be able to install and operate up to 300 Wash.ME Revolution laundry machines across MFG sites in the UK over the next five years.

We signed a new agreement with Morrisons Supermarket Limited (“Morrisons”) to extend our existing partnership. Under the existing relationship, the Group operates and maintains 500 photobooths, 250 children’s rides and 37 Revolution laundry machines across Morrisons sites in the UK. The new five-year agreement will see the Group install at least 200 Revolution laundry machines at these supermarket locations over the next two years.

These large scale roll-out partnerships help to increase visibility over installations and these high quality locations ensure that our Revolution Laundry units perform exceptionally well on a revenue basis.

During 2025 the Group plans to install circa 1,200 net Revolution laundry machines in key territories, at an investment of between £28.0 million and £32.0 million, with a target return on investment in approximately 18 months.

Print.ME
GROUP

High-quality digital printing services (Ancillary business)

	12 months ended 31 October 2024	12 months ended 31 October 2023
Number of units in operation	4,526	4,734
Percentage of total group vending estate (number of units)	9.4%	10.0%
Vending Revenue ¹	£10.9m	£11.3m
Capex	£0.7m	£3.1m
EBITDA	£4.9m	£4.2m

¹ Vending revenue is revenue earned from machines in operation and excludes revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.

Our estate of digital printing kiosks offers a wide range of competitively priced print formats and personalised products, with operations in France, where most machines are situated, the UK and Switzerland. Print.ME is an ancillary business area.

Vending revenue was 3.5% lower at £10.9 million (2023: £11.3 million), due to some FX impact⁴ and the redeployment of 240 machines to a new contract with FNAC, a leading French multinational retail chain. This contract employs a different business model and the revenue earned from it is recognised in sales of consumables, outside of the Print.ME segment. This has contributed to the like-for-like drop in vending revenue. Excluding the FX impact⁴ vending revenue was reduced by 1.8%.

Chief Executive's Report continued

The average revenue per machine (excluding VAT) was stable at £2,354 per year and excluding the FX impact⁴ it was £2,397 per year (2023: £2,374).

Capex during the period amounted to £0.7 million (2023: £3.1 million) primarily focused on a programme of installing new lower-cost and compact Speedlab machines in France.

EBITDA increased by 16.7% to £4.9 million (2023: £4.2 million) and it represented 4.3% of Group EBITDA. The EBITDA margin increased to 45.0% (2023: 37.2%). Excluding the FX impact⁴, EBITDA was 21.4% higher than in 2023.

At 31 October 2024, the Group had 4,526 digital printing kiosks in operation (2023: 4,734) which account for 9.4% of the Group's total vending units in operation (2023: 10.0%).

While Group capex is focused on growing its core activities, it continues to invest in ancillary activities where target returns can be achieved. In 2025, the Group plans to invest between £5.0 to £10.0 million of capex in the Print.ME business to further roll out its new Speedlab machines, initially in France.

Other Vending (including Feed.ME) (Ancillary business)

On 22 May 2024 the Group announced that, following a review of operations, its subsidiary company ME GROUP GSS had sold its entire interest in SEMPA SAS ("Sempa") to Food Machine Invest. While the Feed.ME business area remains attractive, it has developed more slowly post-pandemic than anticipated. Subsequently, the Board is prioritising investment in the Group's core activities, laundry and photobooths, where there are attractive long-term opportunities, particularly in the growth of its laundry operations. Under Feed.ME the Group operates 460 freshly squeezed orange juice vending machines and continues to sell a small number of pizza vending equipment. Subsequently, reflecting its size, Feed.ME business area has been incorporated into the Group's ancillary business area of Other Vending.

In 2023 SEMPA contributed £4.8 million revenue. The comparative figures for Other Vending have been adjusted to include Feed.ME.



Ancillary activities include machines typically located in high-footfall locations alongside the Group's core activities, there by benefiting from existing site owner relationships and operating synergies.

Other Vending

	12 months ended 31 October 2024	12 months ended 31 October 2023
Number of units in operation	6,629	6,496
Percentage of total group vending estate (number of units)	13.7%	13.6%
Vending revenue ¹	£9.8m	£10.6m
Revenue from the sale of equipment	£18.2m	£21.7m
Capex	£2.7m	£2.4m
EBITDA	£11.2m	£12.6m

¹ Vending revenue is revenue earned from machines in operation and excludes revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.

At 31 October 2024, the Group operated 6,629 Other Vending units (2023: 6,496), which represented 13.7% of the Group's total vending estate by number of units. These included 2,400 children's rides (Amuse.ME), 3,388 photocopiers (Copy.ME), 460 freshly squeezed orange juice vending machines (Feed.ME) and 381 other miscellaneous machines.

These services are ancillary activities with machines typically located in high-footfall locations alongside the Group's principal activities, there by benefiting from existing site owner relationships and operating synergies. Feed.ME units are mostly situated in Japan and Australia. Amuse.ME units are mostly situated in the United Kingdom and the Netherlands. Copy.ME units are mostly situated in France. The Group will continue to operate Other Vending units where profitable.

In addition, the Group sells pizza-vending equipment in Continental Europe and the UK, albeit on a small scale, with 29 pizza machines sold in 2024. It is expected this will remain a small financial contributor to the Group going forward.

Vending revenue from Other Vending was £9.8 million (2023: £10.6 million) and represented 3.2% of the Group's total revenue. In addition, the Group earned £18.2 million of revenue from the sale of food vending equipment and the sale of other equipment, spare parts, consumables & services (2023: £21.7 million).

EBITDA for Other Vending was £11.5 million (2023: £12.6 million), with an EBITDA margin of 41.1%. Excluding the FX impact², total revenue was £29.1 million and EBITDA was £11.7 million.

Serge Crasnianski

Chief Executive Officer & Deputy Chairman

24 February 2025

Innovation and Diversification

The Group has a dedicated approach to innovation which supports the diversification of our products and services.

An in-house R&D team of 50+ engineers is focused on creating new complementary services and evolving the services offered across our existing estate in response to ever-changing consumer needs, whilst maximising return on investment.





Alongside its core activities, the Group continues to explore new services which can address ever changing consumer needs. Our latest developments include Kee.ME, a new automated key cutting booth, which builds on the heritage of the Company's Grenoble-based subsidiary, KIS (Key Independent Systems), founded in 1963, commercialised the first automatic key cutting machine. To date, the Group has three machines in operation in France and, whilst at an early trial stage, the initial results are positive and have shown good interest from our customers and from consumers.

Review of Performance by Geography

Commentary on the Group's financial performance is set out below, in line with the segments as operated by the Board and the management of the Group. These segmental breakdowns are consistent with the information prepared to support the Board's decision-making. Although the Group is not managed around product lines, some commentary below relates to the performance of specific products in the relevant geographies.

Vending units in operation

	At October 2024		At October 2023	
	Number of units	% of total estate	Number of units	% of total estate
Continental Europe	26,909	55.8%	26,232	55.1%
UK & Republic of Ireland	6,321	13.1%	6,297	13.2%
Asia Pacific	15,000	31.1%	15,037	31.6%
Total	48,230	100%	47,566	100%

The total number of vending units in operation at 31 October 2024 increased by 1.4% to 48,230 (2023: 47,566), predominantly driven by laundry installations across Continental Europe and the UK & Republic of Ireland.

Key financials

The Group reports its financial performance based on three geographic regions of operation: (i) Continental Europe; (ii) the UK & Republic of Ireland; and (iii) Asia Pacific.

Revenue by geographic region

	12 months ended 31 October 2024	12 months ended 31 October 2023
Continental Europe	£209.0m	£205.2m
UK & Republic of Ireland	£49.2m	£48.2m
Asia Pacific	£49.7m	£44.3m
Total	£307.9m	£297.7m

Continental Europe remains the Group's largest region by both number of machines and contribution to Group revenue.

Analysis of revenue by geographic region

12 months ended 31 October 2024	Continental Europe	United Kingdom & Ireland	Asia Pacific	Total
Photo.ME	£111.6m	£19.3m	£42.3m	£173.2m
Wash.ME	£64.1m	£27.2m	£0.2m	£91.5m
Print.ME	£10.7m	£0.1m	£0.1m	£10.9m
Other Vending (including Feed.ME)	£1.8m	£1.6m	£6.4m	£9.8m
Total Vending Revenue	£188.2m	£48.2m	£49.0m	£285.4m
Sales of equipment, spare parts, consumables & services	£20.8m	£1.0m	£0.7m	£22.5m
Total Revenue	£209.0m	£49.2m	£49.7m	£307.9m

12 months ended 31 October 2023	Continental Europe	United Kingdom & Ireland	Asia Pacific	Total
Photo.ME	£114.3m	£21.6m	£36.6m	£172.5m
Wash.ME	£53.5m	£23.5m	£0.3m	£77.3m
Print.ME	£11.1m	£0.1m	£0.1m	£11.3m
Other Vending (including Feed.ME)	£2.1m	£1.8m	£6.7m	£10.6m
Total Vending Revenue	£181.2m	£47.0m	£43.5m	£271.7m
Sales of equipment, spare parts, consumables & services	£24.0m	£1.2m	£0.8m	£26.0m
Total Revenue	£205.2m	£48.2m	£44.3m	£297.7m

Operating profit by geographic region

	12 months ended 31 October 2024	12 months ended 31 October 2023
Continental Europe	£68.1m	£62.6m
UK & Republic of Ireland	£13.0m	£12.4m
Asia Pacific	£4.1m	£4.3m
Corporate costs	£(10.8)m	£(11.8)m
Total	£74.4m	£67.5m

Total revenue increased by 3.4% to £307.9 million (2023: £297.7 million) and operating profit by 10.2%, reflecting continued strong demand for our core photobooth and laundry services, particularly across Continental Europe and the UK & Republic of Ireland in 2024. Excluding FX impact⁴, total revenue was up 6.8% and Operating profit was up 13.2%.

Review of Performance by Geography continued

Continental Europe

Continental Europe is the Group's largest region by both number of machines and contribution to Group revenue. The reported performance was impacted by a 2.1% decrease in the value of the euro against the pound sterling.

Total revenue increased by 1.9% to £209.0 million (2023: £205.2 million) driven primarily by a strong laundry performance, although this increase was up 3.8% when excluding FX impact⁴. The 13.3% decline in sales of equipment, spare parts, consumables & services is due to the disposal of SEMPA in May 2024. Vending revenue was up 3.9% year-on-year. Continental Europe contributed 67.9% of total Group revenue.

Wash.ME achieved revenue of £67.9 million, an increase of 18.5% (2023: £57.3 million), as the Group continued to expand the number of Revolution units in operation primarily in France. Excluding FX impact⁴ the increase was 20.9%.

Photobooth operations continued to be a key contributor of total Group revenue, with vending revenue from Photo.ME at £111.6 million (2023: £114.3 million), a reduction of 2.4% primarily due to FX impact⁴. Excluding FX impact⁴, the reduction was 0.5%.

France remained a key focus for the ongoing next-generation photobooth rollout programme and during the year the Company installed 1,200 units, slightly behind the target level, taking the total number of machines in operation in France to 1,600. The installation of next-generation photobooths remains a key focus for the Group and in 2025 the Group expects to install 2,600 machines.

At 31 October 2024, 26,909 units were in operation in Continental Europe which represented 55.8% of the Group's total estate.

UK & Republic of Ireland

Revenue increased by 2.1% to £49.2 million driven by a continued strong performance for laundry in the region and contributed 16.0% of total Group revenue.

Wash.ME revenue in the UK & Republic of Ireland increased by 15.4% to £27.7 million (2023: £24.0 million) reflecting significant expansion, with the Group marking the installation of its 1,000th Revolution laundry machine in the UK, a key milestone in the laundry growth strategy. ME Group will continue to expand its Wash.ME operations in the region.

As detailed above, the Group secured a number of new agreements including a new partnership agreement with Motor Fuel Limited ("MFG"), the UK's largest independent forecourt operator, and an extended agreement with Morrisons, a leading UK supermarket.

Photo.ME vending revenue declined by 10.6% due to end of a high commission contract that has had an impact on revenues but a much more limited impact on profits due to the high commission rate.

Operating profit increased by 4.8% to £13.0 million (2023: £12.4 million), which reflected the higher level of revenue for the region due to the large expansion of the laundry business. The UK & Ireland contributed 17.5% of Group operating profit.

As at 31 October 2024, there were 6,321 units in operation, an increase of 0.4% (2023: 6,297), representing 13.1% of the Group's total vending estate.

Asia Pacific

Revenue increased by 12.2% to £49.7 million compared to £44.3 million in 2023, driven by a strong photobooth performance in the region. The reported performance was impacted by a 12.0% decrease in the value of the Japanese yen against the pound sterling. Excluding FX impact⁴, revenue increased by 24.6%.

Vending revenue for photobooth services increased by 15.6% to £42.3 million (2023: £36.6 million), which reflected the expanded portfolio of photobooths following the full integration of 3,548 traditional photobooths acquired in October 2023. Excluding the FX impact⁴, revenue was up 28.7%.

In addition, the Group continues to operate 460 freshly squeezed orange juice vending machines in Japan and Australia, and this market remains a growth opportunity for the Group.

Operating profit decreased by 4.7% to £4.1 million, an increase of 48.8% excluding FX impact⁴.



Key Performance Indicators (KPIs)

The Group's growth strategy (set out on page 11 of the 2024 Annual Report) is focused on growing its core business areas of laundry and photobooth operations. The Group measures its strategic and operational performance using different types of indicators. The main objective of these KPIs is to monitor the Group's cash generation, long-term profitability, preservation of the value of its assets, and returns to shareholders.

Description	Relevance	Performance	
		12 months ended 31 October 2024	12 months ended 31 October 2023
Total Group revenue at actual rate of exchange		£307.9m	£297.7m
Group Profit before tax		£73.4m	£67.1m
Increase in number of photobooths		(149)	3,137
Net increase in number of Laundry units (operated)	The increase in number of Revolutions is a constant priority and a main driver for growth	900	779

Section 172(1) Statement

Directors are required to 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 have regard, amongst other matters, to the factors listed in section 172(1) (a) to (f) of the Companies Act 2006.

Engagement therefore is crucial to ensuring that Directors fully understand stakeholder needs and can make well-informed decisions that have addressed differing and sometimes conflicting priorities. Our overview of stakeholder engagement that has taken place during the year can be found on pages 38 to 40.

Below is set out our section 172(1) statement in which we explain how the Board has fulfilled its duty in section 172 whilst having regard to the matters set out in that section.

How the directors fulfil their duty under Section 172(1) of the Companies Act 2006: Diverse set of skills, knowledge and experience

The Board has a diverse set of skills, knowledge and experience which help the Directors to make informed decisions that promote the long-term success of the Company whilst considering the needs of the Company's stakeholders.

Further information on the Board's composition, including the skills and experience of the individual Directors appears on pages 72 to 74 and 80 to 83.

Board information and monitoring

The Board receives detailed papers and in-person updates from management which they question challenge and debate, to ensure conflicting views are carefully considered.

Management also gives regular updates on the progress of the implementation of actions and decisions to allow the Board to review and if appropriate, course-correct, as situations (and stakeholder priorities) inevitably evolve.

Further information on the Board's activities can be found on pages 80 to 91.

Board discussion

All Directors are expected to constructively challenge and contribute to discussions, as well as offer additional perspectives, advice and strategic guidance.

Strategic direction and culture

The Board is responsible for setting the strategic direction, values and culture of the Company. It sets the tone of how business is done throughout the Group. Stakeholder considerations are central to decision-making at all levels of the Group.

Further information on corporate strategy can be found on pages 6 to 17.

The Board has a diverse set of skills, knowledge and experience which helps the Directors to make informed decisions that promote the long-term success of the Company

The Board has a diverse set of skills, knowledge and experience which help the Directors to make informed decisions that promote the long-term success of the Company whilst considering the needs of the Company's stakeholders.

These matters permeate the entire range and gamut of the Directors' considerations, deliberations and actions. The table below outlines other main areas of this report which detail how the Directors have had regard to the section 172(1) limbs.

Section 172 duty	Where you can find more information
(a) The likely consequence of any decisions in the long term	Our Business Model: pages 6 to 7 Strategic Report: pages 4 to 67 Stakeholder Engagement: pages 38 to 40 Principal risks (primarily steps taken in mitigation): pages 42 to 45
(b) The interests of the Company's employees	Stakeholder Engagement: pages 38 to 40 Remuneration Committee Report: pages 94 to 111
(c) The need to foster the Company's business relationships with suppliers, customers and others	Our Business Model: pages 6 to 7 Stakeholder Engagement: pages 38 to 40
(d) The impact of the Company's operations on the community and the environment	Strategic Report: pages 4 to 67 Sustainability at ME Group; pages 46 to 65 TCFD Report: pages 57 to 65 Also, visit: https://me-group.com/our-ambition/
(e) The desirability of the Company maintaining a reputation for high standards of business conduct	Our Business Model: pages 6 to 7 TCFD: pages 57 to 65 Risk Management: page 91 Audit Committee Report: page 84 Our various policies including our Anti-corruption and Bribery Policy (see: https://me-group.com/company-documents/)
(f) The need to act fairly as between members of the Company	Stakeholder Engagement: pages 38 to 40

Section 172(1) Statement continued

Stakeholder Engagement

Consumers

How we engage	How this engagement influenced Board discussions and decision-making
Senior management considers the needs of the consumer and how to provide the best-in-class service for the most competitive price.	A number of the changes we have made to our products are in response to consumer needs. In making its decisions, the Board pays regard to the need to balance consumer needs with customer and commercial outcomes. Some examples of the product changes include photobooths that are designed to allow easy access and use for persons with a disability.

Customers

How we engage	How this engagement influenced Board discussions and decision-making
Continual contact with customers through customer-relation managers.	Feedback can be shared with the Executive Directors and the Board.

Employees

How we engage	How this engagement influenced Board discussions and decision-making
Briefings from management as to how the Company is doing.	<p>The Executive Directors and the CFO* have regular briefings with senior management and through the medium of these meetings are able to learn about employee concerns and views so that they can be taken into account in making decisions which are likely to affect their interests.</p> <p>There are open forums for staff to come forward with any queries. Consultations required by law are complied with (e.g. in cases of redundancy).</p> <p>The Company operates an executive share option scheme, and rewards senior management with bonuses.</p> <p>The Company encourages a common awareness on the part of all employees of the financial and economic factors affecting the performance of the Company; this is achieved through the regular meetings referred to above.</p>
Application of our Equality, Diversity and Inclusion Policy	See page 88

* Although the CFO is not a statutory director of the Company, he regularly attends board meetings (and Audit Committee meetings) and interacts closely with the Board, particularly the audit committee.

Shareholders

How we engage	How this engagement influenced Board discussions and decision-making
<p>Regular engagement by the Chairman and the Senior Independent Director with major shareholders.</p>	<p>In July 2022, the Company announced it was adopting a new distribution policy under which for the foreseeable future it would pay annual dividends in excess of 55% of its annual profits after tax subject to market and capital requirements. This total would be split between interim dividends (1/3) (generally to be paid in the month of November) and final dividends (2/3) (generally to be paid in the month of May).</p> <p>In August 2023, with members' approval, the Company embarked on a share buyback programme. This resulted in the Company's buying back a total of 2,368,626 ordinary shares of 0.5p each all of which were cancelled on 12 July 2024. As at the date of this statement, the Company does not hold any of its shares in treasury.</p>

Partners and suppliers

How we engage	How this engagement influenced Board discussions and decision-making
<p>Regular engagement with suppliers and partners, including through our:</p> <ul style="list-style-type: none"> ▪ Supplier/procurement processes engaged at the time of appointment and during the relationship ▪ Regular monitoring and reviews of financial and operating resilience ▪ Reporting on payment of suppliers 	<p>The Executive Directors plus the CFO (and where necessary the Non-executive Directors) review and approve material contracts with suppliers and partners, joint ventures and acquisitions.</p>

Section 172(1) Statement continued

The community and environment

How we engage	How this engagement influenced Board discussions and decision-making
<p>The Board relies on regular updates from the Executive Team who in turn rely on direct or indirect feedback from senior management and other colleagues and customers, as well as general observations on current best practices and individual customer recommendations. These provide useful insights and guides to help shape the Group’s activities.</p>	<p>See section headed ‘Sustainability at ME Group’: pages 46 to 65</p>

Investors

How we engage	How this engagement influenced Board discussions and decision-making
<p>Comprehensive investor relations programme including formal presentations to investors and analysts on the half-year and full-year results; formal investor roadshows in the UK; and an ongoing programme of one-to-one meetings and group meetings with institutional investors, fund managers and analysts.</p> <p>Meetings which relate to governance are attended by the Chairman or another Non-executive Director:</p> <ul style="list-style-type: none"> ▪ Annual Report and Annual General Meeting (AGM) ▪ Corporate website and market announcements ▪ Active consultation on remuneration framework and policies 	<p>The Remuneration Committee consults with major investors and external remuneration specialists before introducing, and then updating, any changes to the implementation of the remuneration policy. In discharging its duties, the Remuneration Committee takes advice from external remuneration consultants to ensure that it is up to date with market trends, expectations and best practises.</p> <p>The Board reviews the Group’s dividend.</p> <p>Involvement of the Chairman including his meeting with major shareholders highlights the importance of governance from the top down.</p> <p>The AGM in particular provides a convenient forum for shareholders to question the Board, give useful feedback and make helpful suggestions. It is normally very well attended and constructive.</p>



Principal Risks

As with any business, the Group faces risks and uncertainties that could impact the achievement of the Group's strategy.

These risks are accepted as inherent to the Group's business. The Board recognises that the nature and scope of these risks can change; it therefore regularly reviews the risks faced by the Group as well as the systems and processes to mitigate them.

The table below sets out what the Board believes to be the principal risks and uncertainties, their impact, and actions taken to mitigate them.

Economic

Nature of risk	Description and impact	Mitigation
Global economic conditions	<p>Economic growth has a major influence on consumer spending.</p> <p>A sustained period of economic recession and a period of high inflation could lead to a decrease in consumer expenditure in discretionary areas.</p>	<p>The Group focuses on maintaining the characteristics and affordability of its needs-driven products.</p> <p>Like most businesses around the world, the Group has had to face a significant increase in supply chain and raw material costs, however, its strong position in the markets in which it operates gives the Group significant pricing power.</p> <p>The Group has no exposure to the invasion of Ukraine by Russia and other conflict areas.</p>
Volatility of foreign exchange rates	<p>The majority of the Group's revenue and profit is generated outside the UK, and the Group's financial results could be adversely impacted by an increase in the value of sterling relative to those currencies.</p>	<p>The Group hedges its exposure to currency fluctuations on transactions, as relevant. However, by its nature, in the Board's opinion, it is very difficult to hedge against currency fluctuations arising from translation in consolidation in a cost-effective manner.</p>

Regulatory

Nature of risk	Description and impact	Mitigation
Centralisation of the production of ID photos	In many European countries where the Group operates, if governments were to implement centralised image capture, for biometric passport and other applications, or widen the acceptance of self-made or home-made photographs for official document applications, the Group's revenues and profits could be affected.	The Group has developed new systems that respond to this situation, leveraging 3D technology in ID security standards, and securely linking our booths to the administration repositories. Solutions are in place in France, Ireland, Germany, Switzerland and the UK. Furthermore, the Group also ensures that its ID products remain affordable and of a high-quality.

Strategic

Nature of risk	Description and impact	Mitigation
Identification of new business opportunities	The failure to identify new business areas. This may impact the ability of the Group to grow in the long-term.	Management teams constantly review demand in existing markets and potential new opportunities. The Group continues to invest in research in new products and technologies.
Inability to deliver anticipated benefits from the launch of new products	The realisation of long-term anticipated benefits depends mainly on the continued growth of the laundry business and the successful development of integrated secure ID solutions. Failure in this regard could lead to a lack of competitiveness.	The Group regularly monitors the performance of its entire estate of machines. New technology-enabled secure ID solutions are subjected to intensive trials before launch and the performance of operating machines is continually monitored.

Principal Risks continued

Market

Nature of risk	Description and impact	Mitigation
Commercial relationships	<p>The Group has well-established, long-term relationships with a number of site- owners. The deterioration in the relationship with, or ultimately the loss of, a key account would have an adverse, albeit contained, impact on the Group's results, bearing in mind that the Group's turnover is spread over a large client base and none of the accounts represent more than 2% of Group turnover.</p> <p>To maintain its performance, the Group needs to have the ability to continue trading in good conditions in France and the UK.</p>	<p>The Group's major key relationships are supported by medium-term contracts. The Group actively manages its site-owner relationships at all levels to ensure a high-quality service.</p> <p>The Group continues to monitor the situation in both the French and the UK markets.</p>

Operational

Nature of risk	Description and impact	Mitigation
Reliance on foreign manufacturers	The Group sources most of its products from outside the UK. Consequently, the Group is subject to risks associated with international trade. This could impact competitiveness and profitability.	Conducting research into quality and ethics before the Group procures products from any new country or supplier. The Group maintains very close relationships with both its suppliers and shippers to ensure that risks of disruption to production and supply are managed appropriately.
Reputation	The Group's brands are key assets of the business. Failure to protect the Group's reputation and brands could lead to a loss of trust and confidence. This could result in a decline in our customer base.	<p>The protection of the Group's brands in its core markets is sustained with certain unique features. The appearance of the machine is subject to high maintenance standards.</p> <p>Furthermore, the reputational risk is diluted as the Group also operates under a range of brands.</p>
Product and service quality	The Board recognises that the quality and safety of both its products and services are of critical importance and that any major failure could affect consumer confidence and the Group's competitiveness.	<p>The Group continues to invest in its existing estate, to ensure that it remains contemporary, and in constant product innovation to meet customer needs.</p> <p>The Group also has a programme in place to regularly train its technicians.</p>

Technological

Nature of risk	Description and impact	Mitigation
Failure to keep up with advances in technology	The Group operates in fields where upgrades to new technologies are critical. Failure to exceed or keep in step could result in a lack of ability to compete.	The Group mitigates this risk by continually focusing on R&D.
Cyber risk: Third party attack on secure ID data transfer feeds	The Group operates an increasing number of photobooths capturing ID data and transferring these data directly to government databases. The rising threat of cybercrime could lead to business disruption as well as to data breaches.	The Group undertakes an ongoing assessment of the risks and ensures that the infrastructure meets the security requirements.

Environmental

Nature of risk	Description and impact	Mitigation
Increased potential legislation and the rising cost of waste disposal. Energy consumption, water scarcity, and rising car fuel prices (for employees, suppliers, transportation and final consumers) and raising awareness of the climate crisis amongst consumers	The rising costs associated with compliance with such increased demands could impact on overall profitability.	The Group focuses on reducing the amount of waste produced; and the recovery, refurbishment and resale of electrical equipment such as children's rides which promote the principle embodied in recent legislation of reuse before recycling.

Sustainability at ME Group

Non-financial and sustainability information statement

Statement from CEO

I believe that for ME Group, sustainability is a responsibility and must be embedded within every aspect of the business. Sustainability can be a driver of innovation and an opportunity for growth. Our focus on sustainability is helping us to reduce our environmental impact while also delivering benefits to society. I believe that the progress we have made this past financial year in part reflects the commitment of our teams worldwide and our vision for a sustainable future.

Serge Crasnianski
CEO and Deputy Chairman

Executive summary

ME Group's Commitment to Sustainability

Sustainability remains a cornerstone of ME Group's corporate strategy. It aims to deliver eco-responsible solutions that integrate seamlessly into the daily lives of the Group's customers. The Group's operations are designed to be efficient, inclusive, and aligned with the needs of its stakeholders and the environment. From enhancing energy efficiency in facilities to creating products that minimise resource consumption, sustainability is at the heart of every decision made.

Key achievements and highlights from the 12 months to 31 October 2024

Enhanced corporate governance with the establishment of a Sustainability Committee.

Significant development of employee training, delivering over 500 hours of technical education to the workforce.

Launched modularisation technology, enabling remote updates to vending machines, reducing travel emissions significantly.

KPI Snapshot

Training Hours: 500+ hours delivered.

Renewable Energy: solar panels provide up to 30% of energy for laundry kiosks.

Sustainability at ME Group

Sustainability governance

In 2024, ME Group established its Sustainability Committee which ensures that environmental, social, and governance principles are embedded across all levels of the Group's operations. This committee is chaired by Laurent Levy, Director of Corporate Sustainability Reporting Directive ("CSRD") (a non-board position) and comprises senior executives, including the CFO and Group Head of Investor Relations. It meets quarterly to review progress, address challenges, and set strategic priorities.

Ethics and policies are central to the governance framework. The Group adheres to robust anti-corruption measures, complies with international standards for cybersecurity, and engages regularly with stakeholders to ensure its practices are transparent and inclusive.

Material topics and stakeholder engagement

ME Group is committed to regular engagement with all stakeholder groups, both internal and external. It provides employees, customers, and suppliers with regular updates on the business and the progress it is making. It also conducts regular surveys, forums, and direct consultations to ensure its strategy aligns with their expectations. Stakeholder feedback was fundamental to the identification of the Group's material topics.

The materiality assessment was conducted in 2021, since then the findings have been guiding all aspects of ME Group's operations and its corporate and sustainability priorities. There are 25 priority material topics which have been grouped into five key focus areas: environmental impact, social inclusion, operational innovation, customer satisfaction, and community engagement. These five areas are the basis of the Group's sustainability framework, and it remains focused on delivering on all of them.

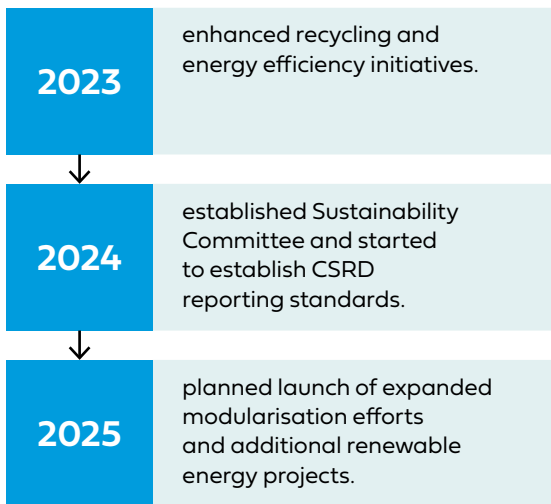
Sustainability at ME Group continued

Sustainability Framework

The sustainability framework is structured around five key focus areas:

1. **Operational Innovation:** driving improved efficiency through technology.
2. **Strategy and development:** embedding sustainability into our corporate strategy
3. **Services and clients:** Delivering solutions that address consumers' evolving needs
4. **HR and Employees:** Ensuring our people have the opportunity to maximise their potential
5. **CSR approach:** protecting the environment and supporting society

Timeline of Progress



Operational innovation

Operational innovation is critical to ME Group's culture of advancement. It ensures that improved energy efficiency reduces costs and improves the Group's emissions profile. Innovation also drives the development of new services to meet evolving customer demands and ensures that the business focuses on increasing accessibility for all potential consumers.

Product optimisation

The business continues to enhance its product lines to reduce energy and water consumption. The Revolution Laundries are a prime example, with built-in efficiency measures that reduce water use by up to three times compared with domestic washing.

Cloud operating system

Cloud-based management system enables remote diagnostics and updates for vending machines, reducing the need for physical interventions and associated emissions.

R&D

As a business that is driven by product innovation, research and development remains a priority. This year, the Group focused on improving solar panel efficiency and optimising energy use in kiosks.

Cybersecurity

Cybersecurity measures have been strengthened through partnerships with certified international experts, ensuring the protection of customers' sensitive data.

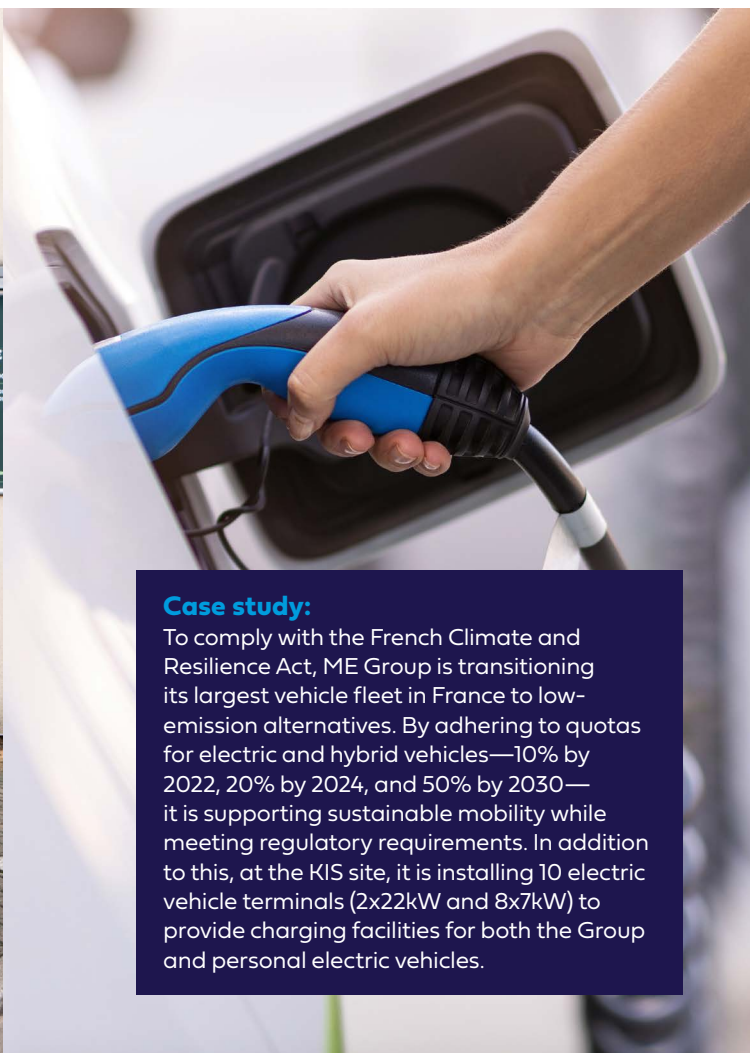
Global digital transition

Digital transformation initiatives include upgrading systems to enhance efficiency and customer experience, further improving ME Group's market leadership position.



Case Study

Revolution Laundry: by combining advanced spinning technology and renewable energy, the Group's laundry machines offer an efficient, eco-friendly alternative to traditional laundry methods.



Case study:

To comply with the French Climate and Resilience Act, ME Group is transitioning its largest vehicle fleet in France to low-emission alternatives. By adhering to quotas for electric and hybrid vehicles—10% by 2022, 20% by 2024, and 50% by 2030—it is supporting sustainable mobility while meeting regulatory requirements. In addition to this, at the KIS site, it is installing 10 electric vehicle terminals (2x22kW and 8x7kW) to provide charging facilities for both the Group and personal electric vehicles.

Strategy and development

International development

ME Group has expanded its global presence by establishing operations in key markets across Asia and Europe, leveraging sustainability-driven product innovations to penetrate new territories. This approach integrates market-specific insights allowing it to effectively adapt solutions to meet local needs.

Financial performance

Sustainability has proven to be a growth driver, with measurable contributions to revenue through the adoption of energy-efficient products and processes. The Group's eco-responsible offerings, such as solar-powered laundries, have attracted environmentally conscious consumers and enhanced profitability.

Key accounts coordination

To better serve its largest clients, the business has streamlined its coordination efforts across multiple regions. This ensures consistency in service quality and adherence to sustainability objectives, reinforcing its commitment to responsible business practices.

Brand Awareness

The Group's sustainability initiatives have featured in some of its communication campaigns,

boosting brand recognition and strengthening consumer trust. By highlighting eco-friendly practices, ME Group is positioned as a leader in sustainable innovation.

Sustainability of the ID and Photo Range

The Group's ID and photo vending machines have been improved to reduce energy use and incorporate recyclable materials, aligning with circular economy principles. These efforts have not only reduced negative environmental impacts but also enhanced the durability and appeal of the products.

Case Study

Upgrades at KIS, the Group's research and development centre based in Grenoble, France: ME Group has undertaken a comprehensive energy efficiency overhaul at its KIS site in alignment with the Tertiary Sector Decree. Key upgrades include installing condensing boilers, insulating heating and hot water networks, roof thermal insulation across 15,000m², and replacing windows and doors. These efforts will contribute to a target of 30% energy reduction by 2030 which will positively impact costs and emissions.

Sustainability at ME Group continued

Services and clients

Optimisation of the Commercial Relationship with B2B

The Group has strengthened its relationships with B2B clients by offering customised solutions that align with their sustainability goals. Regular feedback loops and tailored offerings have enhanced client satisfaction and retention.

Strength of network technicians

The network of technicians has been expanded and upskilled to provide prompt and efficient support, ensuring minimal downtime and consistent service quality.

Growth of the laundromat range

The laundromat range has seen significant growth, driven by consumer demand for sustainable and convenient laundry solutions. Features such as self-metered ecological detergents and energy-efficient drying systems have been key differentiators.

Increased flow of customers

Improved customer experience, driven by digital innovations and enhanced service delivery, has led to increased footfall across the Group's locations. Loyalty programmes and eco-conscious branding have further strengthened customer relationships.

HR and employees

Pride of Belonging

The Group recognises that employees take pride in being part of a Group that is sensitive to sustainability. Initiatives such as employee recognition programmes and team-building activities have reinforced a sense of community and purpose.

HR Policy/Collaborative Management

The Group HR policies promote inclusivity and collaborative management, ensuring that all voices are heard and valued. Flexible working arrangements and mental health support programmes have been introduced to enhance employee well-being.

Training Policy

Over 500 hours of training were delivered this year, focusing on technical skills, sustainability practices, and leadership development.

These programmes are designed to empower employees and align their career progression with organisational objectives.

Induction

The Group's induction process is continually reviewed and updated to ensure new hires understand the business, its strategy, its approach to sustainability and embrace its corporate values from day one. This work will continue in 2025.

Case Study

Employee Development Programmes: by providing targeted training and development opportunities, the Group has equipped its workforce with the skills and motivation needed to excel. Its commitment to developing its people illustrates a firm commitment to employee growth and satisfaction.

Equality, diversity, and inclusion

ED&I remains central to ME Group's ethos. The Board is committed to creating a culture where all employees can flourish. See page 88 of the Annual Report to read about the Group's approach to ED&I, its policy and its performance over the reporting period.

Gender diversity

The table below shows the gender diversity of the Group's employees as at 31 October 2024 with corresponding figures as at 31 October 2023.

As at 31 October 2024	Total	Male	Female
The Board of ME Group	8	5	3
Senior managers in the Group (excluding directors of ME Group)	18	16	2
Employees (excluding above)	1,101	906	195
Total	1,127	927	200

As at 31 October 2023	Total	Male	Female
The Board of ME Group	8	5	3
Senior managers in the Group (excluding directors of ME Group)	21	15	6
Employees (excluding above)	1,172	968	204
Total	1,201	988	213

CSR approach

Environmental Stewardship

Circular Economy

ME Group has embraced circular economy principles by prioritising recycling and resource efficiency. Initiatives such as refurbishing vending machines and repurposing materials have significantly reduced waste and extended product lifecycles.

Case Study

At ME Group Japan, as part of our efforts to reduce wastage and contribute to a sustainable environment and promote a circular economy, we set the goal to recycle all our food waste. With our fresh orange and apple juice vending machines, we produce yearly over 500t of peels and fruit leftovers. In FY24 we started partnering with Alveare based in Kyoto to recycle food waste to become part of high-quality products such as orange soap, oils or fragrances. Other exciting products and collaborations with other companies will be starting this business year and help us to scale up the volume further.

Case study

The Group's Revolution Laundries embody environmental stewardship through innovative features like professional-grade detergent injection systems, which are Ecolabel certified, and efficient water heating tanks that save 720 litres annually per kiosk. In addition, new photovoltaic panels generate up to 1.2 kW per machine, achieving energy savings of 10-30%.

Communities

User satisfaction

Enhanced customer feedback mechanisms have allowed the Group to better understand and address user needs, leading to improved satisfaction scores across all markets.

CSR Approach

The CSR approach focuses on creating shared value through community partnerships, such as the Group's work with companies and organisations supporting individuals with disabilities, encouraging their participation in economic and social life. An example of this is the appointment of two suppliers of fruit for the Group's Paris offices that employ people with disabilities. Collaborations such as these reinforce ME Group's role as a socially responsible enterprise.

Attractiveness of the employer brand

ME Group's reputation as a sustainability leader has established the company as an employer of choice. Initiatives promoting diversity, inclusion, and employee well-being have strengthened its employer brand.

Case Study

ME Group's commitment to social inclusion is brought to life through its collaboration with the Chateauroux prison in France. By sourcing fabrics directly and enabling inmates to learn the process of producing curtains, including accessory procurement and finishing, it is supporting rehabilitation through skill development and employment. Since 2018, this programme has produced 21,631 curtains, with a growing volume in 2023 (3,394 curtains) and 2024 (3,737 curtains).

Specific Sustainability Metrics and Reporting

Greenhouse gas (GHG) and energy consumption

Reporting GHG emissions

In accordance with the disclosure requirements for listed companies, the table below shows the Group's greenhouse gas emissions for the current and preceding financial year. The Group is required to report the emissions it is responsible for (as defined below), and to provide at least one intensity ratio together with an explanation of methodology used.

The table below explains what data has been included in this report and why.

Assessment Parameters	ME Group Comments
Consolidation approach	<p>The figures below are based on subsidiary companies owned by ME Group, except for those non-material subsidiary companies whose vending estate comprises less than 50 machines. This is because it would not be practicable for the Group to include those subsidiary companies in the data.</p> <p>For those investments where the Group has less than 50% of the issued share capital, the Group does not have operational control for day-to-day activities and these entities are not included in the above figures.</p>
Boundary summary	The Group has included vending estates which are owned by the Group even though it does not directly control the operational use (i.e. period of operation) for these assets.
Emission factor source	Department of Business, Energy & Industrial Strategy, 2016 GHG Conversion Factors for Company Report (2016: DEFRA 2014).
Methodology	The Group followed the Greenhouse Gas Protocol Corporate Standard.
Materiality threshold	As mentioned above, subsidiary companies with less than 50 units of operating equipment have been excluded, as have depots and other property units where the total amount spent on heating, lighting and power is less than £50,000 per annum per site. It would not be practicable for the Group to include sites where the consumption is below this threshold.
Fugitive emissions	The Group has not reported fugitive emissions (which include leakages from refrigerants used in air conditioning units, etc.) because no data were available and, given the low number of such units in the Group, management did not consider such emissions to be material.
Intensity ratio	The GHG intensity ratio is calculated as the total GHG emissions in tons of CO ₂ e (including Scope 1, 2, and 3 based on the availability of the data) per unit of operating equipment

Global GHG Emissions

Breakdown of GHG Emissions

UK and Offshore

Scope	CO ₂ emissions items	12 months ended 31 October 2024 (Tons of CO ₂ e)	12 months ended 31 October 2023 (Tons of CO ₂ e)
Scope 1	Energy – Gas	241	241
Scope 2	Energy – Electricity	2	3
Scope 3	Use (machines operation)	4,081	3,573
Scope 3	Travel	No data	No data
Scope 3	Inputs for machine production	No data	No data
Scope 3	Car fleet	280	241
Scope 3	Purchasing for the Group	No data	No data
Scope 3	Inputs for machine user	No data	No data
Scope 3	Direct Waste	43	43
Total		4,647	4,100
Number of machines		5,444	5,708
Intensity ratio		0.8536	0.7183

Overseas

Scope	CO ₂ emissions items	12 months ended 31 October 2024 (Tons of CO ₂ e)	12 months ended 31 October 2023 (Tons of CO ₂ e)
Scope 1	Energy – Gas	14	230
Scope 2	Energy – Electricity	300	282
Scope 3	Use (machines operation)	28,148	25,279
Scope 3	Travel	230	107
Scope 3	Inputs for machine production	No data	No data
Scope 3	Car fleet	3,457	3,457
Scope 3	Purchasing for the Group	No data	No data
Scope 3	Inputs for machine user	No data	No data
Scope 3	Direct Waste	80	79
Total		32,229	29,434
Number of machines		42,005	38,538
Intensity ratio		0.7672	0.7637

Group

Scope	CO ₂ emissions items	12 months ended 31 October 2024 (Tons of CO ₂ e)	12 months ended 31 October 2023 (Tons of CO ₂ e)
Scope 1	Energy – Gas	255	471
Scope 2	Energy – Electricity	303	285
Scope 3	Use (machines operation)	32,230	28,852
Scope 3	Travel	230	107
Scope 3	Inputs for machine production	No data	No data
Scope 3	Car fleet	3,737	3,698
Scope 3	Purchasing for the Group	No data	No data
Scope 3	Inputs for machine user	No data	No data
Scope 3	Direct Waste	123	122
Total		36,878	33,535
Number of machines		47,449	44,246
Intensity ratio		0.7772	0.7579

* 2023 CO₂ emission data have now been restated based on improvements in our data collection and verification software

During the year ended 31 October 2024, the Group used emissions equal to 36,878 tonnes of carbon dioxide resulting from the purchase of electricity, heat, steam or cooling for its own use, as well as indirect emissions (including emissions from business traveling, car fleet, supply chain, etc).

Specific Sustainability Metrics and Reporting continued

Energy Consumption

During the year ended 31 October 2024, the Group's energy consumption was equal to 156,662 MWh resulting from the purchase of electricity, heat, steam or cooling by the company for its own use.

UK and Offshore

Type of Energy Consumed in Mwh	12 months ended	12 months ended
	31 October 2024	31 October 2023
	(MWh)	(MWh)
Gas	1,035.1	1,031.8
Electricity – HQ	10.1	10.7
Electricity – Machines	17,506.0	15,324.6
Heating	-	-
Cooling	-	-
Other type of fuel (Petrol & Diesel for cars)	1,202	1,034.3
Total	19,753.3	17,401.4

Overseas

Type of Energy Consumed in Mwh	12 months ended	12 months ended
	31 October 2024	31 October 2023
	(MWh)	(MWh)
Gas	59.8	987.7
Electricity – HQ	1,288.6	1,209.8
Electricity – Machines	120,736.5	108,429.1
Heating	-	-
Cooling	-	-
Other type of fuel (Petrol & Diesel for cars)	14,823.7	14,826.2
Total	136,908.7	125,452.9

Group

Type of Energy Consumed in Mwh	12 months ended	12 months ended
	31 October 2024	31 October 2023
	(MWh)	(MWh)
Gas	1,094.9	2,019.5
Electricity – HQ	1,298.7	1,220.6
Electricity – Machines	138,242.5	123,753.8
Heating	-	-
Cooling	-	-
Other type of fuel (Petrol & Diesel for cars)	16,025.9	15,860.5
Total	156,662.0	142,854.3

* 2023 CO₂ emission data have now been restated based on improvements in our data collection and verification software

Methodology used to calculate energy and GHG emissions data:

- The data detailed in the table above represents the emissions and energy used for which ME Group is responsible and is incorporated by reference in the Corporate Governance section on pages 80 to 91
- Data based on actual utilities invoices for Head Office consumption
- Kilometres travelled by cars, multiplied by the CO₂ emissions (by kilometre) for every car in the Group fleet
- Theoretical consumption by machines, multiplied by average number of machines for each country of operation. Mainly it is the partners who pay for the electricity consumed by the Group's operating machines, not the Group. A theoretical consumption has therefore been calculated based on an average hourly consumption and an average number of hours of uptime per day
- 12 months ended 31 October 2024 compared with the 12 months ended 31 October 2023

GHG targets for 2024-2026

Carbon footprint

ME Group has partnered with Grant Thornton on its journey to CSRD reporting and is currently working to deliver a comprehensive carbon footprint report in 2025 to highlight the Group's continued commitment to emissions reduction.

Energy consumption of the machine parks

2022	2023	2024	2025	2026
Actions				
24,674 tons of CO ₂ (=81% of ME Group's global carbon footprint)	<ul style="list-style-type: none"> Held discussion group on the energy and electricity consumption of machines Developed the areas for improvement detected during the 1st discussion group in 2022: adaptation of the number of cycles and weight of linen, shorten the rinsing cycle 	<ul style="list-style-type: none"> Reported energy consumption of machines Integrated CSR in the product design process <ul style="list-style-type: none"> Launched CSRD reporting cycle process 	<ul style="list-style-type: none"> Reporting of energy consumption of machines Integration of CSR in the product design process Review of ways to reduce machine consumption linked to CSRD: new machines, recycling of elements of machines in operations 	<ul style="list-style-type: none"> Reporting of energy consumption of machines Integration of CSR in the product design process Review of ways to reduce machine consumption linked to CSRD: new machines, recycling of elements of machines in operations
KPIs				
	<ul style="list-style-type: none"> Generalisation of the Stop and Go device on all machines, equip machines with LEDs 	<ul style="list-style-type: none"> 460 photobooth in operations currently utilise neon light compared to LEDs. R&D has been working to find an ecological solution to change them. 	<ul style="list-style-type: none"> 230 photoboos with neon lights to be fitted with LEDs 	<ul style="list-style-type: none"> 322 photoboos with neon lights to be fitted with LEDs

Offsetting ME Group's carbon footprint

2022	2023	2024	2025	2026
Actions				
Investment in Carbon offset projects				
KPIs				
<ul style="list-style-type: none"> 400 tons compensated with Microsol in 2022 	<ul style="list-style-type: none"> 600 tons compensated with Microsol Going4Zero in 2023 	<ul style="list-style-type: none"> 800 tons Compensated with Going4Zero in 2024 	<ul style="list-style-type: none"> 1,000 tons compensated 	<ul style="list-style-type: none"> 1,200 tons compensated

In 2024, ME Group offset 800 tons of CO₂ emissions supporting a project that ensures the protection the Bale eco-region in Ethiopia by developing new activities to limit deforestation and diversify sources of income. The project supports the supply of alternative fuels to wood and the strengthening of local institutions for the management of forest land. Supporting this project was aimed at offsetting emissions resulting from the transportation of our machinery.

Specific Sustainability Metrics and Reporting continued

Renewable energies

2022	2023	2024	2025	2026
Actions				
Laundry units with solar panels represent 10% of the laundry estate	<ul style="list-style-type: none"> Utilisation of solar panels across laundry units Created a customer interview highlighting the advantages of solar panels from a profitability and communication point of view 	<ul style="list-style-type: none"> Utilisation of solar panels across laundry units Conducted testing of solar heaters 	<ul style="list-style-type: none"> Utilisation of solar panels across laundry units 	<ul style="list-style-type: none"> Utilisation of solar panels across laundry units
KPIs				
-	<ul style="list-style-type: none"> Laundry units with solar panels will represent 11% of the laundry estate 	<ul style="list-style-type: none"> With a goal of achieving 20% of the laundry units in our laundry estate powered by solar, we exceeded our goal and achieved 39% 	<ul style="list-style-type: none"> With an ever-expanding business, we aim to achieve 40% of the laundry units in our laundry estate utilising solar with increased solar panel capacity 	<ul style="list-style-type: none"> With an ever-expanding business, we aim to maintain 40% of the laundry units in our laundry estate utilising solar with increased solar panels capacity

Transport of People

2022	2023	2024	2025	2026
Actions				
<ul style="list-style-type: none"> Reduction in fuel consumption Driver training with the lowest eco-driving ratings 				
KPIs				
-	<ul style="list-style-type: none"> 2% reduction in Liters of fuel consumed in France With a goal of training 10% of French drivers on fuel conservation practices, we achieved 2% 	<ul style="list-style-type: none"> With a goal of achieving 4% reduction in litres of fuel consumed in France and Europe, we achieved a 2% reduction as the size of group car fleet increased by 1% With a goal of training 20% of French drivers and 5% European drivers, we trained 5% of French drivers and 2% of the European drivers 	<ul style="list-style-type: none"> 3% reduction in litres of fuel consumed in France and Europe 25% of French drivers and 10% European drivers trained 	<ul style="list-style-type: none"> 3% reduction in litres of fuel consumed in France and Europe 30% of French drivers and 15% of European drivers trained

TCFD Report

It is essential for ME Group to understand its impact on the climate and environment, enabling it to prioritise efforts to minimise these effects. As a responsible business, it recognises that addressing environmental impacts is a fundamental obligation.

Reporting GHG emissions

Amidst the growing impacts of climate change evident worldwide, it is crucial for ME Group to assess the climate-related risks and opportunities it faces. By doing so, the Group can effectively mitigate potential risks while strategically capitalising on emerging opportunities.

ME Group is in the early stages of its journey toward becoming a carbon-neutral enterprise. While climate risks are currently assessed as relatively low for its operations, it is taking proactive measures to reduce its carbon footprint and minimise its environmental impact.

The Group is reporting on climate-related issues in line with the UK Listing Rule 6.6.6., the Task Force on Climate-related Financial Disclosures ("TCFD") framework and the Companies Act 2006. The Group's disclosure is aligned to the four pillars of TCFD below:

- **Governance** – an overview of ME Group governance structure on climate risks and opportunities
- **Strategy** – discussion on the impact of climate-related risks and opportunities on ME Group's business strategy and financial planning.
- **Risk Management** – description of processes for identifying, assessing, and managing climate-related risks.
- **Metrics and Targets** – detailed metrics and targets used to assess and manage climate-related risks and opportunities, including GHG emissions data and energy consumption figures.

TCFD Report continued

Compliance statement and progress

In the third year of TCFD reporting for FY2024, ME Group acknowledges that it is not fully compliant with all the TCFD recommended disclosures. Despite the identified gaps, it is committed to achieving full disclosure in FY2027.

The Group has summarised its progress towards full compliance in the last year and detailed disclosures are available in the TCFD Compliance Index table. The business has updated timelines under strategy and risk management pillars to enable it to consolidate its reporting requirements and align with set timelines for our CSRD reporting.

The Group's experience with TCFD disclosures has enhanced its awareness of climate-related risks and reinforced its commitment to effectively managing them with a focus on setting greenhouse gas emissions and financial climate-related targets.

Recommended disclosure	FY 2024 compliance	Steps to be undertaken to achieve full compliance	Commitment to full compliance
Governance			
a) Describe the Board's oversight of climate-related risks and opportunities	Full		–
b) Describe management's role in assessing and managing climate-related risks and opportunities	Full		–
Strategy			
a) Describe the climate-related risks and opportunities the Company has identified over the short, medium and long term	Partial (In progress)	Conduct deep-dive analysis of identified risks and opportunities over the short, medium and long term.	FY2026
b) Describe the impact of climate-related risks and opportunities on the Company's businesses, strategy and financial planning	Partial (In progress)	Enhance assessment of its climate-related risks and opportunities to evaluate the financial impact on the business, along with the effects on the Group's strategy, business model, and all stages of the supply chain.	FY2026
c) Describe the resilience of the Company's strategy, taking into consideration different climate scenarios, including a 2°C or lower scenario	Non-compliant	Currently, the Group has not conducted climate resilience testing under different scenarios due to the expansion of its reporting scope to include the Corporate Sustainability Reporting Directive (CSRD) and the need for timeline alignment across reporting requirements. However, it acknowledges the importance of incorporating climate resilience into its risk management practices. As part of its commitment to continuous improvement, it intends to integrate climate resilience testing into its strategic framework by FY2027.	FY2027

Recommended disclosure	FY 2024 compliance	Steps to be undertaken to achieve full compliance	Commitment to full compliance
Risk Management			
a) Describe the Company's processes for identifying and assessing climate-related risks.	Full		
b) Describe the Company's processes for managing climate-related risks.	Full		
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the Company's overall risk management.	Partial (In progress)	ME Group will continue to review its risk management framework to identify the most effective ways to integrate climate-related risks into its processes. This approach considers how climate change may influence the Group's Principal Risks, even though it is not classified as a principal risk itself.	FY 2026
Metrics and Targets			
a) Disclose the metrics used by the Company to assess climate-related risks and opportunities in line with its strategy and risk management process.	Partial (In progress)	The Group is in the process of identifying relevant metrics in line with its business strategy and risk management processes and has long term plans of developing additional metrics).	FY 2026
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Full		
c) Describe the targets used by the Company to manage climate-related risks and opportunities and performance against targets.	Full		

TCFD Disclosures

Recommended disclosure	FY 2024 compliance	Description, location of disclosure progress to date and reason for omission (if appropriate)
Governance		
Disclosure of the Company's governance around climate-related risks and opportunities		
a) Describe the Board's oversight of climate-related risks and opportunities	Full	<p>The Board holds primary responsibility for environmental stewardship and exercises oversight of climate-related risks and opportunities through:</p> <ul style="list-style-type: none"> Quarterly Senior management updates on climate related matters Keeping abreast on industry best practices recommendations (if any) from major shareholders and other stakeholders including customer recommendations <p>From the results of the materiality assessment conducted in 2021, related risks and opportunities were not found to be material and therefore not integrated into the Group's strategic planning and financial considerations. It's essential to highlight that its governance framework indicates that, should any climate-related issues emerge as material concerns, they will be duly considered by the Board. This approach ensures that the decision-making process is consistent with the Group's commitment to effective risk management and responsible governance.</p>

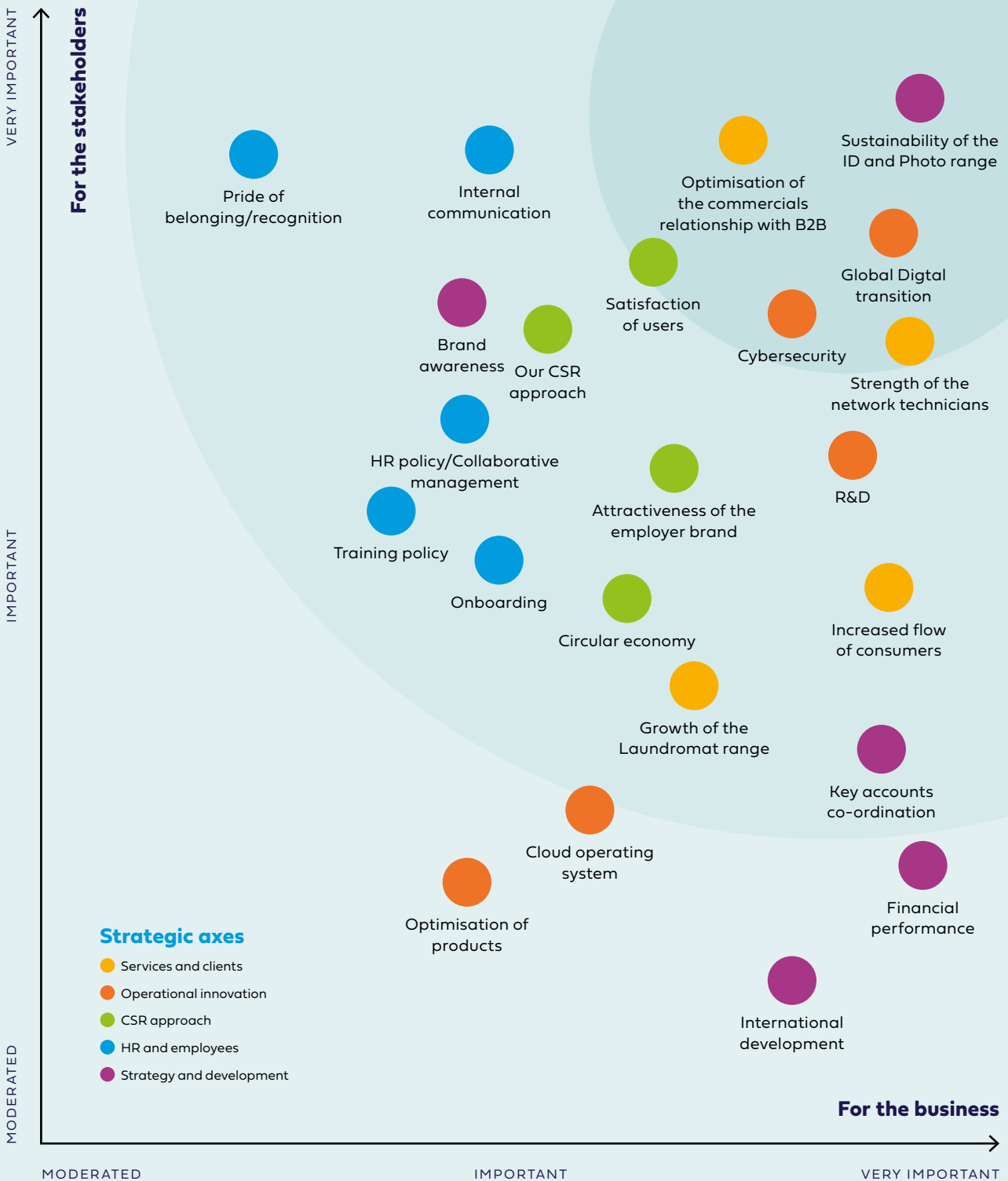
TCFD Report continued

Recommended disclosure	FY 2024 compliance	Description, location of disclosure progress to date and reason for omission (if appropriate)
Governance		Disclosure of the Company’s governance around climate-related risks and opportunities
b) Describe management’s role in assessing and managing climate-related risks and opportunities	Full	<p>At ME Group, the Board, The Executive Team and the Sustainability Committee are responsible for managing climate-related risks and opportunities</p> <p>Oversight of the risk management and health, safety and environmental functions ultimately sit with the Chief Operating Officer with delegated authority through line management.</p> <p>The Sustainability Committee comprising the Group Human Resources Director and a global network of CSR representatives is responsible for providing guidance and climate risk and opportunities related recommendations to the Executive Team.</p> <p>A more detailed overview of the Group’s corporate governance and organisational structure is included within the Corporate Governance section on pages 80 to 91</p> <p>The Group operates in very different national markets with differing national laws, preferences and cultures. As a result, operational direction and management of sustainability lie primarily with national business managers, who are best placed to ensure compliance with their national legislation and market customs and expectations. The Executive Team, who report to the Board, therefore take a holistic approach to overseeing sustainability and take responsibility for assessing climate-related risks and opportunities.</p>
Strategy		Disclosure of the actual and potential impacts of climate-related risks and opportunities on the Company’s material business, strategy, and financial planning
a) Describe the climate-related risks and opportunities the Company has identified over the short, medium and long term	Full	<p>In accordance with the Group’s corporate governance and organisational structure, The Group, through its risk monitoring process has identified the following as potential areas of future risks</p> <ul style="list-style-type: none"> ▪ Increased potential legislation – As efforts towards mitigating the effects of climate change continue globally, it is expected that governments would introduce and heighten policies to achieve this goal which could significantly affect businesses ▪ The increasing awareness of the climate crisis amongst consumers – As customer expectations shift towards more environmentally conscious goods and services and align with brands that represent these ideals, demand for certain products would shift resulting in financial impacts to the business. ▪ Energy consumption – As several companies globally work towards increased energy efficiency therefore reducing energy consumption, it is expected that companies will continue to increase their efforts to reduce their energy consumption in the coming years ultimately reducing their carbon footprint ▪ Rising car fuel prices – The price of fuel remains a relevant factor for organisations as this affects the transportation costs associated with their business and profitability in the long run ▪ Water scarcity– Due to climate change, certain parts of the world are already experiencing water scarcity. The impact of water scarcity is expected to increase ultimately affecting several sectors of the economy. Water intensive companies like ME Group need to anticipate and work towards mitigating these effects.

Recommended disclosure	FY 2024 compliance	Description, location of disclosure progress to date and reason for omission (if appropriate)													
Strategy	Disclosure of the actual and potential impacts of climate-related risks and opportunities on the Company's material business, strategy, and financial planning														
	In progress	<p>The Group has identified a number of further key opportunity focus areas which are explained in this Sustainability Statement on pages 46 to 65.</p> <p>The future risks highlighted above have been categorised based on the Group's definitions of short-, medium- and long-term considering the impact of these risks, which are subject to change should the need arise.</p> <table border="1" data-bbox="826 869 1433 1178"> <thead> <tr> <th>Type of climate risk</th> <th>Risk</th> <th>Impact timeline</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Transitional risks</td> <td>Increased potential legislation (in climate change area)</td> <td>Short-term (1-3 years)</td> </tr> <tr> <td>The increasing awareness of the climate crisis amongst consumers</td> <td>Short-term (1-3 years)</td> </tr> <tr> <td>Rising car fuel prices</td> <td>Mid-term (3-10 years)</td> </tr> <tr> <td>Physical risks</td> <td>Water scarcity (due to the climate change)</td> <td>Mid-term (3-10 years)</td> </tr> </tbody> </table> <p>The Group has identified its main climate-related risks through its existing governance framework. However, it does not consider these to be material risks.</p> <p>Given the need to respond and adapt to climate change, ME group is well-prepared to tackle these emerging challenges. Supported by its long-term transformation initiative, the Group is committed to constantly improving its competitiveness, performance, and resilience throughout its value chain. As part of this transformation, it will continue to monitor short, medium and long-term climate-related risks and opportunities to ensure full disclosure in the future.</p>	Type of climate risk	Risk	Impact timeline	Transitional risks	Increased potential legislation (in climate change area)	Short-term (1-3 years)	The increasing awareness of the climate crisis amongst consumers	Short-term (1-3 years)	Rising car fuel prices	Mid-term (3-10 years)	Physical risks	Water scarcity (due to the climate change)	Mid-term (3-10 years)
Type of climate risk	Risk	Impact timeline													
Transitional risks	Increased potential legislation (in climate change area)	Short-term (1-3 years)													
	The increasing awareness of the climate crisis amongst consumers	Short-term (1-3 years)													
	Rising car fuel prices	Mid-term (3-10 years)													
Physical risks	Water scarcity (due to the climate change)	Mid-term (3-10 years)													
b) Describe the impact of climate-related risks and opportunities on the Company's businesses, strategy and financial planning	In progress	<p>While the Group is not currently facing material climate-related risks, it is actively taking steps to ensure efficient and optimal usage of natural resources, such as energy and water. The Group mitigates its exposure to these risks, and the emissions which the business generates, by taking the actions detailed in the Environment section on page 45 et seq.</p> <p>The Group recognises the broader impact of climate-related issues on the entire business, which has led to the adoption of a systemic approach to sustainability. This approach supports the Group's growth strategy and operations by integrating social, environmental, and economic expectations into its strategy and operations.</p> <p>In addition to the work undertaken to formulate the Group Sustainability Materiality Matrix disclosed on the next page, The Group remains committed to continuous assessment of climate-related topics in order to understand their impact on the business financially, on its strategy and business model, as well as on all stages of the supply chain.</p>													
c) Describe the resilience of the Company's strategy, taking into consideration different climate scenarios, including a 2°C or lower scenario	Non-compliant.	<p>In the current reporting period, the Group did not conduct a climate scenario analysis owing to the expansion of its reporting scope to include the CSRD and the need for timeline alignment across reporting requirements. The Group plans to conduct a scenario analysis by FY2027 while working on reducing its energy consumption and gradually transitioning to renewable energy sources.</p>													

TCFD Report continued

Materiality matrix



Recommended disclosure	FY 2024 compliance	Description, location of disclosure progress to date and reason for omission (if appropriate)
Risk Management		Disclosure of how the Company identifies, assesses, and manages climate-related risks.
a) Describe the Company's processes for identifying and assessing climate-related risks.	Full	<p>The Group has identified its key climate-related risks through its established governance framework. A broad range of economic, environmental and social risks were considered, with each risk prioritised according to its importance to the Group and in relation to its short and long-term ambitions, and the expectations of key stakeholders.</p> <p>Regarding the identified risk of increased potential legislation (including in relation to climate reporting), the Group ensures it keeps abreast of new and upcoming policies and procedures to ensure continued regulatory compliance. As part of this effort, the Group has continued reporting on climate-related risks and mitigation actions, with a firm commitment to fully comply with TCFD recommendations in future reporting periods.</p>
b) Describe the Company's processes for managing climate-related risks.	Full	<p>Given the nature of the Group's business, it is not presently exposed to material risks related to climate change. However, steps are being taken to mitigate any exposure to the risks highlighted above, and the emissions which the business generates. Further details in relation to mitigating actions are outlined in the Sustainability Statement to be found on pages 46 to 65</p>
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the Company's overall risk management.	In Progress	<p>Since 2021, the Group has been integrating a systemic sustainability approach globally to help achieve carbon neutrality by 2040. This systemic environmental approach and focus on inventing eco-responsible local services together supports the Group's growth strategy and operations by integrating social, environmental, and economic expectations into the Group's strategy and operations.</p> <p>The Group's materiality matrix is centered on the Group's key challenges in relation to its short and long-term ambitions. The materiality analysis identified 25 issues corresponding to five strategic areas:</p> <ul style="list-style-type: none"> (i) operational innovation; (ii) strategy and development; (iii) services and customers; (iv) HR and employees; and (v) communities and CSR, with sustainability of the ID and the Photo range ranking as very important for stakeholders and the business. <p>For further details of the Group's integrated corporate governance and organisational structure, please see the Corporate Governance section on pages 80 to 91.</p> <p>ME Group will continue to review its risk management framework to identify the most effective ways to integrate climate-related risks into its processes. This approach considers how climate change may influence the Group's Principal Risks, even though it is not classified as a principal risk itself.</p>
Metrics and Targets		Disclosure of the Company's metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
a) Disclose the metrics used by the Company to assess climate-related risks and opportunities in line with its strategy and risk management process.	In progress	<p>The Group adheres to the Greenhouse Gas Protocol Corporate Standard for calculating its Scope 1 and Scope 2 emissions. See pages 52 to 54 for the assessment parameters and detailed methodology.</p> <p>ME Group is in the process of identifying and developing metrics in line with its business strategy and risk management processes and will develop other relevant metrics over time.</p>

TCFD Report continued

Recommended disclosure	FY 2024 compliance	Description, location of disclosure progress to date and reason for omission (if appropriate)
Metrics and Targets		Disclosure of the Company's metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.
<p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	Full	<p>See page 53 for Scope 1 and Scope 2 emissions related to the Group's operations in line with the GHG Protocol methodology and page 52 for the assessment parameters.</p> <p>The Group has not reported fugitive emissions (which include leakages from refrigerants used in air conditioning units, etc.) because no data were available and, given the low number of such units in the Group, management did not consider such emissions to be material.</p> <p>The Group's current climate change strategy has been formulated based on its Scope 1 and Scope 2 emissions. Scope 3 emissions are calculated based on the data obtained from third parties (suppliers, partners), which increases the scale and complexity of collating such data. However, The Group is planning to improve the completeness and accuracy of scope 3 emissions in line with best practice and estimation techniques in the coming year. The Group will keep the appropriateness of collating Scope 3 emissions data under review each year and will disclose to the market when it has determined that collating such data is appropriate. The evolution in Scope 3 emissions reporting will include evaluating the indirect emissions upstream, the downstream freight transport and distribution, the other downstream indirect emissions and the other upstream indirect emissions of the supply chain. The Group is planning to improve the completeness and accuracy of scope 3 emissions in line with best practice and estimation techniques in the coming two years.</p>
<p>c) Describe the targets used by the Company to manage climate-related risks and opportunities and performance against targets.</p>	Full	<p>In line with its purpose "Create eco-responsible local services that make everyday life easier", the Group has identified the following materiality focus areas:</p> <ul style="list-style-type: none"> ▪ Carbon footprint reduction ▪ Circular economy through eco-design and continuous improvement of its machines ▪ Protection of natural resources through reduction of energy and water consumption ▪ Reduction of paper consumption <p>Additionally, several KPIs have been identified relating to</p> <ul style="list-style-type: none"> (i) the Group's circular economy, (ii) energy saving for Photoboosts, (iii) energy saving for laundry machines (iv) organic detergent. <p>The Group uses the following KPIs to track progress on reduction of GHG emissions:</p> <ul style="list-style-type: none"> ▪ Laundry units with solar panels ▪ tons of CO₂ for the total machine park ▪ tons of CO₂ for new machines ▪ tons of CO₂ compensated ▪ litres of fuel saved <p>More information on carbon emissions reduction targets can be found in the section on ME Group's four-year sustainability plan of the current report page 55 et seq.</p> <p>Further information is available on me-group.com (Approach and KPIs).</p>

Supplementary information for TCFD disclosure

Governance of climate-related risks and opportunities

Although the Board believes that ME Group faces low risk in the climate change sector, it has implemented a robust environmental strategy, guided by a Steering Committee under the oversight of the Board and Executive Team. Since 2022, Montefiore Investment audited the Group's environmental approach, including climate change impacts on its business model. Key actions include forming an environmental group in late 2021, integrating sustainability in the 2021 Annual Report's risk management chapter, and undergoing annual environmental performance audits by Ecovadis. The Group holds regular sustainability strategy review meetings.

Process for managing climate-related risks and opportunities

At ME Group, the first materiality assessment was conducted in 2021 to identify any climate-related risks and opportunities. This process includes discussions validated by employee groups, business units, and external stakeholders, with key focus areas such as energy consumption, water scarcity, and the effects of rising fuel prices. It will be updated in 2025.

Integration into overall risk management

ME Group's risk management strategy includes training staff in environmental practices, adopting best practices for reducing energy and water consumption, switching to green energy, and exploring hybrid and electric vehicles. Its R&D department in Grenoble, France plays a vital role in advancing green solutions

Principal climate-related risks and opportunities

ME Group remains focused on increasing green energy usage, improving water efficiency in its laundry machines, and addressing the impact of rising fuel prices. Its strategic locations in shopping centres offer a combined activity advantage for customers.

Impact on business model and strategy

The ME Group business model is designed to adapt to varying levels of risk, with a particular focus on water scarcity and fluctuations in fuel prices. It aims to encourage the use of its machines through public information and local authority guidance.

Resilience of business model

R&D is vital in the Group's strategy, focusing on manufacturing innovation, recycling, and reintegration of machine components. Also, compliance with legal obligations in specific jurisdictions remains a key priority.

Targets and KPIs for managing risks and opportunities

The Group's targets include increasing the percentage of laundry units with solar panels annually and expanding the deployment of its Revolution machines. The Group also aims to reduce fuel consumption through eco-driving initiatives.

Longer-term Viability Statement

The Directors have assessed the viability and prospects of the Group in accordance with the Guidance on Risk Management Internal Control and Related Financial and Business Reporting issued by the Financial Reporting Council on September 2014.

In doing so, the Directors have considered and taken into account the Group's present position and the principal risks facing it, the latter being set out in the Strategic Report.

The Directors have carried out their assessment by:

- i. considering the potential repercussions of those principal risks at least annually as well as the risk impact of each major event or transaction;
- ii. examining the effectiveness of the actions taken to mitigate the principal risks;
- iii. continually reviewing strategy and market developments through regular executive briefings; and
- iv. taking into account the Group's operational processes and financial resources.

Based on this robust assessment, the Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities over a three-year period to October 2027.

In contrast with previous Longer Term Viability Statements, this Statement covers three years (reduced from five years previously). The Board took the decision to reduce the period for various reasons: the Group does not operate in an environment in which liabilities extend so far in the future; the current state of flux in the general geopolitical arena suggests it would be prudent to reduce the period (even though, as partly noted below, nothing in present world events suggests any increase in potential liability on the Company's operations); and a three-year perspective is sufficiently informative. Furthermore, this shorter

period remains fully in line with FRC guidance and is better suited to the current, fast-shifting geopolitical landscape.

This assessment included stress tests on the future performance and solvency for changes in the base assumptions over the three years and also for the principal risks facing the business in severe but plausible combination of scenarios together with the effectiveness of any mitigating actions. Consideration has also been given to the risk of regional changes such as Brexit; however, the Board believes that having diverse geographical operations means that the Group is less susceptible to the effects of regional changes.

The Directors decided that a three-year period is appropriate for this assessment because it gives a good level of confidence due to a number of factors including: (i) the Group's considerable financial resources including the high cash generation of its operations; (ii) the inherent unlikelihood of all or even most of the identified potential principal risks materialising simultaneously; (iii) the length of major operating contracts; (iv) the Group's diverse geographical operations plus its established business relationships with many customers and suppliers in countries throughout the world; and (v) its proven track record in R&D development and its ability to adapt to market trends.

To stress test the viability of the Group, the Directors tested three scenarios and their projected financial impact over a three-year period. The three scenarios, and the assumptions used in each, are detailed opposite:

In all three scenarios tested, the Group continues to comply with its bank covenants and loan repayment terms and is in a strong financial position after three years

Scenario

1.

The budget, elaborated with each country manager and validated by the top management, which we consider as the most likely scenario. Please note that this scenario is the one approved by the Board.

In all three scenarios, exchange rate assumptions are as per the budget. The forecasts assume payment of dividends commensurate with results and the Group's dividend policy.

In all three scenarios tested, the Group continues to comply with its bank covenants and loan repayment terms and is in a strong financial position after three years.

Brexit impact was considered by management to have no significant impact on the business of the Group, nor will the Ukrainian or Israeli conflicts, as the Group has no activity in these regions.

Management does not consider interest rate risk to be a threat to the Group's viability, as all current debt is at fixed rates and the forecasts indicate no requirement for new debt facilities.

As a result, the cash flow projections indicate that the Group and the Parent Company will remain within their available banking facilities over the 12 months from signing these financial statements.

Serge Crasnianski
Chief Executive Officer

24 February 2025

Scenario

2.

The "mild scenario" is based on the budget, but with the following sensitivities added:

- A 5% decrease in machine installations due to supply chain issues
- A 5% price increase in spare parts and consumables
- A 1% increase in labour costs
- A 5% increase in paper costs
- A 1% drop in total revenue due to loss of key accounts
- A 1% drop in revenue due to the potential impact of a future pandemic or other global event
- This scenario does not consider the potential impact of new regulations regarding photo identification or permission of selfies as official photos within the three-year forecast
- In addition we assume in this scenario an additional revenue decrease of 2% the first year (2025) for an unidentified reason as of today

Scenario

3.

The "worst case" scenario is based on the budget, but with the following sensitivities added:

- A 10% decrease in machine installations due to supply chain issues,
- A 10% price increase in spare parts and consumables
- A 2% increase in labour costs
- A 10% increase in paper costs
- A 1% drop in total revenue due to loss of key accounts
- A 3% drop in revenue due to the potential impact of a future pandemic or other global event
- Revenue is reduced by 3% each year due to the potential impact of new regulations regarding photo identification or permission of selfies as official photos
- In addition we assume in this scenario an additional revenue decrease of 3% the first year (2025) for an unidentified reason as of today

Corporate Governance

Directors' Report	70
Board of Directors and Company Secretary	72
Corporate Governance	80
Statement of Directors' Responsibilities	92
Directors' Remuneration Report	94
Remuneration Policy Report	98
Annual Report on Remuneration	104

Photo.ME GROUP



Photobooths with integrated biometric photo identification solutions. It offers consumers a multi-functional booth providing a range of services, alongside our core photo ID product offering.

Directors' Report

The Directors submit to the shareholders their report, the audited consolidated financial statements of the Group, and such audited financial statements of ME Group International plc as required by law for the year ended 31 October 2024.

The Corporate Governance Statement, the Corporate Responsibility Statement, and the section headed Sustainability at ME Group should be read as forming part of this report. In this document, references to the "Group", the "Company", "ME Group", "we", or "our" and cognates, refer to ME Group International plc, its subsidiary companies and, where applicable, its associated undertakings, or any of them as the context may require.

In addition to the powers conferred on the Directors by law, the Company's Articles of Association also set out powers of the Directors. Under these powers, the Directors may, subject

to any statutory provision requiring prior shareholder approval, exercise all powers of the Company to borrow money, issue shares, appoint and remove Directors and recommend dividends and declare interim dividends. A copy of the Articles of Association can be found on the Company's website at https://me-group.com/wp-content/uploads/2022/01/Photo_Me_International_Mem_and_aoa_Sep10.pdf.

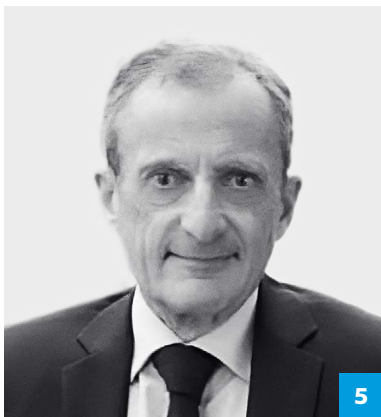
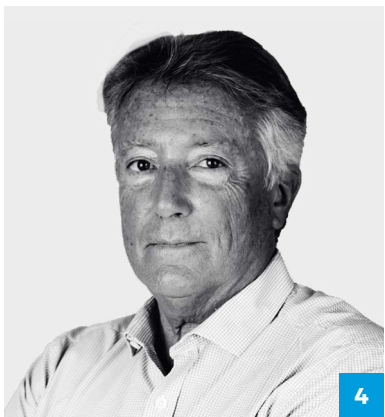
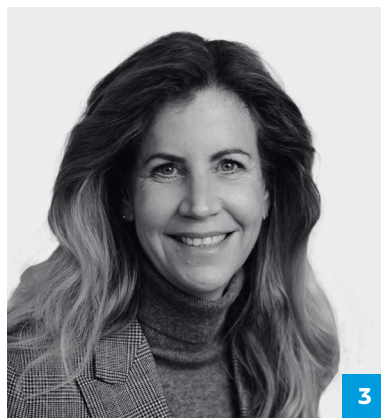
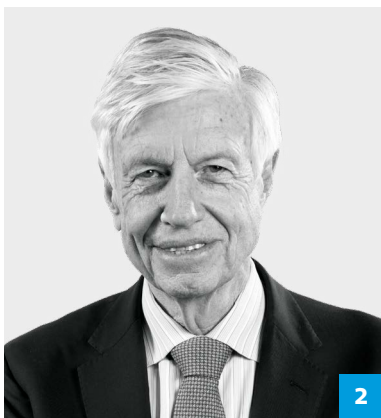
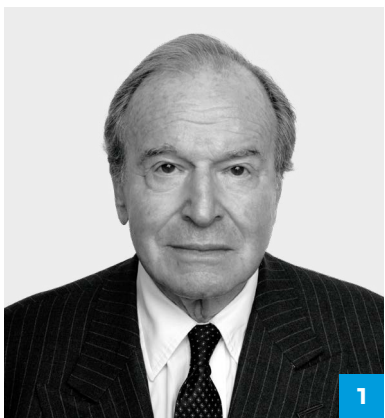
Details of the Directors' contracts, emoluments and interests in shares and share options are given in the Directors' Remuneration Report on pages 94 to 111.



Directors' Report continued

Board of Directors and Company Secretary

The current Directors of the Company, all of whom served throughout the year ended 31 October 2024, are:



1 Sir John Lewis OBE

Non-executive Chairman

Sir John joined the Board in 2008 and was appointed Chairman in 2010. He is Chairman of the Nomination Committee and a member of the Audit and Remuneration Committees. Until early 2019, Sir John was a Consultant to Eversheds Sutherland (International) LLP (as now is).

He is a director of Macdonald and Company Holdings Ltd (previously the AIM market company, Prime People plc), as well as various private companies. He was previously a practising solicitor and senior partner in Lewis, Lewis & Co which became part of Eversheds Sutherland (International) LLP (as now is) after a series of mergers. He served as chairman of Cliveden plc and Principal Hotels plc and as vice-chairman of John D Wood & Co plc and Pubmaster Group Ltd. The Board considers Sir John to be non-independent.

2 Serge Crasnianski

Chief Executive Officer & Deputy Chairman

Mr Crasnianski was appointed to the Board in 2009, having previously served on the Board from 1990 to 2007 (as a Non-executive Director until 1994, and from 1994 as an Executive Director).

He is Chief Executive Officer, Deputy Chairman and member of the Executive Team. Mr Crasnianski founded KIS in 1963.

3 Tania Crasnianski

Executive Director

Miss Crasnianski, the daughter of the CEO, Mr Crasnianski, was appointed to the Board in June 2021. Prior to that, Tania had been an independent legal adviser for seven years and before that held the role of Head of Global Investments at Stratford Capital between 2006 and 2014. She spent 12 years in the legal field, having worked in that time as a Criminal Lawyer for SCP Versini-Campinchi & Associés, Paris. Miss Crasnianski joined the Group on 1 June 2020 as head of legal and general secretary. Miss Crasnianski supervises the Group's entities in Germany, Austria, UK, Ireland, Switzerland and Finland. Miss Crasnianski is also a member of the Executive Team.

4 Jean-Marc Janailhac

Non-executive Director

Mr Janailhac joined the Board in 2019. He was designated Executive Director in July 2020. He was the first chairman of Strategic Committee (now called the Executive Team) that is responsible for reviewing and implementing operational decisions across the Group. He chaired that committee until 31 October 2022. He returned to being a Non-executive Director on 1 November 2023. He is a senior adviser of Macquarie Capital (Europe) Limited, which he joined in 2016. His other directorships include SeaFrigo (logistics, France), SFEIR (IA and SSII, France), EUROHOLD (M&A – Spain), and Aeronautical Services (New carbon materials, Italy). He is CEO of Crystal Energy (energy transition, France) and of SFIC development (international advisory – France). He is also financial adviser to Fondation A. Contes (High dilutions, France). The Board considers Mr Janailhac to be non-independent.

5 René Proglío

Non-executive Director

Mr Proglío was appointed to the Board in June 2021, and appointed chairman of the Audit Committee on 29 April 2022. He assumed the role of Senior Independent Director as of 1 December 2024. Mr Proglío worked at Morgan Stanley for 17 years and during that time he held senior roles, including as Managing Director (2004-2007) and as Head of Investment Banking (2008-2010). He was then country head for France from 2010 to 2020, and he recently joined PJT Partners as a Partner. Before this, he was a Partner at Ernst & Young. The Board considers Mr Proglío to be independent.

6 Françoise Coutaz-Replan

Non-executive Director

Miss Coutaz-Replan was appointed to the Board in 2009 as Group Finance Director and retired from that executive role in August 2015. Since then she has been a Non-executive Director and was appointed to the Audit Committee in October 2016. Miss Coutaz-Replan joined KIS in 1991. She assumed the position of chair of the Remuneration Committee when Mr Olympitis stepped down and joined the nomination committee at the same time. The Board considers Miss Coutaz-Replan to be independent.

Directors' Report: Board of Directors and Company Secretary continued



7

7 Del Mansi

Company Secretary

Mr Mansi, a qualified solicitor, joined the Group in 2006. He served as interim Company Secretary from April to July 2008, and was appointed Group General Counsel in 2009, a role he retained on being appointed Company Secretary in May 2013.

Former Directors of the Company, both of whom served throughout the year ended 31 October 2024, but have since stepped down are:



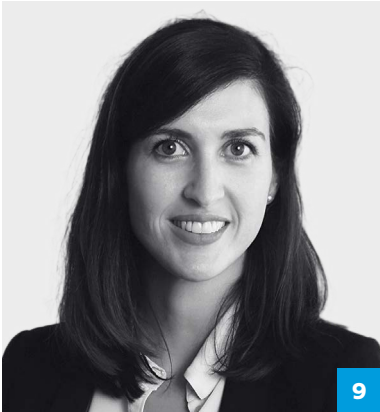
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8 Emmanuel Olympitis

Non-executive Director

Mr Olympitis joined the Board in 2009. During the year ended 31 October 2024 he was the Senior Independent Non-executive Director, Chairman of the Remuneration Committee, and a member of the Nomination and Audit Committees.

Previous directorships include China Cablecom Holdings Limited (NASDAQ), Canoel International Energy Limited (Canada), Matica plc, Secure Fortress plc, Bulgarian Land Development plc, Norman 95 plc, Pacific Media plc (Executive Chairman) and Bella Media plc (Chairman). Early career in merchant banking and financial services, including as Executive Director of Bankers Trust International Ltd, Group Chief Executive of Aitken Hume International plc, and Executive Chairman of Johnson & Higgins Ltd. Mr Olympitis resigned as a Director with effect from 30 November 2024. He was considered by the Board to be independent up to that date.



9

9 Camille Claverie

Non-executive Director

Camille was appointed to the Board in June 2021. She previously held roles at Sagard, latterly as Principal, and at Morgan Stanley and she is a Partner at Montefiore Investment where her responsibilities cover deal origination, and execution and investment monitoring to support companies and management teams in their growth plans. Miss Claverie resigned as a Director on 4 December 2024. The Board considered Miss Claverie to be non-independent because she worked for FPCI Montefiore Investment IV which as at 31 December 2024 was interested in 12.04 % of the issued share capital of ME Group at 31 October 2024.

Directors' Report continued

Directors' and Officers' Liability Insurance

The Company maintained directors' and officers' liability insurance cover throughout the 12-month period ended 31 October 2024. This insurance cover extends to the Company's Directors as well as directors and officers of subsidiary undertakings and remains in force. Article 191 of the Company's Articles of Association allows the indemnification of Directors of the Company and associated companies and of directors of a company that is the trustee of an occupational pension scheme for employees of the Company or an associated company against liability incurred by them in certain situations, and would, if granted, constitute a "qualifying indemnity provision" within the meaning of Section 236 (1) of the Companies Act 2006. No such indemnities have been granted.

Results and dividends

The results for the year are set out in the Group Statement of Comprehensive Income on page 122. The Directors are recommending a final dividend for the year ended 31 October 2024 of 4.45 pence per ordinary share. The ex-dividend date will be 24 April 2025 and, if approved by shareholders at the Company's AGM on 25 April 2025, the dividend will be paid on 23 May 2025 to shareholders listed on the register at the close of business on 25 April 2025. On 29 November 2024 the Company paid an interim dividend in respect of the year ended 31 October 2024 of 3.45 pence per ordinary share, totalling £12,998,000.

Employees

Information on the Company's employment practices including: its policy regarding applications for employment by persons with disabilities; the continuing employment of employees who have developed disabilities; and the training, career development and promotion of persons with disabilities employed by the Company, as well as employee communication and involvement, is contained within the Sustainability Statement on pages 46 to 65.

Employee engagement

The Board understands the importance of considering the views of all stakeholders, including its employees.

Senior management has held several internal consultations and released internal memoranda outlining the movement of the business throughout the year. These communications also help to achieve a common awareness on the part of all employees of the financial and economic factors affecting the performance of the Company.

The Board understands the importance of considering the views of all stakeholders, including its employees. The Executive Directors have regular meetings with all managers. These meetings provide an opportunity for the Executive Directors to learn about the views of the employees at large, and to report back to the Board as a whole so that in making any decisions affecting the employees, the Board can take those views and any decisions made can take into account those employee views.

The Company operates an executive share option scheme that was introduced in 2014 (itself replacing an earlier similar scheme) and was renewed in 2024 being approved by members at the AGM held in that year. Senior members of staff receive annual bonuses depending on personal performance and the Group's performance. The above sets out how Directors have engaged with employees.

Directors' Report continued

Review of business and future developments

The Strategic Report describes the activities of the business during the year ended 31 October 2024 as well as recent events (including any important events affecting the Group which have occurred since the end of that period) and gives an indication of likely future developments in the Group's business.

A discussion of the key risks facing the Group and an analysis of key performance indicators are provided in the Strategic Report. The Strategic Report also contains the Board's Longer-term Viability Statement.

Research and development

The Group is committed to its research and development programme in order to maintain its introduction of innovative products to the market. The expenditure incurred on the development of new products is shown in notes 1.7 and 12 of the financial statements.

Engagement with suppliers, customers and others

The Executive Directors (and where necessary the Non-executive Directors, especially the Chairman and the Senior Independent Director) meet suppliers, customers and major shareholders, as do senior management. This gives the Executive Directors an opportunity to learn of their wishes and concerns, thereby acquiring information to which they can have regard when making strategic and other decisions.

Corporate responsibility, greenhouse gas emissions, energy consumption and energy efficiency action.

A summary of the Company's approach to corporate social responsibility and environmental matters, including a report on the Group's greenhouse gas emissions, energy consumption and energy efficiency action for the 12 months ended 31 October 2024, can be found in the section headed Sustainability at ME Group on pages 46 to 65.

Interests in voting rights

Information provided to the Company pursuant to the Financial Conduct Authority's DTRs is published on a Regulatory Information Service and on the Company's website. As at 31 October 2024, the following information has been received, in accordance with DTR 5, from holders of notifiable interests in the Company's issued share capital.

The information provided below was correct at the date of notification; however, the date it was received may not have been within the current financial year. It should be noted that these holdings might have changed since the Company was notified. However, notification of any change is not required until the next notifiable threshold is crossed.

Shareholder Name	% Voting Rights	Number of shares
Serge Crasnianski ¹	36.59	137,803,041
Schroders plc	14.48	54,540,287
FCPI Montefiore Investment IV	12.04	45,355,481
abrdn	4.27	16,103,553
Fidelity Management & Research	3.98	14,978,590

¹ Except for 63,750 ordinary shares of 0.5p each held in Mr Crasnianski's own name, the remaining shares are owned through a nominee by Tibergest PTE LTD, a person closely associated with Mr Crasnianski, and Mr Crasnianski's interest in those remaining shares is indirect.

Since 31 October 2024, Schroders notified the Company under DTR 5 that as at 31 January 2025, it was interested in 10.997995% of the Company's issued share capital. No other notifications under DTR 5 have been received since that date and the date of this report.

Share option grants to persons discharging managerial responsibilities

In the year ended 31 October 2024, the Company was notified of the following dealings in its Ordinary Shares under article 19 of the Market Abuse Regulation:

- On 23 April 2024 the Company was notified that that Mr Gibon, Chief Financial Officer (non-Board) exercised an option over 100,000 Ordinary Shares of 0.5p each in the Company ("Ordinary Shares") under the Company's Executive Share Option Scheme (2014) at a price of £0.614 per Ordinary Share and subsequently sold the resulting 100,000 Ordinary Shares at a price of £1.643 per Ordinary Share.
- On 9 May 2024 the Company was notified that Mr Janailhac, Non-executive Director, sold his beneficial interest in 27,000 Ordinary Shares of 0.5p each in the Company at a price of £1.572 per Ordinary Share.
- On 23 July 2024, the Company was notified that Mr Janailhac, Non-executive Director, sold his beneficial interest in 198,555 Ordinary Shares of 0.5p each in the Company at a price of £1.842 per Ordinary Share.

Share capital

The issued share capital of the Company, plus details of the movements in the Company's issued share capital during the year, is shown in note 21 of the financial statements. Each ordinary share of the Company carries one vote at each annual general meeting (AGM) and general meetings of the Company.

Continued authority to purchase shares

The Company shall seek approval at the 2025 AGM (to be held on 25 April 2025) to renew the authority for the Company to make market purchases of up to 10% of its own ordinary shares at a maximum price per share of not more than the higher of: (a) an amount that is not more than 5% above the average of the closing middle market quotations for an ordinary share (derived from the London Stock Exchange Daily Official List) for the five business days immediately before the date on which that ordinary share is contracted to be purchased; or (b) the higher of the price of the last independent trade or the highest current independent bid on the London Stock Exchange. This authority will expire on the earlier of 15 months from the passing of the relevant special resolution or the conclusion of the following AGM. The Company repurchased 1,260,534 ordinary shares of 0.5p each in the

12-month period ended 31 October 2023 and repurchased a further 1,108,092 ordinary shares of 0.5p each in the following 12-month period ended 31 October 2024. All of these 2,368,626 ordinary shares of 0.5p each held in treasury were cancelled on 12 July 2024 and as at 31 October 2024, the Company did not hold any of its shares in treasury and does not hold any shares in treasury at the date of this report.

Additional information

Where not provided elsewhere in the Report of the Directors, the following provides the additional information required to be disclosed in the Report of the Directors. The structure of the Company's share capital, including the rights and obligations attaching to the shares, is set out within note 21 to the financial statements.

No person holds securities carrying special rights with regards to control of the Company.

There are no restrictions on the transfer of ordinary shares in the capital of the Company other than certain restrictions that may from time to time be imposed by law; for example, insider trading law. In accordance with the Listing Rules of the Financial Conduct Authority, certain employees are required to seek the approval of the Company to deal in its shares.

On a show of hands at an AGM or general meeting of the Company, every holder of ordinary shares entitled to vote and who is present in person or by proxy shall have one vote and on a poll, every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held (except as otherwise stated in Article 81 of the Company's Articles of Association). Any notice of AGM or general meeting issued by the Company will specify deadlines for exercising voting rights and in appointing a proxy or proxies in relation to resolutions to be passed at the AGM or general meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the AGM or the general meeting and published on the Company's website after the meeting.

Directors' Report continued

Proxy appointments and voting instructions must be received by the Company's registrars not less than 48 hours before an AGM or general meeting.

Under its Articles of Association, unless the Board otherwise determines, no member shall be entitled to vote in respect of any share unless all calls or other sums presently payable by them in respect of that share shall have been paid. The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of shares or on voting rights.

The rules governing the appointment of Directors are set out in the Corporate Governance Statement on pages 80 to 91. The Company's Articles of Association may only be amended by a special resolution at an AGM or general meeting of shareholders. The Company is party to a number of agreements with site owners (such as major supermarket chains), which could be terminated by the site owners following a change of control of the Company.

There are no agreements between the Company and its Directors or employees which provide for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

The Company is not aware of any contractual or other agreements that are essential to its business which ought to be disclosed in this Report of the Directors.

Related-party transactions

Details of related-party transactions are set out in note 29 to the financial statements.

Financial instruments

Details of the financial risk management objectives and policies of the Group and exposure of the Group to foreign exchange risk, interest rate risk and liquidity risk are given in note 16 to the financial statements.

Political donations

No member of the Group made any political donations during the 12-month period ended 31 October 2024.

Important events post balance sheet date

On 29 November 2024 the Company paid an interim dividend in respect of the year ended 31 October 2024 of 3.45 pence per ordinary share, totalling £12,998,000.

The Company runs a defined benefit pension scheme, the Photo-Me International Plc Pension and Life Assurance Fund. In November 2024, the Trustee of the Fund entered into an insurance contract with Legal & General that provides the pensions for certain members of the Fund. As a result, the benefits for all members of the Fund are now secured with an insurance company, via policies in the name of the Trustee. The intention is that in due course these policies will be transferred into the name of the individual members and the Fund wound-up.

On 20 February 2025 the Group disposed of the second, and final, tranche of an office property in Grenoble, France for £4,848,000. At 31 October 2024 the property was recognised in non-current assets classified as held for sale in the Group's statement of financial position. The Group will recognise a gain on disposal of £1,584,000 in the year ended 31 October 2025.

Going concern

In adopting the going concern basis for preparing these financial statements, the Directors have considered the Group's business activities, together with factors likely to affect its future development and performance, as well as the principal risks and uncertainties that could affect the Group up to October 2028.

Having reviewed forecasts, cash flow, financial resources and financing arrangements and after making enquiries, the Directors consider that the Company and the Group have adequate resources to remain in operation for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

The Directors have stress-tested the Group's going-concern status by assessing several different scenarios. Full details of the scenarios tested and assumptions used are provided in the 'Longer-term Viability Statement' and in note 1.1 of the financial statements.

Disclosure of information to the auditor

The Directors who held office at the date of approval of this Report of the Directors confirm that: As far as they are each aware, there is no relevant audit information of which the Company's auditor (Forvis Mazars LLP) is unaware; and each Director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Controlling shareholder – Relationship Agreement

The Company's majority shareholder is Tibergest PTE Ltd which owns 137,739,291 ordinary shares of 0.5p each representing 36.55% of the issued share capital of the Company and, 36.55% of its total voting rights. Tibergest PTE Ltd is wholly owned by Mr Crasnianski. As used to be required by the previous edition of the Listing Rules, Mr Crasnianski and Tibergest PTE Ltd entered into a relationship agreement with the Company (the "Relationship Agreement") to ensure that the Group is capable of carrying on its business independently, that transactions and arrangements between the Group, Tibergest PTE Ltd and Mr Crasnianski (and each of their associates) are at arm's length and on normal commercial terms, and that at all times a majority of the Directors of the Company shall be independent of Tibergest PTE Ltd and Mr Crasnianski. Whilst there is no longer such a requirement under the new edition of the Listing Rules, the Relationship Agreement continues in force for the purposes of good governance. Furthermore, the Company has complied with, and so far as the Company is aware, the controlling shareholder and its associates have complied with the following undertakings: (a) transactions have been conducted at arm's length and on normal commercial terms; (b) neither the controlling shareholder nor any of its associates will take action that would prevent the Company from complying with the Listing Rules; and (c) neither the controlling shareholder nor any of its associates will propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules. So far as the Company is aware, the controlling shareholder can and does procure the compliance of its associates with these undertakings.

AGM 2025

The Company's AGM this year will be held on 25 April 2024 at the offices of Hudson Sandler LLP, 25 Charterhouse Square, London EC1M 6AE at 10 a.m. Notice of the AGM is sent to all shareholders of the Company, as well as to persons nominated by a shareholder of the Company to enjoy information rights. The Notice convening the meeting provides full details of all the resolutions to be proposed, together with explanatory notes for both the ordinary and special business. Hard copies of this Annual Report are sent only to shareholders who have requested or request a copy.

By order of the Board

Sir John Lewis OBE Non-executive Chairman

24 February 2025

Corporate Governance

Statement of compliance with the UK Corporate Governance Code.

The Board has complied with the UK Corporate Governance Code (2018 edition) (the "Code") except as set out in the table on page 81.

The Group's business model and strategy

The Group's business model and strategy are summarised in the Strategic Report, and describe, amongst other things, how the Company generates and preserves value over the longer term and the strategy for delivering the objectives of the Company.

The Board

Board composition

The Directors who served throughout the financial year ended on 31 October 2024 are: Sir John Lewis OBE, Serge Crasnianski, Tania Crasnianski, Jean-Marc Janailhac, Françoise Coutaz- Replan, René Proglío, alongside Emmanuel Olympitis and Camille Claverie, the two last-mentioned individuals having resigned on 30 November and 4 December 2024 respectively.

The Chairman

The Chairman has the overall responsibility for managing the Board. The Chief Executive Officer has responsibilities for strategy, operations and results. The Chief Executive Officer also has responsibility for the day-to-day operation of the Group. A clear division of responsibility exists, such that no single individual or group of individuals can dominate the Board's decision-making process. Throughout the year under review, Sir John Lewis OBE served as Chairman and Mr Crasnianski served as Chief Executive Officer, Deputy Chairman and member of the Executive Team. In the Board's opinion, even though Sir John Lewis OBE has been a Director since 2008 and Chairman since 2010, it is proposed that he remain in place for the time being. The Board considers Sir John to be a non-independent director.

Director independence

The Board structure has not complied with the Code provision that requires that at least half the Board, excluding the chairman, should be Non-executive Directors whom the Board considers to be independent. The table on page 81 contains more details on this.

The Senior Independent Director

Emmanuel Olympitis served as the Company's Senior Independent Non-executive Director throughout the period.

Although Mr Olympitis had been a director since December 2009, he was considered by the Board as independent on the basis that he continued to demonstrate total independence in his behaviour and in his interaction with the rest of the Board. Mr Olympitis resigned as a Director with effect from 30 November 2024 and was replaced as Senior Independent Director by Mr Proglío.

Election of new Director

If a new Director were to be appointed, the Board would ordinarily appoint someone whom it believes has sufficient knowledge and experience to fulfil the duties of a director. (In doing so, the Board would continue to encourage and give consideration to candidates from a diverse range of backgrounds and experiences as mentioned under the heading Equality, Diversity and Inclusion below.) If this were not the case, an appropriate training course would be provided. An appropriate induction programme is undertaken for all newly appointed Directors. All Directors have access to the advice and services of the Company Secretary. Any Director wishing to do so in furtherance of his or her duties may take independent advice at the Company's expense.

All Directors are required to stand for re-election every three years and newly appointed Directors are subject to election by shareholders at the first AGM after their appointment. However, in order to provide for stability and continuity, and to avoid destabilising the Board, the Directors have unanimously decided not to comply with the Code's recommendation that all Directors seek annual re-election.

Directors' conflicts of interest

During the year ended 31 October 2024, the Directors completed questionnaires in respect of their interests. The Board will continue to monitor and review actual or potential conflicts of interest on a regular basis and will consider whether or not it is appropriate to authorise any such conflicts.

The Financial Reporting Council requires listed companies incorporated in the UK to include in their annual financial report: (i) a statement of how they have applied the main principles set out in the Code; and (ii) a statement as to whether they have complied throughout the accounting period with all relevant provisions set out in the Code.

The Directors consider that throughout the 12-month period ended 31 October 2024 the Company complied with those provisions of the Code that are applicable to it, except for the following:

Point of non-compliance with Code	Explanation for non-compliance
Less than half the board, excluding the Chair, are Non-executive Directors whom the board considers to be independent.	Excluding the Chairman, the Board comprised two Executive Directors and five Non-executive Directors, three of whom were considered independent by the Board. Strict compliance would have required an additional Independent Non-executive Director. The Board considers its composition to be sufficiently close to the Code's prescription on this point to render its non-compliance in this regard inconsequential.
For engagement with the workforce, one or a combination of the following methods should be used: <ul style="list-style-type: none"> ▪ Director appointed from the workforce; ▪ formal workforce advisory panel; and ▪ designated Non-executive Director. ▪ (But none is used.) 	The Executive Directors meet regularly with the general managers of the Group. This enables both sides to raise any matters of interest to the other. The Non-executive Directors are always available should anyone not be comfortable in dealing with the Executive Directors about anything. Also, the whistle-blowing policy is in place as a further avenue should anyone wish to use it. Therefore, the Board believes that given the size of the Group and its resources, this is appropriate and additional measures to engage are unnecessary and overly cumbersome.
There is no annual re-election of all directors.	The Board thinks this would distract the Board from its business, and that continuity enables people with deep knowledge of the Company to make more informed, effective and considered judgments.
Chairman has been in office for more than nine years.	Sir John Lewis OBE is considered by the Board to be an effective and engaged chair. He has the full approval and confidence of the Board.
Non-executive Directors do not liaise with work force as a matter of routine.	After due consideration, the Board concluded that it was in order for the Executive Directors to liaise with the work force. If anyone felt uncomfortable, for whatever reason, about liaising with the Executive Directors there was recourse to the Non-executive Directors, as well as recourse to the whistleblowing process.
Mr Olympitis is considered by the Board to be independent notwithstanding that he fell within several presumptions laid down by the Code as being likely to impair or that could appear to impair, a Non-executive Director's independence, specifically that he served on the Board for more than nine years from the date of his first appointment and was beneficially entitled to shares of the Company. Mr Olympitis stepped down as a Director on 30 November 2024.	The only presumptions of non-independence raised by the Code applicable to Mr Olympitis were that (i) he had been a Director for more than nine years (Mr Olympitis stepped down as a director on 30 November 2024) and (ii) he had a beneficial interest in 45,000 Ordinary Shares of 0.5p each of the Company. The Board found that Mr Olympitis demonstrated total independence in his behaviour and in his interaction with the rest of the Board and that his deep, lived knowledge of the Group resulted in his being able to make positive contributions and constructive challenges rather than diminish his contributions in any way. His interest in the Company's shares was too minimal to have an impact on his performance as a director. The rest of the Board considered him to be independent in both character and judgment.

Corporate Governance continued

Point of non-compliance with Code

Explanation for non-compliance

Miss Coutaz-Replan is considered by the Board to be independent notwithstanding that she falls within several presumptions laid down by the Code as being likely to impair or that could appear to impair, a Non-executive Director's independence, specifically that she has served on the Board for more than nine years from the date of her first appointment and is beneficially entitled to shares of the Company.

Miss Coutaz-Replan's employment as an Executive Director ended in August 2015 since when she has played no executive role in the Group and her dealings with the Executive Directors have been restricted to her role as a Non-executive Director. Miss Coutaz-Replan's personal shareholding of 200,000 ordinary shares of 0.5p each represents only a very small percentage of the total issued share capital, too minimal to have an impact on her performance as a director. Her knowledge of the Group's finances and associated systems and controls gives her great insight and the ability to ask pertinent questions and make constructive suggestions and rigorous challenges. The rest of the Board considers her to be independent in both character and judgment.

Sir John Lewis OBE is a member of the Audit Committee.

Under the predecessor to the Code, there was no restriction on the Chairman of the Board being a member of the Audit Committee and such membership in the case of Sir John Lewis OBE, in the opinion of the Board did not impede that committee's functioning but enhanced it.

There was no external Board evaluation.

The Board opted to conduct its own internal review using an anonymised questionnaire. It believes the anonymity was a sufficient safeguard to encourage openness and transparency of feedback.

The Nomination Committee consists of one director whom the Board considered to be independent and one director whom the Board considered to be non-independent. This was contrary to Provision 17 of the Corporate Governance Code which states amongst other things that, 'majority of members of the committee should be independent non-executive directors'.

Until the question of Sir John Lewis's independence was revisited by the Board, both members of the Nomination Committee were independent and therefore its composition was Code-compliant. The Committee has not met since this time so its composition has not affected anything. It is planned to revisit the composition of this Committee before the AGM in 2026.

Mr Crasnianski receives a pension contribution equal to 15% of his basic remuneration. The Code recommends that pension contribution rates for executive directors, or payments in lieu, should be aligned with those available to the workforce.

Following a review of Mr Crasnianski's pension provision and how this compares with that of the general workforce, the Committee has agreed to maintain the CEO's current pension at 15% of salary going forward. Given the diverse nature and geographies of the Company's businesses and employees, no single Group-wide pension plan operates and therefore pension contribution rates vary across the Group with pension levels not necessarily reflecting seniority.

¹ The Code and associated guidance are available on the Financial Reporting Council website at https://media.frc.org.uk/documents/UK_Corporate_Governance_Code_2018.pdf.

Board evaluation

The Chairman and Chief Executive Officer review the performance of other Executive Director. The Chairman reviews the performance of the Chief Executive, the other Executive Director(s) and each Non-executive Director. The Non-executive Directors, led by the Senior Independent Non-executive Director evaluate the performance of the Chairman, taking into account the views of the Executive Directors. During the year, the Chairman meets with the Non-executive Directors without the Executive Directors being present.

Under the guidance and supervision of the Company Secretary, the Board undertakes an internal process to assess the effectiveness of the Board during each financial year. This consists of a confidential survey. Areas identified in which there is considered to be room for improvement are usually addressed by the Board during the current year.

Operation of the Board

The Board is normally scheduled to meet four or five times a year, with ad hoc meetings (including by way of conference and video calls) convened to deal with urgent matters. The Board has a formal schedule of matters reserved to it for decision.

These include: the approval of the financial statements; dividend policy; major acquisitions, disposals and other transactions; significant

changes in accounting policies; the constitution of Board Committees; risk management; and Corporate Governance policy.

The Board has delegated various matters to Committees, as detailed below. These Committees of the Board meet regularly (the Nomination Committee meets as required). The Committees deal with specific aspects of the management of the Company. The Board has delegated authority to the Committees and they have defined terms of reference; those of the Nomination, Audit and Remuneration Committees are available on the Company's website (<https://me-group.com/governance/#tab-board-committees-1>). Decision-making relating to operational matters is handled by the Executive Directors and senior management.

Board and Committee papers are circulated in advance of each meeting and are supplemented by reports and presentations to ensure that Board members are kept fully informed.

Regular communication between the Directors also takes place outside the formal forum of Board and Committee meetings.

The Board had five meetings during the year under review. A committee of the Independent Directors meeting alone had one meeting in that period.

Attendance of Directors at Board and Committee meetings is set out below:

	Board	Audit committee	Remuneration committee	Nomination committee
J Lewis	5(5)	3(3)	3(3)	0(0)
S Crasnianski	5(5)	–	–	–
T Crasnianski	5(5)	–	–	–
J-M Janailhac	5(5)	–	–	–
F Coutaz-Replan	4(5)	3(3)	–	–
E Olympitis	5(5)	3(3)	3(3)	0(0)
C Claverie	5(5)	–	–	–
R Proglia	5(5)	3(3)	–	–

Corporate Governance continued

Board Committees

Audit Committee

This comprised Mr Proglia (Committee Chairman), Mr Olympitis (Senior Independent Director), Sir John Lewis OBE (Chairman of the Board), and Miss Coutaz-Replan (the Group's former Finance Director). The Board considers that Miss Coutaz-Replan and Sir John Lewis OBE have suitable recent and relevant financial experience to satisfy the requirements of the Corporate Governance Code (2018 edition). The Board also considered the same of Mr Olympitis during his membership of the Committee. (As Mr Olympitis stepped down after the year end, the Board are considering the composition of that Committee.)

Meetings are normally held at least twice a year. Three meetings were held during the year ended 31 October 2024. Other Directors, together with the Chief Financial Officer (currently a non-Board position) and representatives of the external auditor are generally invited to attend meetings.

The Audit Committee aims to meet with the external auditor, at least twice a year. On behalf of the Board, the Committee reviews the Group's accounting and financial reporting practices, the reports of the internal auditor and external auditor, and compliance with policies, procedures and applicable legislation. In addition, the Committee monitors the effectiveness of both the external and internal audit functions and reviews the Group's internal financial control systems and reporting processes, and risk-management procedures. The Committee considers the appointment of the external auditor and makes a recommendation on the audit fee to the Board; it usually assesses the effectiveness of the external auditor by means of an internal review process, assisted by a confidential questionnaire; it sets a policy for safeguarding the independence of the external auditor; and reviews the external auditor's work outside of the audit itself, taking into account the nature of the work, the amount of the fees and whether it is appropriate for

Key matters considered

In February 2025, the Committee met to review this Annual Report and to receive the external auditor's update and report on its audit activity.

The Committee's primary areas of focus were:

- Considering how and when the Committee should exercise (and evidence) their oversight of management, notably in relation to their review of the effectiveness of internal controls, acquisitions and disposals, investments outside the normal course of business and approval of budgets and plans.
- The need for management to develop expertise in relation to sustainability either internally or externally to address the forthcoming challenges of more demanding sustainability reporting.
- The requirement to address other matters under ISA (UK) 260 to communicate with those charged with governance as a result of forthcoming changes to the Corporate Governance Code 2018 as a result of the new iteration in the 2024 edition.
- During 2024, the FRC's Audit Quality Review (AQR) team carried out an inspection of the external audit of our financial reporting for the 31 October 2023 financial year as part of their routine inspection activity. The FRC has provided a copy of their confidential report to the chairman of the committee, which has been reviewed and discussed by the committee and with Forvis Mazars. The findings of the review highlighted limited improvements were required in the documentation of certain aspects of the audit pertaining to management override of controls, group audit oversight and archiving. The committee is content that the matters raised do not give it concerns over the quality, objectivity or independence of the 2023 audit and have been addressed by Forvis Mazars in the context of the audit for the year ended 31 October 2024.

the external auditor to carry out such work. Details of the audit and non-audit fees are provided in note 5 to the financial statements.

External auditor

Forvis Mazars LLP has been the external auditor of the Group since the AGM in October 2019. The audit partner is David Herbinet. The Audit Committee is satisfied with the effectiveness, objectivity and independence of the external auditor. Accordingly, a resolution will be proposed at the forthcoming AGM for Forvis Mazars LLP's re-election as auditor for the coming year. The Board is committed to putting the audit contract out to tender at least once every ten years. It conducted a tender process for the external audit role in 2019 in which it invited three firms to tender for the role of external auditor; Forvis Mazars LLP was the successful tenderer.

The Audit Committee has obtained confirmation from Forvis Mazars LLP that no non-audit services were provided by Forvis Mazars LLP during the year. The Audit Committee is satisfied that Forvis Mazars LLP remains independent.

Remuneration Committee

During the year ended 31 October 2024, the Remuneration Committee comprised Mr Emmanuel Olympitis (Committee Chairman) and Sir John Lewis OBE (Chairman of the Board). Mr Olympitis resigned as a Director with effect from 30 November 2024 and Miss Coutaz-Replan replaced him as Chair of the Remuneration Committee.

The Committee meets at least once a year. It met three times in the year ended 31 October 2024.

The Committee makes recommendations to the full Board in respect of the Group's remuneration policy.

The Committee also keeps under review the remuneration of the Chairman and the Group's Executive Directors (the Chairman would not play a part in deciding his own remuneration), to ensure that they are rewarded fairly for their contribution. The Committee also makes awards under the Executive Share Option Scheme. The Committee's Terms of Reference are available on the Company's website.

The Remuneration Report on pages 94 to 111 provides details of how the Committee applies the directors' remuneration principles of the Code.

As two Directors stepped down after the year end, one of whom was a member of the Remuneration Committee, the Board are considering the composition of that Committee.

Nomination Committee

During the year ended 31 October 2024, the Nomination Committee comprised Sir John Lewis OBE (Committee Chairman and member of the Audit and Remuneration Committees) and Emmanuel Olympitis (Senior Independent Director, member of the Audit Committee and Chair of the Remuneration Committee). The Chairman of the Board would not chair the Nomination Committee when it addresses the appointment of his successor. Mr Olympitis resigned as a Director with effect from 30 November 2024 and Miss Coutaz-Replan replaced him as a member of the Nomination Committee. The Committee is not compliant with the applicable provisions of the Code which requires that a majority of members of the Committee are Independent Non-executive Directors because the Board only considers Miss Coutaz-Replan to be independent, not Sir John Lewis.

The Committee, which meets as required, makes recommendations to the Board on the appointment of new directors. The Committee did not meet in the year ended 1 October 2024 but its members speak frequently even in the absence of formal meetings in order to keep board composition under review and to ensure that a proper succession plan is in place at all times.

The Nomination Committee is committed to the pursuit of diversity, including gender diversity, throughout the business. Appointments to the Board are made on merit, against objective criteria and with due regard for the benefits of diversity on the Board, including gender diversity. The Nomination Committee does not commit to any specific targets, therefore. The Group's Diversity Policy also recognises the benefits of diversity.

The Nomination Committee will ensure that its development in this area is consistent with the Group's current and future requirements,

Corporate Governance continued

enhances Board effectiveness, and reflects the Company's UK listing and the international activity of the Group.

During the year ended 31 October 2024, no vacancies for the Board arose, therefore no appointments were required. As turnover of Board members is low, as mentioned above, the Nomination Committee has not set any targets but as and when vacancies do arise, the Nomination Committee and the Board are committed to

giving consideration to all interested and available candidates regardless of age, disability, sex, sexual orientation, pregnancy and maternity, race or ethnicity, religion or belief, gender identity, or marital or civil partnership status.

As two Directors stepped down after the year end, one of whom was a member of the Nomination Committee, the Board are considering the composition of that Committee and the board as a whole.



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Executive Team

As part of actions to further stabilise executive governance, the Group has taken the decision to evolve what was the Strategic Committee into a new Executive Team. The Group believes this is the correct Committee to provide coherence, optimise synergies, share best practices and support the Group's succession process.

Led by key operational management, the Executive Team provides sustainable management and allows the Group to better plan for the future.

The Executive Team comprises:

1 Serge Crasnianski
Chief Executive Officer, Deputy Chairman

2 Tania Crasnianski
Executive Director

The Executive Team meets once a month to decide all strategies, resources and Group actions. Each member of the operational management team is responsible for, and in charge of, implementing the decisions from within their business area.

A larger Group Managers Committee meets periodically, gathering country managers together with the Executive Team in order to discuss and review the implementation of communication, decisions and actions that have been decided by the Executive Team meetings.

3 Stéphane Gibon
Chief Financial Officer

4 Charlotte Delbès
Chief Marketing Officer

Equality, diversity and inclusion

Our commitment

The Board of ME Group is a supporter of gender and ethnic diversity as part of the Company's commitment to diversity and inclusion in the broadest sense.

We are committed to attracting and retaining the best people who reflect the diverse experiences and characteristics of the customers we serve. This is central to our core values, which include a commitment to the following ethics driving our behaviour: courage, creativity, solidarity, eco-responsibility and commitment. This encompasses, but goes beyond, gender and ethnic diversity. For example, we are focused on supporting those people who may be disadvantaged or marginalised in connection with their educational background, socio-economic background or caring responsibilities, as well as characteristics which are protected under equality law.

The Company has long been – and remains – an equal opportunities employer. It has had embedded a comprehensive equality, diversity and inclusion policy, the latest revision of which was made in 2022 (but which originates as far back as 2011) covering the entire employment lifecycle and emphasising our commitments and expected behaviours. A statement by the Company on its approach to this topic can be found here: <https://me-group.com/company-documents/>.

The Board considers it a matter of the utmost importance in the best interests of shareholders and other stakeholders to fill positions with the best possible candidates regardless of their gender, ethnic origin or other attributes. It believes this is what investors want and that it is in the best interests of the Company.

Listing rules: board targets regarding gender and ethnicity

As at 31 October 2024 (the Company's chosen reference date for reporting under Listing Rules 6.6.(9) and (10):

- 37.5% of the Board consisted of women. None of the Chair, CEO, SID, and CFO (the last of which is not a statutory board position) is a woman, although from 2009 to 2015 the CFO (that office being then a statutory board position, and one

of only two statutory directors during that period) was a woman. Whilst this falls short of the '40%' and 'senior position' targets set out in the Listing Rules, it exceeds the 33% target set by the Hampton-Alexander Review and the 30% Club Investor Group in their widely adopted guidance. It also represents material compliance as the 2.5% shortfall represents less than one person owing to the numbers on our Board

- None of the Board members was from an ethnic minority background as defined under the Listing Rules, although the Board comprised individuals of five different nationalities.

The Board would point out the following by way of explanation and important context:

- The Board was (and remains) relatively small and at the reference date consisted of two Executive Directors, one of whom was a woman, and five Non-executive Directors, of whom two were women. (The roles of Chief Marketing Officer and Head of HR are not board level positions at the Company, but if they were (as is common in other organisations), we would well have exceeded the 40% target set by the Listing Rules.)
- The composition of the Board has remained relatively steady over the last few years (although two Directors stood down after 31 October 2024). That is by design: the Group has undergone significant changes, making consistency and clarity of thought at Board level vitally important
- The Board comprises 37.5% female members, representing (i) two Non-executive Directors one of whom sits on the audit committee and (ii) one Executive Director, who is head of legal and general secretary, and is also responsible for supervising the Group's entities in Germany and Austria. As mentioned above, this is higher than the 33% target set by the 30% Club Investor Group and is close to 40%
- As at 31 October 2024, 50% of the Company's Executive Team comprised women.
- When Mr Olympitis stepped down as a Director at the end of November 2024, the percentage of female directors on the Board was 42.86%. After Miss Claverie stepped down as a Director on 4 December 2024, it decreased to 33.33%.

Corporate Governance continued

- It is important to recognise that the Group has a large presence in, and the Company draws many of its leaders from, countries where the cultural and legal approach to ensuring Diversity & Inclusion is very different. For example, in France and Germany asking candidates and employees to disclose their ethnicity can amount to a criminal offence, and it is counter-cultural to suggest the introduction of targets or quotas for improving representation. Whilst the Company and the Board will continue to strive for improvement, it must do so in a way that remains respectful of, and sensitive to, differing expectations in our main markets and the rule of law in other jurisdictions
- As an equal opportunities employer, the Company is committed to providing equal career opportunities for all its employees without discrimination, and pursuing fair and equitable policies and procedures for recruitment, training and development. It gives full consideration to all applications from persons with protected characteristics and more broadly from a diverse range of backgrounds, with due regard to their aptitudes and abilities. Indeed, we have a paragraph stated on all our job postings as follows 'As an equal opportunity's employer, ME Group is committed to the equal treatment of all current and prospective employees and does not condone discrimination on the basis of age, disability, sex, sexual orientation, pregnancy and maternity, race or ethnicity, religion or belief, gender identity, or marriage and civil partnership.'

We aspire to have a diverse and inclusive workplace and strongly encourage suitably qualified applicants from a wide range of backgrounds to apply and join our Company.

The Board recognises the risks of applying hard short-term targets, which can give rise to a perception of an uneven playing field, and which can discourage qualified applicants and existing employees from seeking positions.

However, the Board will continue to encourage and give consideration to candidates from a diverse range of backgrounds and experiences when seeking out the best talent whenever a position comes up to be filled. The Board does not believe that positions should be created

for the ad hoc purpose of meeting targets, and therefore another reason for not meeting the 40% level stipulated by the Listing Rule and other targets set out in the Listing Rules is simply that positions have not arisen requiring to be filled partly as a result of the Group's relatively low turnover of officers.

More broadly, the Board actively supports the roll-out of initiatives under the Equality, Diversity, and Inclusion Policy, referred to below, to broaden the diversity of the Company's workforce, and to ensure the Company's culture is as inclusive as possible.

We collected the data which informs this part of our report by questionnaires sent to all the relevant persons and which were adapted to ensure compliance with local laws.

Equality, diversity and inclusion policy

The Board supported the Company's embedding of its comprehensive Equality, Diversity and Inclusion Policy (ED&I Policy) in July 2022. The ED&I Policy applies to anyone who works in the Company, including the Board (and its committees). It seeks to emphasise the Company's commitments to equality, diversity and inclusion (ED&I), sets expectations in respect of employees' behaviour and sets out steps the Company is taking to ensure an inclusive culture. The ED&I Policy deliberately takes a broad and ambitious approach to diversity and commits to trying to ensure that recruitment, promotion and retention procedures do not result in less favourable treatment because of someone's disability, gender, gender identity or gender reassignment status, marital status, race, racial group, ethnic or national origin, or nationality, religion or belief, sexual orientation, age, civil partnership status, pregnancy or maternity, paternity, educational background, socio-economic background, caring responsibilities, part-time status or fixed-term status.

The ED&I policy is shared with all our workers on the UK HR system available to all UK employees via self-service and easy access on laptops and mobile phones; it requires acknowledgement. There is an Equality and Diversity training programme which can be rolled out to all employees in the UK through our WorkWize training portal. The ED&I Policy also dedicates a section specifically to the ways in which the

Company seeks to ensure inclusion of disabled people, to give tangible examples of the Company's approach and to showcase its focus on disability inclusion.

We are asked to report on the results of the ED&I Policy in the reporting period. It is difficult to point to quantitative evidence of improvements in concepts like inclusion which are inherently difficult to measure, especially where progress on such matters is inevitably incremental. However, we are encouraged to actively follow this policy to create a more inclusive workplace, which helps the business attract candidates with a wide range of skills from diverse backgrounds.

We believe that this helps keep the Company successful, and that our employees are motivated and reassured by the fact that we are an equal opportunities employer.

We are also required to report on the gender and ethnicity data in relation to our Board and executive management in tables prescribed under the Listing Rules. These are set out below. We collected this information by asking each member of the Board and executive management, where permitted by law to do so, to complete a questionnaire to confirm which of the below categories describes them.

Table for reporting on gender identity or sex

Role	Number of Board members	% of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management (plus company secretary)	% of executive management (plus company secretary)
Men	5	62.5	3	3	60
Women	3	37.5	–	2	40
Not specified/prefer not to say	–	–	–	–	–

Table for reporting on ethnic background

Role	Number of Board members	% of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management (plus company secretary)	% of executive management (plus company secretary)
White British or other White (including minority – white groups)	2	17	–	1	20
Mixed/Multiple Ethnic Groups	–	–	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	5	83	–	–	–

Notes

¹ Data were acquired by using questionnaires seeking the information required by the Listing Rules. Having sought legal advice, the Company was informed that it could not lawfully ask questions around ethnicity to French nationals therefore it did not do so.

² As at 31 October 2024, the Board consists of French, Greek, German, Swiss and UK nationals. The Executive Management (which the Company calls its Executive Team) comprised French, Swiss and German nationals.

Corporate Governance continued

Shareholder communication and engagement

The Chief Executive Officer has regular meetings with the Company's major institutional shareholders to help ensure, amongst others, that the Board develops an understanding of the views of major shareholders about the Company and the Group.

The Chairman also meets with major shareholders and has contact with them as and when required. The Senior Independent Non-executive Director and, where appropriate, other Non-executive Directors, are also made available to meet with

major shareholders on request. Any pertinent feedback arising from such meetings is reported to the Board at its regular meetings and/or by correspondence or dialogue.

In normal circumstances, private investors are encouraged to attend the AGM and have the opportunity to question the Board. All members of the Board usually attend the AGM. Shareholders are given the opportunity to vote on each separate issue. The number of proxy votes lodged is given at the meeting after the vote on a show of hands for each resolution and is published on the Company's website after the meeting.



Control & Risk

Accountability and internal control

The Board is ultimately responsible for the Group's systems of internal control and risk management, and for reviewing their effectiveness. This is effected by receiving reports from the Audit Committee following its review. The Board confirms that it has reviewed the effectiveness of the systems of internal control and risk management for the year under review. The Board is generally satisfied that such systems have operated adequately throughout the period.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. Such a system can, however, provide only reasonable and not absolute assurance against material misstatement or loss.

The Group has in place processes for identifying, evaluating and managing the significant risks that are applicable to the business. The Board regularly reviews these processes.

The Chief Executive Officer is ultimately responsible for risk management. Executive Managers of individual Group companies are responsible for the identification, evaluation and management of the key risks applicable to their areas of responsibility. These risks are assessed on a regular basis.

The Managers of Group companies are aware of their responsibility to operate systems of internal control that are effective and efficient for their businesses, to provide reliable financial information and to ensure compliance with local laws and regulations.

The Group has a comprehensive budgeting system, with an annual budget approved by the Board. Actual results are reported monthly through the Group's financial systems, and variances are reviewed. The Audit Committee receives reports from the external auditor and reports its conclusions to the Board.

A whistle-blowing procedure by which staff may raise concerns about possible improprieties in matters of financial reporting or other matters was in place throughout the year. The whistle-blowing policy can be found on the Company's website at: <https://me-group.com/wp-content/uploads/2022/01/Photo-Me-Whistleblowing-Policy.pdf>.

Internal control and risk management in relation to the financial reporting process

The Group has a thorough assurance process in place in respect of the preparation, verification and approval of periodic financial reports.

This process includes:

- The involvement of qualified, professional employees with an appropriate level of experience (both in Group finance and throughout the business)
- Formal sign-offs from appropriate business segment managing directors and finance directors
- Comprehensive review and, where appropriate, challenge from key internal Group functions
- A transparent process to ensure full disclosure of information to the external auditor
- Engagement of a professional and experienced firm as external auditor
- Oversight by the Audit Committee, involving (amongst other things):
 - i, A detailed review of key financial reporting judgments that have been discussed by management
 - ii, Review and, where appropriate, challenge on matters including: the consistency of, and any changes to, significant accounting policies and practices during the year; significant adjustments arising as a result of the external audit; the going concern assumption; and the Company's statement on internal control systems, before endorsement by the Board

The above process, plus the review by the Audit Committee of a comprehensive note that sets out the details of the preparation, internal verification and approval process for the Annual Report and Accounts, provides comfort to the Board that the Annual Report and Accounts, taken as a whole, are fair, balanced and understandable, and give the information necessary for shareholders to assess the Group's position and performance, business model and strategy. In connection with the audit for year ended 31 October 2024, the above process and review did not result in any adverse findings, and the Audit Committee found the process and associated controls sufficient and adequate for their purpose.

Statement of Directors' Responsibilities

Sir John Lewis OBE, Serge Crasnianski, Tania Crasnianski, Françoise Coutaz-Replan, Jean-Marc Janailhac and René Proglío are the Directors of the Company and are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.¹

Company law requires the Directors to prepare financial statements for the Group and the Company for each financial year. Under that law, the Directors are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the Company's financial statements on the same basis.

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 Group and the Company and of their respective profit or loss for that period. In preparing each of the Group and the Company's financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the Group and Company financial statements respectively; and
- Prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the Group and the Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that their financial statements and the Directors' Remuneration Report comply with the Companies Act 2006 and as regards the Group's financial statements, Article 4 of the IAS Regulation.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

¹ The functions of the persons named here can be found on pages 72 to 73.

In accordance with the principles of the UK Corporate Governance Code (2018 edition), the Directors have arrangements in place to ensure that the information presented in the Annual Report is fair, balanced and understandable.

Responsibility Statement of the Directors in respect of the annual financial report

Each of the Directors of the Company, whose names and functions are listed on page 72, confirms that, to the best of his or her knowledge:

- The financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Strategic Report and Directors' Report in the Annual Report include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

Fair, balanced and understandable

In accordance with the principles of the UK Corporate Governance Code (2018 edition), the Directors have arrangements in place to ensure that the information presented in the Annual Report is fair, balanced and understandable; these are described on page 91.

The Board considers, on the advice of its Audit Committee, that the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's and the Group's position and performance, business model and strategy.

Significant accounting policies, critical estimates and key judgments

Our significant accounting policies are set out on pages 126 to 135 of the consolidated financial statements and conform to UK-adopted international accounting standards. These policies and applicable estimation techniques have been reviewed by the Directors who have confirmed them to be appropriate for the preparation of the 2023/2024 consolidated financial statements.

Statement of Compliance with the UK Listing Rule 5.4

The Company has in place a written and legally binding agreement and constitution to enable it to comply with Listing Rule 5.4. As one independent Non-executive Director, René Proglio, is being proposed for re-election at the Company's AGM to be held on 25 April 2025, his re-election will be conducted in accordance with Listing Rules 6.2.8 and 6.2.9.

By order of the Board

Sir John Lewis OBE
Non-executive Chairman

24 February 2025



Françoise Coutaz-Replan
Chair of the Remuneration Committee

Directors' Remuneration Report

In the 12 months ended 31 October 2024, the Committee's work has largely been focused on operating the new Directors' Remuneration Policy which was approved by shareholders at the 2024 AGM, ensuring that Executive Directors and senior executives remain appropriately incentivised and rewarded in respect of the Company's performance.

Annual Statement

Dear Shareholder,

On behalf of the board, I am pleased to present my first Directors' Remuneration Report as Chair of the Committee, having taken over the role from Emmanuel Olympitis (Manoli) on 30 November 2024. Manoli had chaired the Committee since July 2010 and I would like to take this opportunity to thank him on behalf of the Board for his hard work and dedication over the years. (The Remuneration Committee and the Board are considering the composition of the Committee in the light of Manoli's departure.)

This report, which covers the 12 months ended 31 October 2024, has been prepared in line with the provisions of the Companies Act 2006 and Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended). The report has also been prepared in line with the recommendations of the 2018 UK Corporate Governance Code and the requirements of the FCA's UK Listing Rules.

This report is divided into three sections being:

This **Annual Statement**, which summarises the work of the Committee, remuneration outcomes in 2023/24 and how the Remuneration Policy will be operated in 2024/25;

The **Remuneration Policy Report**, which details the Company's Remuneration Policy for the remuneration of Executive and Non-executive Directors as approved by shareholders at the 2024 AGM; and

The **Annual Report on Remuneration**, which discloses details of the Committee, how the Policy was implemented in the year ended 31 October 2024, and how the Policy will operate for the year ending 31 October 2025.

The Annual Statement and Annual Report on Remuneration will be subject to an advisory shareholder vote at the AGM on 25 April 2025.

Work of the committee during the 12 months ended 31 October 2024

The Committee's main activities during the period were as follows:

- Agreeing the performance against the targets for the 2022/2023 annual bonus awards;
- Agreeing the approach in respect of the 2023/2024 annual bonus awards;
- Agreeing the targets for the 2023/2024 annual bonus;
- Agreeing the award levels and performance targets for the 2024 ESOS awards;
- Seeking shareholder approval for the Directors' Remuneration Policy at the 2024 AGM, given that it was reaching the end of its three-year shareholder approved term; and
- Seeking shareholder approval for the ME Group Executive Share Option Scheme (2024) at the 2024 AGM given that the previous scheme (Photo-Me Executive Share Option Scheme 2014) was reaching the end of its ten-year shareholder approved life.

In addition, the Committee sought to ensure that the Policy and practices were (and continue to be) consistent with the six factors set out in Provision 40 of the 2018 UK Corporate Governance Code:

Clarity – The current Policy is understood by our senior executive team and we have sought to articulate it clearly to our shareholders and representative bodies (both on an ongoing basis and during consultation when material changes are being made).

Simplicity – The Committee is mindful of the need to avoid overly complex remuneration structures which can be misunderstood and deliver unintended outcomes. Therefore, a key objective of the Committee is to ensure that our executive remuneration policies and practices are straightforward to communicate and operate.

Risk – Our current Policy has been designed to ensure that inappropriate risk-taking is discouraged and will not be rewarded via: (i) the balanced use of both short-term incentives and market value share options which employ a blend of financial, non-financial and share price hurdles; (ii) the significant role played by equity in our incentive plans; and (iii) malus/clawback provisions.

Directors' Remuneration Report continued

Predictability – Our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits.

Proportionality – There is a clear link between individual awards, delivery of strategy and our long-term performance.

Alignment to culture – Our executive pay policies are aligned to culture through the use of metrics in both the annual bonus and share options that measure how we perform against our KPIs and the long-term performance of the share price.

Remuneration outcomes in 2023/24

The performance of the Group is summarised on page 1, and in the financial statements on pages 122 to 197.

In respect of the annual bonus for the year ended 31 October 2024, performance against the profit and strategic targets resulted in bonus awards of 150% of salary for Mr Crasnianski and 34% of salary for Miss Tania Crasnianski. Further details of the target set, and the performance against those targets are set out in the Annual Report on Remuneration.

Based on an EPS for the year ended 31 October 2024 of 14.36p against a target range of 10.5p to 13p, ESOS awards granted on 12 May 2022 are expected to vest in full on 12 May 2025. Details of the awards vesting, and their pre-tax intrinsic value as at 31 October 2024, are detailed in the Annual Report on Remuneration.

Implementation of the remuneration policy for 2024/25

The Committee proposes to operate the Policy for the year ending 31 October 2025 as follows:

- Executive Directors' current base salaries, together with prior year comparators (split between Euro and GBP where salaries are split into two currencies) are shown below:
- Benefit provision will be in line with the approved Policy
- Mr Crasnianski's pension provision will continue at 15% of salary going forward. Given the diverse nature and geographies of the Company's businesses and employees, no single Group-wide pension plan operates and therefore pension contribution rates vary across the Group with pension levels not necessarily reflecting seniority. Miss Crasnianski does not receive a pension provision
- The annual bonus for the year ending 31 October 2025 will continue to be capped at 150% of salary, with the majority of the targets based on pre-tax profit growth and a minority based on a number of key personal/strategic targets. The bonus targets are currently considered to be commercially sensitive and as such, the targets and performance against the targets will be disclosed retrospectively in next year's Directors' Remuneration Report
- Future grants of ESOS awards to Executive Directors will be kept under review.

Use of discretion

In determining remuneration outcomes for the year ended 31 October 2024, the Committee has not exercised discretion.

Executive Directors' current base salaries, together with prior year comparators split between Euro and GBP

Role	Name	Salary from 1/11/2024		Salary from 1/11/2023	
		€	£	€	£
CEO	Serge Crasnianski	–	560,211	–	560,211
Executive Director	Tania Crasnianski	290,000	50,000	290,000	50,000

¹ Ms Crasnianski is paid €290,000 under a contract with ME Group GSS (previously known as Photo Me France SAS), and £50,000 under a contract with Photo-Me Limited.

Shareholder engagement

The Committee takes an active interest in shareholder views on our Executive Directors' Remuneration Policy and is mindful of the concerns of shareholders and other stakeholders. This is reflected in the Company's voting results at the 2024 AGM (approval of the current Remuneration Policy) and recent AGMs in respect of the Annual Statement and Remuneration Report resolutions which were supported by a significant majority of shareholders. The Committee hopes that shareholders continue

to support the Remuneration Committee, and specifically the resolution in respect of the Annual Statement and Annual Report on Remuneration at the 2025 AGM.

Yours faithfully,

Françoise Coutaz-Replan
Chair of the Remuneration Committee

24 February 2025



Remuneration Policy Report

A summary of the Policy approved by shareholders at the 26 April 2024 AGM is set out below. The full Policy which was approved by shareholders is set out in the Annual Report for the year ended 31 October 2023.

The Committee's Remuneration Policy for the Executive Directors is to have regard to the directors' experience and the nature and complexity of their work in order to provide a competitive remuneration package that attracts, retains and motivates high-calibre executives from whom first-class performance is expected. The Remuneration Policy is also intended to be consistent with the Company's business objectives, risk profile and shareholder interests.

In order to align the interests of shareholders and Executive Directors, a significant proportion of the remuneration of Executive Directors is

performance-related, through an annual bonus plan and the grant of share options.

The Committee will ensure that the incentive structures for Executive Directors and senior managers will not raise environmental, social or governance ("ESG") risks by inadvertently motivating irresponsible behaviour. More generally, with regard to overall remuneration structures, there is no restriction on the Committee that prevents it from taking into account ESG matters, nor do these remuneration structures encourage inappropriate operational risk-taking.

Component	Purpose and link to strategy	Operation	Maximum	Performance measures
Salary	<p>Reflects the value of the individual and their role</p> <p>Reflects skills and experience over time</p> <p>Provides an appropriate level of basic fixed income, avoiding excessive risk arising from over-reliance on variable income</p>	<p>Normally reviewed annually, effective 1 May</p> <p>Normally paid in cash; pensionable</p> <p>Comparison against companies with similar characteristics and comparators taken into account in review</p>	<p>The Committee is guided by the requirements of the Company and prevailing market levels</p> <p>However, no Executive Director will receive a base salary increase in excess of 10% p.a., except to reflect the fact that their salary was set at a lower level initially, with the intention that the salary be increased to a more market-reflective level as the individual gains experience (subject to performance)</p>	N/A
Benefits	<p>Provides insured benefits to support the individual and their family during periods of ill health or death</p> <p>Gives allowances to support individuals in their relevant roles</p>	<p>Includes company car and private medical insurance, and may include an overseas housing allowance for a director working outside of his or her country of normal residence</p> <p>Other benefits may be offered where appropriate</p>	<p>Benefits will not normally be provided with a value per Executive Director in excess of £75,000 p.a.</p>	N/A

Component	Purpose and link to strategy	Operation	Maximum	Performance measures
Annual Bonus	<p>Incentivises delivery of specific Company, divisional and personal annual goals</p> <p>Maximum bonus only payable for achieving specified targets</p>	<p>Normally payable in cash; non-pensionable</p> <p>Committee has the discretion to defer up to 50% of the bonus in shares for three years</p>	Up to 150% of base salary p.a.	<p>Performance is assessed on an annual basis, based on the achievement of objectives relating to financial performance, progress of strategic priorities and/or personal targets. The specific measures used in the bonus and their weighting may vary each year depending on business context and strategy</p> <p>Withholding and recovery provisions are operated</p>
Pension	Provides competitive retirement benefits	Defined contribution Executive Directors may be offered cash in lieu of pension	Workforce aligned (noting that no single Group wide pension plan operates and therefore pension contribution rates vary across the Group with pension levels not necessarily reflecting seniority)	N/A
Executive Share Option Scheme (ESOS)	<p>Aligns Executive Directors' interests with those of shareholders</p> <p>Retention</p>	<p>Annual awards of market value options may be granted</p> <p>The Committee reviews the quantum of awards annually and monitors the continuing suitability of the performance measures</p> <p>Awards vest after three years and a two year post vesting holding period will operate</p>	Up to 150% of base salary p.a.	<p>The Remuneration Committee may set such performance conditions on awards as it considers appropriate (whether financial or non-financial; and whether corporate, divisional or individual)</p> <p>EPS (based on sliding scale vesting targets) is currently the sole performance metric used</p> <p>Up to 25% of salary vests at threshold, increasing to 150% vesting at maximum</p> <p>Withholding and recovery provisions are operated</p>

Remuneration Policy Report continued

Component	Purpose and link to strategy	Operation	Maximum	Performance measures
Share Ownership Guidelines	Provides alignment of interests between Executive Directors and shareholders	<p>In employment: Executive Directors are required to build and maintain a shareholding equivalent to at least two years' base salary through the retention of 50% of the net-of-tax vested share awards or through open-market purchases</p> <p>Post cessation: Executive Directors will be required to retain a shareholding for two years post cessation of employment</p>	<p>In employment: 200% of salary</p> <p>Post cessation: 100% of the in-employment guideline (or actual shareholding if lower) excluding: (i) own shares purchased/shares currently held; and (ii) shares vesting from any share award granted prior to the 2021 AGM</p>	
Non-executive Directors	Provides fees reflecting time commitments and responsibilities, in line with those provided by similarly sized companies	<p>Cash fee paid on a monthly basis; fees are reviewed annually</p> <p>Not entitled to participate in any Group pension scheme. No awards to be granted under the annual bonus or ESOS</p> <p>No Non-executive Director receives any benefits in kind (other than in respect of the expenses relating to the performance of that individual's duties, such as travel to/from Board meetings)</p>	<p>The Committee is guided by market rates, time commitments and responsibility levels</p> <p>However, aggregate annual fees will not exceed £750,000 or such other figure as provided for in the Company's Articles of Association from time to time</p> <p>The Board may request that a Non-executive Director undertake services not within the normal scope of his or her role. Should this be the case in the future, a commercial rate would be paid and full disclosure would be provided in the relevant Directors' Remuneration Report</p>	N/A

Choice of performance measures

The Committee has given careful consideration to the performance measures applicable to both the annual bonus and the Executive Share Option Scheme.

The choice of the performance metrics applicable to the annual bonus scheme reflects the Committee's belief that any incentive compensation should be appropriately challenging, with the majority (or the entirety) linked to the achievement of profit-related targets. The Committee may also link a proportion of the annual bonus to strategic and/or personal objectives if it deems this appropriate with regard to the Company's key objectives. The earnings per share (EPS) performance condition, applicable to the Executive Share Option Scheme, was selected by the Committee on the basis that it incentivises the delivery of sustainable long-term financial performance and rewards management for growing the Company while retaining an appropriate profit margin. The use of share options retains a robust link between management and shareholders by incentivising management to deliver long-term growth in the Company's share price. The Committee retains discretion over the use of other financial/share price-based performance metrics and the calculation of EPS in order to appropriately adjust for any material one-off items including (but not limited to) major acquisitions, changes in accounting policies and major share issues.

The Committee operates the Executive Share Option Scheme in accordance with the scheme rules, the Listing Rules and HMRC legislation. The Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of the plan.

How employees' pay is taken into account

The Committee is aware of the general pay and conditions in the Group as a whole when determining the directors' Remuneration Policy and its implementation. However, reflecting standard practice, employees are not consulted in the formulation of the policy.

How shareholders' views are taken into account

The Committee continues to take an active interest in shareholder views on our executive Remuneration Policy and is mindful of the concerns of shareholders and other stakeholders. This is reflected in the voting result at the AGM held on 26 April 2024, with 96.44% shareholder support (of votes cast) in respect of the current Directors' Remuneration Policy.

Approach to recruitment and promotions

The remuneration package for a new Executive Director would be set in accordance with the terms of the Company's prevailing approved Remuneration Policy at the time of appointment and takes into account the skills and experience of the individual, the market rate for a candidate of that experience and the importance of securing the relevant individual.

Service contracts will be subject to any mandatory provisions of foreign laws where such laws govern a director's contract of employment providing that the use of such foreign law is not deliberately used to circumvent this policy.

The salary would be provided at such a level as required to attract the most appropriate candidate, and may be set initially at a below mid-market level on the basis that it may progress towards the mid-market level once expertise and performance have been proven and sustained.

Pension provision will be in line with the Company's prevailing approved Remuneration Policy at the time of appointment.

Consistent with Part 4 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 as amended, the cap on benefit provisions does not apply to new recruits, although the Committee would not envisage exceeding this caps in practice unless absolutely necessary.

The annual bonus potential would be limited to 150% of salary, and grants under the Executive Share Option Scheme would be limited to 150% of salary. In addition, the Committee may offer additional cash and/or share-based elements to replace deferred or incentive pay forfeited by an executive leaving a previous employer.

Remuneration Policy Report continued

It would seek to ensure, where possible, that these awards would be consistent with awards forfeited, in terms of vesting periods, expected value and performance conditions.

For an internal Executive Director appointment, any variable pay element awarded in respect of the prior role may be allowed to pay out according to its original terms.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses, as appropriate.

Fee structure and quantum for Non-executive Director appointments will be based on the prevailing Non-executive Director fee policy.

Approach to leavers

No Executive Director has the benefit of provisions in his or her service contract for the payment of predetermined compensation in the event of a termination of employment. It has been the Committee's general policy that the service contracts of Executive Directors (none of which is for a fixed term) should provide for termination of employment by giving notice or by making a payment of an amount equal to base salary (and in the case of the CEO and other Executive Directors, an additional amount equal to the cost of providing any benefits for the period of notice) in lieu of any unserved notice period. It is the Committee's general policy that no Executive Director should be entitled to a notice period or payment on termination of employment in excess of the levels set out in his or her service contract. In determining amounts payable on termination, the Committee also considers, where it is able to do so, appropriate adjustments to take into account accelerated receipt and the Executive Director's duty to mitigate his or her loss.

An annual bonus may be payable for a good leaver (e.g. death, ill health, disability, redundancy or other circumstances at the discretion of the Committee) with respect to the period of the financial year served, although it will be prorated for time served and paid at the normal pay-out date.

The treatment of any share awards granted to an Executive Director will be determined based on the relevant scheme rules.

The default treatment under the Executive Share Option Scheme is that any outstanding awards or unexercised options lapse on cessation of employment. However, in certain prescribed circumstances (e.g. death, injury, disability or other circumstances at the discretion of the Committee), "good leaver" status can be applied at the discretion of the Committee or shall apply in relation to HMRC tax-favoured options as relevant. In this scenario, any outstanding options will normally be exercisable on the date of cessation and remain exercisable for a period of six months (or 12 months in the case of death). Alternatively, in the case of non-tax favoured options, the Committee has the discretion to determine that good leavers' awards should continue to be exercisable based on the normal timetable.

The extent to which outstanding option awards become exercisable for good leavers will depend on the satisfaction of any applicable performance conditions (over a curtailed or full performance period, as relevant). Time pro rating of options will apply to good leavers' awards unless the Committee determines that time prorating is inappropriate.

The Company has the power to enter into settlement agreements with Directors and to pay compensation to settle potential legal claims. In addition, and consistent with market practice, in the event of the termination of an Executive Director, the Company may make a contribution towards that individual's legal fees and fees for outplacement services as part of a negotiated settlement. Any such fees will be disclosed as part of the detail of termination arrangements. For the avoidance of doubt, the policy does not include an explicit cap on the cost of termination payments.

No payments for loss of office were made to any Directors in the year ended 31 October 2024.

Service contracts

Details of the Executive Directors' service contracts are as follows:

Executive Director	Date of contract	Notice period
Serge Crasnianski ¹	01/05/2010	12 months ²
Tania Crasnianski	23/06/2021	12 months ²

All Non-executive Directors are appointed for specified terms, subject to re-election at the AGM immediately following their appointment, and every three years thereafter. None of

the Non-executive Directors will ordinarily be entitled to compensation upon termination of their involvement with the Company. However, if a Non-executive Director should be removed as a result of a resolution duly proposed and resolved by members of the Company during the Non-executive Director's normal term of appointment, he or she will be entitled to compensation equal to three months' fees, and in the case of the chairman, six months' fees. The relevant appointment letter and term dates of the Non-executive Directors are set out below:

External appointments

Director	Appointment letter date	Year of last election	Expected year of expiry of current
Sir John Lewis ³	03/07/2008	2024	2027
Françoise Coutaz-Replan ⁴	27/08/2015	2024	2027
Emmanuel Olympitis	11/11/2009	2022	2025
Camille Claverie ⁵	23/06/2021	2022	2025
René Proglio ⁶	23/06/2021	2022	2025
Jean-Marc Janailhac ⁷	01/11/2023	2022	2025

¹ Mr Crasnianski's contract is with Photo-Me Limited, a wholly-owned subsidiary of the Company. Mr Crasnianski's services are also made available under a consultancy agreement with Photo-Me Limited and a third party that makes Mr Crasnianski's services available to the Company.

² Where served by the Company; six months, notice where served by the Director or where applicable their service company.

³ Appointed Chairman on 26 July 2010.

⁴ First appointed to the Board as Group Finance Director on 24 September 2009, and resigned as an Executive Director on 27 August 2015. Miss Coutaz-Replan has remained as a Non-executive Director since that date.

⁵ First appointed to the Board on 23 June 2021. Ms Claverie's contract is with Photo-Me Limited, a wholly-owned subsidiary of the Company.

⁶ First appointed to the Board on 23 June 2021, Mr Proglio's services are made available under a consultancy agreement with Photo-Me Limited and a third party that makes Mr Proglio's services available to the Company.

⁷ Appointed to the Board on 22 July 2019 as a Non-executive Director, he became an Executive Director on 27 July 2020 and reverted to being a Non-executive Director on 1 November 2023.

The Board may allow Executive Directors to accept appropriate outside commercial Non-executive Director appointments provided the aggregate commitment is compatible with their duties as an

Executive Director. Whether or not the Executive Director concerned may retain fees paid for these services will be considered on a case-by-case basis, and will be subject to approval by the Board.

Annual Report on Remuneration

Implementation of the Remuneration Policy for the year ending 31 October 2025. As summary of how the Committee intends to operate the Policy for the Executive Directors for the year ending 31 October 2025 is set out in the Annual Statement.

Non-executive Directors

The fees for Non-executive Directors are reviewed at least once every three years, the last increase having taken place in 2022. Current Non-executive Director fee levels are as follows (with prior year comparators also presented):

Non-executive Director	Role	Committee chairman	1 November 2024	1 November 2023
			£	£
Sir John Lewis	Chairman	Nomination Committee	145,000	145,000
Emmanuel Olympitis ¹	Senior Independent Director	Remuneration Committee	67,500	67,500
Françoise Coutaz-Replan ²	Non-executive Director	–	47,500	47,500
René Proglío	Non-executive Director	Audit Committee	57,500	57,500
Jean-Marc Janailhac	Non-executive Director	–	45,000	45,000

¹ Mr Olympitis resigned from the Board (and hence Remuneration Committee) on 30 November 2024

² Miss Coutaz-Replan's fee rose from £47,500 to £52,500 as of 1 December 2025 as she took on the position of chair of the Remuneration Committee as from that date.

Single total figure of remuneration (audited)

The detailed emoluments received by the Executive and Non-executive Directors for the 12 months ended 31 October 2024 (with prior year comparatives) are shown below:

Executive Directors	Year	Salary/ Fees	Benefits ¹	Bonus ²	LTI ³	Pension ⁴	Total	Total fixed remuneration	Total variable remuneration
		£	£	£	£	£			
Serge Crasnianski ⁵	2024	560,212	33,320	840,318	–	84,032	1,517,882	677,564	840,318
	2023	560,212	23,183	840,318	771,800	84,032	2,279,545	667,427	1,612,118
Jean-Marc Janailhac ⁶	2024	–	–	–	–	–	–	–	–
	2023	222,564	–	–	308,720	–	531,284	222,564	308,720
Tania Crasnianski ⁷	2024	297,256	–	102,313	126,365	–	525,934	297,256	228,678
	2023	293,716	–	60,058	74,690	–	428,464	293,716	134,748
Non-executive Directors	Year	Salary/Fees	Benefits ¹	Bonus ²	LTI ³	Pension ⁴	Total	Total fixed remuneration	Total variable remuneration
Sir John Lewis ⁸	2024	145,000	–	N/A	–	–	145,000	145,000	–
	2023	145,000	–	–	–	–	145,000	145,000	–
Françoise Coutaz-Replan ⁹	2024	47,500	–	–	–	–	47,500	47,500	–
	2023	47,500	–	–	–	–	47,500	47,500	–
Emmanuel Olympitis	2024	67,500	–	–	–	–	67,500	67,500	–
	2023	67,500	–	–	–	–	67,500	67,500	–
Camille Claverie ¹⁰	2024	–	–	–	–	–	–	–	–
	2023	–	–	–	–	–	–	–	–
René Proglío ¹¹	2024	57,500	–	–	–	–	57,500	57,500	–
	2023	57,500	–	–	–	–	57,500	57,500	–
Jean-Marc Janailhac ⁶	2024	45,000	–	–	–	–	45,000	45,000	–
	2023	–	–	–	–	–	–	–	–

¹ Taxable benefits comprise the provision of private medical insurance and, where appropriate, an accommodation allowance.

² The annual bonus for 2024 is in respect of the year ended 31 October 2024 (see annual bonus section below) while the annual bonus for 2023 is in respect of the year ended 31 October 2023.

³ The EPS for the year ended 31 October 2024 was 14.36p against a target range of 10.5p to 13p, therefore the ESOS award granted on 12 May 2022 to Miss Tania Crasnianski will vest in full post year end (see Scheme Interests Vesting Based on Performance to 31 October section below). The values shown in the table above for 2023 in respect of the ESOS awards granted on 5 August 2021 which vested in full during 2024 (£771,800, £74,690 and £308,720 for Mr Crasnianski, Ms Crasnianski and Mr Janailhac respectively) are based on the 3-month average share price to 31 October 2023 of 154.68p less the 77.5p exercise price. The intrinsic value of the awards based on the share price at the vesting date (£1.85) resulted in pre-tax gains of £1,075,000, £104,032 and £430,000 for Mr Crasnianski, Ms Crasnianski and Mr Janailhac respectively.

⁴ The pension payment to Mr Crasnianski in the financial period ended 31 October 2024 represented 15% of base salary which was paid as a salary supplement. Miss Tania Crasnianski does not receive any pension provision.

⁵ The emoluments of Mr Crasnianski shown above for the 12 months ended 31 October 2024 include fees totalling £405,969 (£405,969 for the 12 month-period ended 31 October 2023), payable to a third party in respect of making available the services of Mr Crasnianski to the Company.

⁶ Mr Janailhac was appointed to the Board on 22 July 2019 as a Non-executive Director. He became an Executive Director on 27 July 2020 and reverted to being a Non-executive Director on 1 November 2023.

⁷ Ms Crasnianski was paid €290,000 under a contract with ME Group GSS (formerly called Photomaton France SAS), and £50,000 under a contract with Photo-Me Limited. The euro amount has been translated at the exchange rate set out in note 12.

⁸ The emoluments of Sir John Lewis shown above include fees of £62,500 paid to a third party in respect of making available the services of Sir John Lewis to the Company (£62,500 for the 12 month-period ended 31 October 2023).

⁹ Ms Coutaz-Replan stepped down as an Executive Director on 27 August 2015, and was appointed as a Non-executive Director on the same date.

¹⁰ Ms Claverie, who stepped down from the Board on 4 December 2024, chose not to receive any fees for her role on the Board.

¹¹ The emoluments of Mr Proglío shown above were paid to a third party in respect of making available the services of Mr Proglío to the Company.

¹² Exchange rate: €1.17287: £1.

Annual Bonus for the year ended 31 October 2024

Details of the performance against the profit before tax targets and personal/strategic targets for the CEO for the year ended 31 October 2024 annual bonuses are as follows:

Financial Targets (80% of CEO's Bonus Potential)

Executive	2023/24 Annual Bonus (% of salary)
Group pre-tax profit between 100% and 105% of prior year	Committee discretion depending
Group pre-tax profit 5% more but less than 10% higher that of prior year	60%
Group pre-tax profit 10% or more than prior year	120%
Prior year profit	£67.1m
Current year actual profit result (constant currency)	£74.1m
% of bonus payable (out of 120% of salary)	Target met in full

In assessing the financial target on a constant currency basis (to neutralise any unusual and unexpected foreign currently fluctuations), the Remuneration Committee noted the record level of pre-tax profit achieved and was satisfied that the target for a maximum pay out for this part of the annual bonus had been achieved.

Personal/Strategic Targets (20% of CEO's Bonus Potential)

Details of performance against the personal/strategic targets are as follows:

Targets	Weighting	Committee Assessment
Continue to drive the expansion of the Company's business activities through identifying and negotiating acquisitions	One third	Met in full. The Committee noted the expansion of laundry operations through new and existing partnerships in target territories and convenient, high-footfall locations. During 2024, several new strategic partnerships were secured, including with: (i) leading independent forecourt operator Motor Fuel Group where we will be able to install and operate up to 300 Wash.ME Revolution Laundry machines across in the UK over the next five years; and (ii) Morrisons Supermarket Limited to extend our existing partnership (whereby we operate and maintain 500 photobooths, 250 children's rides and 37 Revolution Laundry machines) with the installation of at least 200 Revolution Laundry machines over the next two years.
Actively invest in R&D to drive technological innovation to further diversify and expand the breadth of products and services offered	One third	Met in full. The Committee noted the significant R&D investment during the year which was focused on creating new complementary services and evolving the services offered across our existing estate in response to consumer needs, whilst maximising return on investment. Connected to this, the Committee noted Kee.ME, the new automated key cutting booth which builds on the Company's KIS heritage which has had positive results and has shown good interest from our customers and from consumers.
Continue to make material progress against the delivery of Company's sustainability strategy	One third	The Committee noted the continued progress made in the year under review in respect of reducing the amount of waste produced; and the recovery, refurbishment and resale of electrical equipment such as children's rides which promote the principle embodied in recent legislation of reuse before recycling
		Target met in full

Note, while the CEO's bonus potential was set at 80% financial and 20% personal/strategic targets, a weighting of 77% financial and 23% personal/strategic targets was set for Tania Crasnianski for the year ended 31 October 2024. Mr Crasnianski and Miss Tania Crasnianski shared the same personal and strategic targets.

Annual Report on Remuneration continued

Following the Committee's assessment of the financial and personal/strategic targets, the Committee awarded:

- Mr Crasnianski a bonus of 150% of salary based on performance against both the financial targets (80% of bonus potential) and the personal/strategic targets (20% of bonus potential)
- Miss Tania Crasnianski a bonus of 34% of salary (i.e. 23% of bonus potential) based on performance against the personal/strategic targets as detailed for the CEO above. As was the case last year, Miss Crasnianski was not eligible to participate in that part of the annual bonus determined by financial targets and as such, no bonus was awarded in this regard (relating to 77% of bonus potential).

ESOS (Audited)

Scheme Interests Vesting Based on Performance to 31 October 2024 (Audited)

The following options, which were originally granted on 12 May 2022, are due to vest in full in 2025 as a result of the performance period ending 31 October 2024:

Executive Director	Granted	Vesting (100%) ¹	Pre-tax Intrinsic Gain at 31 October 2024 ²
Tania Crasnianski	100,000	100,000	£126,365

¹ EPS for the year ended 31 October 2024 was 14.36 pence compared against a target range of 10.5p to 13p.

² Based on the 3 month average share price to 31 October 2024 of 195.095p less the 68.73p exercise price.

Scheme interests awarded in the year (Audited)

The Company did not grant any options to Directors during the year ended 31 October 2024.

Directors' interests in shares (audited)

According to the records kept by the Company, the Directors had interests in the share capital of the Company as shown below.

Executive Director	Beneficially owned at		ESOS Awards ¹	ESOS Awards ²	Requirement (% of salary)	Shareholding (% of salary) ³	Guideline
	31 October 2024	31 October 2023					
Serge Crasnianski ⁴	137,803,041	137,803,041	1,564,752	–	200%	52,272%	Yes
Tania Crasnianski	Nil	–	96,774	200,000	200%	0%	No

Non-executive Director	Beneficially owned at	
	31 October 2024	31 October 2023
Sir John Lewis	25,000	25,000
Françoise Coutaz-Replan ⁵	200,000	200,000
Emmanuel Olympitis	45,000	45,000
Jean-Marc Janailhac	Nil	225,555

¹ Options with no further performance conditions attached that have not been exercised.

² Options with outstanding performance conditions attached.

³ Executive Directors are required to build and maintain a shareholding equivalent to at least 200% of base salary through the retention of 50% of the net-of-tax vested share awards or through open-market purchases. Calculated using the closing share price on the last trading day in October 2024 (212.5p) and current salary levels. The shareholding guideline is calculated using only beneficially owned shares.

⁴ Of the shares beneficially owned by Mr Crasnianski, 63,750 shares (2022: 63,750) were registered in his name, the balance in other names.

⁵ Miss Françoise Coutaz-Replan stepped down as an Executive Director on 27 August 2015, continuing as a Non-executive Director.

Directors' interests in share options (audited)

Details of outstanding share awards held by Directors are set out below.

Executive Director	Number of options as at 1 Nov 2023	Granted during period	Exercised during period	Lapsed during period	As at 31 Oct 2024	Exercise price	Exercisable from	Expiry date
Serge Crasnianski								
27 August 2019	564,752	–	–	–	564,752	101.4p	27 Aug 22	27 Aug 26
5 August 2021	1,000,000	–	–	–	1,000,000	77.5p	5 Aug 24	4 Aug 28
Jean-Marc Janailhac								
5 August 2021	400,000	–	–	–	400,000	77.5p	5 Aug 24	4 Aug 28
Tania Crasnianski								
5 August 2021	96,774	–	–	–	96,774	77.5p	5 Aug 24	4 Aug 28
12 May 2022	100,000	–	–	–	100,000	68.7p	12 May 25	11 May 29
4 April 2023	100,000	–	–	–	100,000	126.7p	4 Apr 26	3 Apr 30

¹ See the Scheme Interests Vesting Based on Performance to 31 October 2024 (Audited) section above.

Relative importance of the spend on pay

The following table sets out the percentage change in distributions to shareholders and employee remuneration costs:

	Paid during FY 2024	
	Pence per share	£'000
Interim (paid 29 November 2023)	2.97	11,203
Final for FY 2023 (paid 23 May 2024)	4.42	16,640
Total	7.39	27,843

¹ Based on the cash returned to shareholders through dividends, as shown in note 10 to the Financial Statements. The Company purchased 1,108,092 of its own shares into treasury in the financial period ended 31 October 2024, returning a further £1,419,000 to shareholders. On 12 July 2024, the Company cancelled a total of 2,368,626 held in treasury as at that date. As at 31 October 2024, the Company held no shares in treasury.

	Group (£'000)	
	2024	2023
Total employee remuneration costs	55,595	56,864

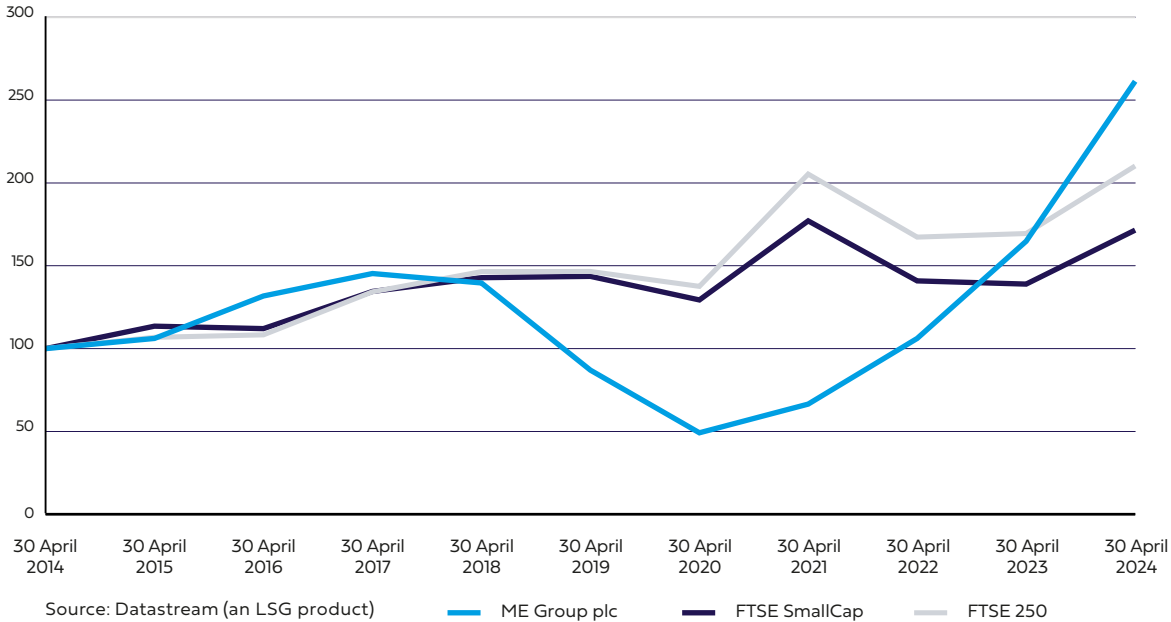
¹ Based on the figure shown in note 7 to the Financial Statements

TSR performance graph

The graph below shows the Company's performance, measured by total shareholder return (TSR) (share price growth plus dividends reinvested) compared with the performance of both the FTSE 250 and FTSE SmallCap Index (calculated on the same basis) from 1 May 2014. As the Company has been a constituent of either the FTSE 250 or SmallCap Index for all of the relevant period, these indexes are considered appropriate forms of "broad equity market index" against which the Company's performance should be compared.

Annual Report on Remuneration continued

Total shareholder return



Percentage increase in the remuneration of the members of the Board

The table below shows the change in the salary, benefits and annual bonus for the members of the Board who served in both the period just ended and the previous financial year in full, compared with the change in remuneration for the UK employee population. Comparative numbers for the year to 31 October 2023, 2022 and 2021 are also presented.

	Year to 31 October 2024			Year to 31 October 2023			Year to 31 October 2022			Year to 31 October 2021		
	Base salary	Benefits	Annual bonus	Base salary	Benefits	Annual bonus	Base salary	Benefits	Annual bonus	Base salary	Benefits	Annual bonus
Executive Directors												
Serge Crasnianski	0%	0%	0%	0%	23%	0%	18%	14%	0%	0%	0%	0%
Jean-Marc Janailhac	N/A	N/A	N/A	(22%)	0%	0%	46%	0%	100%	27%	0%	100%
Tania Crasnianski	1%	0%	70%	20%	0%	2%	176%	0%	100%	N/A	N/A	N/A
Non-executive Directors												
Sir John Lewis	0%	N/A	N/A	10%	N/A	N/A	21%	N/A	N/A	0%	N/A	N/A
Françoise Coutaz-Replan	0%	N/A	N/A	8%	N/A	N/A	18%	N/A	N/A	0%	N/A	N/A
Emmanuel Olympitis	0%	N/A	N/A	23%	N/A	N/A	18%	N/A	N/A	0%	N/A	N/A
René Proglgio	0%	N/A	N/A	0%	N/A	N/A	218%	N/A	N/A	0%	N/A	N/A
Camille Claverie	N/A	N/A	N/A	N/A	N/A	N/A	0%	N/A	N/A	0%	N/A	N/A
Jean-Marc Janailhac	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
UK Employee Population	3%	44%	-23%	1%	26%	60%	11%	0%	16%	11%	1%	16%

CEO remuneration

The table below shows the total remuneration for the CEO over the same 10.5-year period as the TSR chart on the previous page.

Non-executive Director	CEO	Total (£)	Annual (% of max)	Long-term incentives (% of max) ¹
2024 (12 months to 31 October 2024)	Serge Crasnianski	1,517,882	100%	–
2023 (12 months to 31 October 2023)	Serge Crasnianski	2,279,545	100%	100%
2022 (12 months to 31 October 2022)	Serge Crasnianski	1,503,336	100%	69%
2021 (12 months to 31 October 2021)	Serge Crasnianski	1,404,423	100%	–
2020 (18 months to 31 October 2020)	Serge Crasnianski	984,248	0%	–
2019 (12 months to 30 April 2019)	Serge Crasnianski	650,380	0%	–
2018 (12 months to 30 April 2018)	Serge Crasnianski	681,954	0%	–
2017 (12 months to 30 April 2017)	Serge Crasnianski	1,498,113	100%	–
2016 (12 months to 30 April 2016)	Serge Crasnianski	1,429,209	100%	100%
2015 (12 months to 30 April 2015)	Serge Crasnianski	1,031,628	100%	–
2014 (12 months to 30 April 2014)	Serge Crasnianski	914,278	100%	–

¹ Shows the number of share options that vested as a percentage of the maximum number of share options that could have vested. For the years ended 30 April 2011 to 30 April 2019 (but excluding 2016) and 2024, Mr Crasnianski did not have any outstanding share option awards that could have vested in the relevant years.

CEO pay ratio

The data shows how the CEO's single figure remuneration for the year ended 31 October 2024 compares with equivalent single figure remuneration for full-time equivalent UK employees, ranked at the 25th, 50th and 75th percentile. The 2020 salary and total pay and benefits data (18 months) have been annualised to aid with year-on-year comparison.

Period	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024	Option A	54:1	47:1	38:1
2023	Option A	80:1	71:1	57:1
2022	Option A	58:1	53:1	42:1
2021	Option A	74:1	58:1	41:1
2020	Option A	44:1	30:1	24:1

No components of pay and benefits have been omitted for the purpose of the above calculations.

Option A was selected given that this method of calculation was considered to be the most statistically robust approach in respect of gathering the required data for 2024.

The respective quartile salary and total pay and benefits numbers are as follows:

Period	Salary			Total pay and benefits		
	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
2024	£25,599	£30,000	£35,851	£28,060	£31,779	£39,344
2023	£26,599	£29,217	£35,000	£28,652	£31,970	£39,991
2022	£25,094	£26,662	£34,795	£25,847	£28,555	£36,189
2021	£18,309	£23,533	£32,187	£18,858	£24,286	£34,336
2020	£14,410	£21,185	£25,687	£14,825	£21,824	£28,579

Annual Report on Remuneration continued

Committee role and membership

The Remuneration Committee comprised two Non-executive Directors during the year ended 31 October 2024: Emmanuel Olympitis (Committee Chairman, member of the Audit and Nomination Committees, and Senior Independent Director), and Sir John Lewis (Chairman of the Board and the Nomination Committee, and member of the Audit Committee). The Board considered Mr Olympitis to be independent, and also considers Sir John Lewis to have been independent on his appointment as Chairman.

As announced on 6 November 2024, Emmanuel Olympitis stepped down as a Non-executive Director of the Company and left the Board on 30 November 2024. Miss Coutaz-Replan, an Independent Non-executive Director and member of the Audit, Remuneration and Nomination Committees, took over as Chair of the Remuneration Committee on 30 November 2024.

Biographies of the current members of the Committee are set out on page 72.

Details of the Committee members and attendance at the meetings during the year are as follows.

Name	Position	Appointment date	Number of Meetings attended (Maximum possible)
Françoise Coutaz-Replan	Committee Chairman ¹	30 November 2024	n/a
Emmanuel Olympitis	Committee Chairman ²	11 November 2009	2 (2)
Sir John Lewis	Committee Member	3 July 2008	2 (2)

¹ From 30 November 2024

² To 30 November 2024

It remains the Committee's policy that it will meet on an ad hoc basis when the needs of the Company require it. At the invitation of the Chairman, the CEO and other Executive Directors and Non-executive Directors may attend meetings of the Committee, except when their own remuneration is under consideration. No Director is involved in determining his or her own remuneration. The Company Secretary acts as the Secretary to the Committee. The members of the Committee can, where they judge it necessary to discharge their responsibilities, obtain independent professional advice at the Company's expense.

The Committee's terms of reference are published on the Company's website at: <https://me-group.com/wp-content/uploads/2022/01/REMUNERATION-COMMITTEE.pdf>.

Payments to past Directors

No payments were made to past Directors were made in the year ended 31 October 2024.

Advisers

FIT Remuneration Consultants LLP advised the Committee during the period ended 31 October 2024 in respect of the preparation of this Remuneration Report and advised management in respect of the renewal of the ESOS at the 2024 AGM. Fees paid to FIT in respect of advice to the Remuneration Committee for the year ended 31 October 2024 totalled £13,449 (exclusive of VAT). The Committee is satisfied that the advice provided by FIT is objective and independent, and fees were charged based on time and material. The Committee also receives advice from the CEO in relation to the remuneration of certain senior executives, but not in relation to his own remuneration.

Statement of shareholder voting

The table below shows the advisory vote on the Directors' Remuneration Report for the year ended 31 October 2023 and the binding vote on the Remuneration Policy both of which were passed at the 2024 AGM held on 26 April 2024.

	Total Votes For	%	Total Votes Against	%	Total Votes Cast (excluding withheld)	% of total votes cast/ issued capital	Votes Withheld ¹
Directors' Remuneration Report (excluding the Remuneration Policy)	291,299,852	96.44%	10,748,092	3.56%	302,047,944	79.73 %	218,553
Directors' Remuneration Policy	294,625,449	97.49%	7,582,979	2.51%	302,208,428	79.77 %	58,069

¹ A vote withheld is not a vote in law and is not counted in the calculation of the proportion of votes cast 'for' and 'against' a resolution.

By order of the Board

Françoise Coutaz-Replan
Chair of the Remuneration Committee

24 February 2025

Financial Statements

Independent Auditor's Report to the Members of Me Group International plc	114
Group Statement of Comprehensive Income	122
Group Statement of Financial Position	123
Group Statement of Cash Flows	124
Group Statement of Changes in Equity	125
Notes to the Consolidated Financial Statements	126
Company Statement of Financial Position	181
Company Statement of Cash Flows	182
Company Statement of Changes in Equity	183
Notes to the Company Financial Statements	184
Glossary	198
Company Information & Advisers	199
Shareholder Information	200

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Independent Auditor's Report to the Members of Me Group International plc

Opinion

We have audited the financial statements of Me Group International plc (the 'parent company') and its subsidiaries (together the 'group') for the year ended 31 October 2024 which comprise the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group Statement of Cash Flows, the Company Statement of Cash Flows, the Group Statement of Changes in Equity and the Company Statement of Changes in Equity, and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 October 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; 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 and the parent company 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 public interest entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern;

- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Making enquiries of the directors to understand the period of assessment considered by them, the assumptions they considered and the implication of those when assessing the group's and the parent company's future financial performance;
- Challenging the appropriateness of the directors' key assumptions in their cash flow forecasts, as described in note 1.1, by reviewing supporting and contradictory evidence in relation to these key assumptions and assessing the directors' consideration of severe but plausible scenarios;
- Testing the accuracy and functionality of the model used to prepare the directors' forecasts;
- Assessing the historical accuracy of forecasts prepared by the directors;
- Assessing and challenging key assumptions and mitigating actions put in place in response to wider global economic conditions;
- Considering the consistency of the directors' forecasts with other areas of the financial statements and our audit; and
- Evaluating the appropriateness of the directors' disclosures in the financial statements on going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability

to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

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

In relation to Me Group International plc's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the director's considered it appropriate to adopt the going concern basis of 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) we identified, including those 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.

We summarise below the key audit matter in forming our opinion above, together with an overview of the principal audit procedures performed to address this matter and our key observations arising from those procedures.

Independent Auditor’s Report to the Members of Me Group International plc continued

This matter, together with our findings, was communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter

Risk of fraud and error in revenue recognition

The Group’s accounting policy in respect of revenue recognition is set out in note 1.4 ‘Revenue recognition’. Total revenue during the year is £307.8m which derives from three sources:

- Vending machine revenue: £285.4m
- Sales of equipment, spare parts and consumables: £18.6m
- Sales of services: £3.8m

There is a presumption under the International Auditing Standards that there is a significant risk of fraud in the recognition of revenue, which could result in a material misstatement of revenue. There is also a risk of error in recognising revenue arising from the group’s cash collection process and IT controls, as well as in recognising sale of products and services in the appropriate period.

For ME Group International Plc, we see the risk of fraud or error in revenue recognition as being principally in relation to:

- Completeness of vending machine revenue from cash collections
- Recognition of revenue on uncollected cash at year-end
- The quality and reliability of IT systems and controls underpinning the accounting for vending revenue

How our scope addressed this matter

Our audit procedures included, but were not limited to:

- Performing walkthroughs to develop an understanding of the procedures associated with revenue recognition and evaluating the design and implementation of the relevant controls in place
- Performing tests of controls notably on key IT systems to ensure that the controls operated effectively during the period.
- Where IT General Controls were concluded to be effective, testing IT Automated Controls to support the occurrence and completeness of vending revenue. Where IT General Controls were concluded to be ineffective, testing of appropriate mitigating controls to support the same.
- Tracing of cash collections against bank statements to confirm the occurrence of revenue from vending machines.
- Confirming that revenue relating to uncollected cash at the year-end is correctly estimated by tracing it to post year-end collections.
- Tracing cash collection from a sample of active machines through to the general ledger.
- Ensuring completeness of vending machines in the revenue management system through physical verifications and other analytical procedures.
- Obtaining IFRS 15 assessment from management and ensuring this is appropriate and compliant with the IFRS requirements.
- Performing detailed review of revenue disclosures in the financial statements.

Our observations

Our audit procedures did not identify any material matters regarding the recognition of revenue. Revenue has been recorded in accordance with UK-adopted international accounting standards.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing, and extent of our audit

procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group materiality and Parent company materiality

	Group	Parent company
Overall materiality	£3,500,000	£1,620,000
How we determined it	Our materiality has been determined with reference to a benchmark of profit before tax of which it represents 5%.	Materiality has been determined with reference to a benchmark of net assets, of which it represents 2%.
Rationale for benchmark applied	We used profit before tax as, in our view, this provides us with the most relevant performance measure of the group.	We used net assets as, in our view, this provides us with the most relevant performance measure of the company, being primarily the parent company of the group.
Performance materiality	<p>Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.</p> <p>We set performance materiality at £2,400,000, which represents 70% of overall materiality. This was based on our risk assessments, together with our assessment of the group's overall control environment.</p>	<p>Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.</p> <p>We set performance materiality at £1,134,000, which represents 70% of overall materiality.</p>
Reporting threshold	We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £104,000 for the group, which is set at 3% of overall materiality, as well as misstatements below those amounts that, in our view, warranted reporting on qualitative reasons. We also reported to the Audit Committee disclosure matters that we identified during the course of assessing the overall presentation of the financial statements.	We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £49,000 for the parent company, which is set at 3% of overall materiality, as well as misstatements below those amounts that, in our view, warranted reporting on qualitative reasons. We also reported to the Audit Committee disclosure matters that we identified during the course of assessing the overall presentation of the financial statements.

Independent Auditor's Report to the Members of Me Group International plc continued

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the group and the parent company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the group and parent company financial statements. Based on our risk assessment, our audit procedures for both Component 1 and Component 2 of the Group provided 100% coverage for profit before tax (relevant materiality benchmark). Where we relied on work performed by component auditors, we issued audit instructions, directed component audit teams, reviewed component audit files, and maintained appropriate oversight throughout the audit.

At the parent company level, the group audit team also tested the consolidation process and carried out substantive analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

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. 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 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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 those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Guidance and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the parent company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

In 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; or
- information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a corporate governance statement has not been prepared by the parent company.

Corporate governance statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to Me Group International plc's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the

following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified, set out on page 78;
- Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why they period is appropriate, set out on page 66;
- Directors' statement on fair, balanced and understandable, set out on page 93;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks, set out on page 42;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems, set out on page 91; and;
- The section describing the work of the audit committee, set out on page 84.

Responsibilities of Directors

As explained more fully in the statement of the directors' responsibility set out on page 92, 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 the parent company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Me Group International plc continued

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment and tax legislation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the group and the parent company, the industry in which they operate, and the structure of the group, and considering the risk of acts by the group and the parent company which were contrary to the applicable laws and regulations, including fraud;
 - Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
 - Inspecting correspondence with relevant regulatory authorities;
 - Reviewing minutes of directors' meetings in the year; and
 - Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.
- We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.
- In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to recognition, valuation and impairment of intangible assets, including goodwill, revenue recognition (which we pinpointed to the manipulation of vending machine revenue), and significant one-off transactions.
- Our procedures in relation to fraud included but were not limited to:
- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
 - Gaining an understanding of the internal controls established to mitigate risks related to fraud;
 - Discussing amongst the engagement team the risks of fraud;

- Addressing the risks of fraud through management override of controls by performing journal entry testing, including consolidation journals;
- Reviewing accounting estimates and financial statement disclosures for management bias; and
- Reviewing transaction outside of normal course of business.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the “Key audit matters” section of this report.

A further description of our responsibilities is available on the Financial Reporting Council’s website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor’s report.

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the directors on 3 September 2019 to audit the financial statements for the period ending 31 October 2020 and subsequent financial periods. The period of total uninterrupted engagement is 5.5 years, covering the years ending 2020 to 2024.

No non-audit services prohibited by the FRC’s Ethical Standard were provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with our additional report to the audit committee.

Use of the audit report

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

As required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these financial statements form part of the ESEF-prepared annual report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard (‘ESEF RTS’). This auditor’s report provides no assurance over whether the annual report has been prepared using the single electronic format specified in the ESEF RTS.

David Herbinet (Senior Statutory Auditor)
for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
London

24 February 2025

Group Statement of Comprehensive Income

For the 12 months ended 31 October 2024

	Notes	31 October 2024 £'000	31 October 2023 £'000
Revenue	4	307,886	297,662
Cost of Sales	5	(198,394)	(194,413)
Gross Profit		109,492	103,249
Other Operating Income	5	209	194
Administrative Expenses	5	(35,617)	(35,351)
Reversal of impairment of trade receivables/(impairment)	17	303	(604)
Share of Post-Tax Profits from Associates	15	3	14
Operating Profit		74,390	67,502
Non-operating income – net	6	982	701
Finance Income	8	670	1,401
Finance Cost	8	(2,621)	(2,537)
Profit before Tax		73,421	67,067
Total Tax Charge	9	(19,331)	(16,401)
Profit for the year		54,090	50,666
Other Comprehensive Income			
Items that are or may subsequently be classified to Profit and Loss:			
Exchange differences arising on translation of foreign operations		(4,839)	454
Exchange differences reclassified to income statement on disposal of subsidiaries		76	–
Total Items that are or may subsequently be classified to profit and loss		(4,763)	454
Items that will not be classified to profit and loss:			
Remeasurement (loss)/gains in defined benefit obligations and other post-employment benefit obligations		(520)	(220)
Deferred tax on remeasurement loss/(gains)		118	48
Total Items that will not be classified to profit and loss		(402)	(172)
Other comprehensive income for the year net of tax		(5,165)	282
Total Comprehensive income for the year		48,925	50,948
Profit for the Year Attributable to:			
Owners of the Parent		54,090	50,666
Non-controlling interests		–	–
		54,090	50,666
Total comprehensive income attributable to:			
Owners of the Parent		48,925	50,948
Non-controlling interests		–	–
		48,925	50,948
Earnings per Share			
Basic Earnings per Share	11	14.36p	13.41p
Diluted Earnings per Share	11	14.27p	13.33p

All results derive from continuing operations. The notes on pages 126 to 180 are an integral part of these consolidated financial statements.

Group Statement of Financial Position

As at 31 October 2024

	Notes	31 October 2024 £'000	31 October 2023 (Restated) £'000
Assets			
Goodwill	12	11,006	18,888
Other intangible assets	12	14,362	17,822
Property, plant & equipment	13	136,332	118,124
Investment in associates	15	37	35
Financial instruments held at FVTPL	16	1,619	5,886
Other receivables	17	2,814	3,005
Non-Current Assets		166,170	163,760
Inventories	18	38,065	32,501
Trade and other receivables	17	19,292	12,261
Current tax		97	7,962
Cash and cash equivalents	19	86,147	111,091
Current assets		143,601	163,815
Non-Current Assets Classified as Held for Sale	14	2,869	4,947
Total assets		312,640	332,522
Equity			
Share capital	21	1,882	1,891
Share premium		11,510	11,083
Treasury shares	21	–	(1,969)
Capital redemption reserve		12	–
Translation and other reserves		7,990	11,958
Retained earnings		158,477	136,025
Total Shareholders' funds		179,871	158,988
Liabilities			
Financial liabilities	23	35,957	58,447
Post-employment benefit obligations	24	4,402	4,063
Deferred tax liabilities	26	7,202	8,566
Non-current liabilities		47,561	71,076
Financial liabilities	23	23,806	32,063
Provisions	25	1,306	1,884
Current tax		3,253	10,590
Trade and other payables	27	56,843	57,921
Total equity and liabilities		312,640	332,522

The notes on pages 126 to 180 are an integral part of these consolidated financial statements.

The accounts were approved by the Board on 21 February 2024 and signed on its behalf by:



Serge Crasnianski
Chief Executive Officer



Sir John Lewis OBE
Non-executive Chairman

Registration number: 00735438

Group Statement of Cash Flows

For the period ended 31 October 2024

	Notes	31 October 2024 £'000	31 October 2023 (restated) £'000
Cash flow from operating activities			
Profit before tax		73,421	67,067
Finance costs		1,046	1,286
Interest of lease liabilities		1,575	1,251
Finance income		(670)	(1,401)
Non-operating income – net		(982)	(701)
Operating profit		74,390	67,502
Amortisation and impairment of intangible assets	5	7,425	6,586
Depreciation of property, plant and equipment net of reversal of impairments	5	32,409	32,552
Loss on sale property, plant and equipment and intangible assets		263	555
Exchange differences		1,081	(129)
Non-cash movements in provisions and post-employment benefit obligations		541	1,243
Share based compensation charge		795	345
Other non cash items		268	(378)
Changes in working capital:			
Inventories		(5,564)	(7,010)
Trade and other receivables		(3,099)	2,975
Trade and other payables		(1,078)	5,673
Cash generated from operations		107,431	109,914
Payments made in respect of provisions and post-employment benefit obligations		(796)	(881)
Interest paid		(2,621)	(2,537)
Interest received		670	1,401
Taxation paid		(17,518)	(20,203)
Net cash generated from operating activities		87,166	87,693
Cash flows from investing activities			
Acquisition of subsidiaries	31	–	(4,790)
Net proceeds from disposal of subsidiaries		3,673	209
Purchase of intangible assets		(2,511)	(3,798)
Purchase of property, plant and equipment		(52,103)	(45,842)
Capital expenditure on non-current assets classified as held for sale	14	–	(4,362)
Proceeds from sale of property, plant and equipment		1,523	1,539
Proceeds from sale of non-current assets classified as held for sale	14	1,852	–
Net cash utilised in investing activities		(47,566)	(57,044)
Cash flows from financing activities			
Issue of ordinary shares to equity shareholders		430	458
Purchase of treasury shares	21	(1,425)	(1,969)
Repayment of principal of leases		(5,932)	(5,857)
Repayment of borrowings	20	(27,049)	(30,961)
New borrowings drawn	20	1,152	4,817
Dividends paid to owners of the Parent	10	(27,842)	(23,443)
Net cash utilised in financing activities		(60,666)	(56,955)
Net decrease in cash and cash equivalents		(21,067)	(26,304)
Cash and cash equivalents at beginning of year		111,091	136,185
Exchange gain on cash and cash equivalents		(3,877)	1,210
Cash and cash equivalents at end of year		86,147	111,091

The notes on pages 126 to 180 are an integral part of these consolidated financial statements.

Group Statement of Changes in Equity

For the period ended 31 October 2024

	Share capital £'000	Share premium £'000	Treasury shares £'000	Capital Redemption Reserve £'000	Other reserves £'000	Translation reserve £'000	Retained earnings £'000	Total £'000
At 1 November 2022	1,889	10,627	–	–	2,665	8,494	108,974	132,649
Profit for the period	–	–	–	–	–	–	50,666	50,666
Other comprehensive income/(expense):								
Exchange differences	–	–	–	–	–	454	–	454
Remeasurement losses in defined benefit pension scheme and other post-employment benefit obligations	–	–	–	–	–	–	(220)	(220)
Deferred tax on remeasurement losses	–	–	–	–	–	–	48	48
Total other comprehensive income/(expense)	–	–	–	–	–	454	(172)	282
Total comprehensive income	–	–	–	–	–	454	50,494	50,948
Transactions with owners of the Parent:								
Shares issued in the period (note 21)	2	456	–	–	–	–	–	458
Purchase of treasury shares (note 21)	–	–	(1,969)	–	–	–	–	(1,969)
Share options (note 22)	–	–	–	–	345	–	–	345
Dividends (note 10)	–	–	–	–	–	–	(23,443)	(23,443)
Total transactions with owners of the Parent	2	456	(1,969)	–	345	–	(23,443)	(24,609)
At 31 October 2023	1,891	11,083	(1,969)	–	3,010	8,948	136,025	158,988
At 1 November 2023	1,891	11,083	(1,969)	–	3,010	8,948	136,025	158,988
Profit for the period	–	–	–	–	–	–	54,090	54,090
Other comprehensive income/(expense):								
Exchange differences	–	–	–	–	–	(4,839)	–	(4,839)
Translation reserve taken to income statement on disposal of subsidiaries	–	–	–	–	–	76	–	76
Remeasurement losses in defined benefit pension scheme and other post-employment benefit obligations	–	–	–	–	–	–	(520)	(520)
Deferred tax on remeasurement losses	–	–	–	–	–	–	118	118
Total other comprehensive (expense)	–	–	–	–	–	(4,763)	(402)	(5,165)
Total comprehensive expense/(income)	–	–	–	–	–	(4,763)	53,688	48,925
Transactions with owners of the Parent:								
Shares issued in the period (note 21)	3	427	–	–	–	–	–	430
Purchase of treasury shares (note 21)	–	–	(1,425)	–	–	–	–	(1,425)
Cancellation of treasury shares (note 21)	(12)	–	3,394	12	–	–	(3,394)	–
Share options (note 22)	–	–	–	–	795	–	–	795
Dividends (note 10)	–	–	–	–	–	–	(27,842)	(27,842)
Total transactions with owners of the Parent	(9)	427	1,969	12	795	–	(31,236)	(28,042)
At 31 October 2024	1,882	11,510	–	12	3,805	4,185	158,477	179,871

The notes on pages 126 to 180 are an integral part of these consolidated financial statements

Notes to the Consolidated Financial Statements

For the period ended 31 October 2024

General Information

ME Group International plc (the "Company") is a public limited company incorporated and registered in England and Wales and whose shares are quoted on the London Stock Exchange, under the symbol MEGP. The registered number of the Company is 735438 and its registered office is at Unit 3B, Blenheim Rd, Epsom, KT19 9AP. The principal activities of the Company and its subsidiaries (together referred to as the "Group") continue to be the operation, sale, and servicing of a wide range of instant-service equipment. The Group operates coin-operated automatic photobooths for identification and fun purposes, and a diverse range of vending equipment, including digital photo kiosks, laundry machines, and business service equipment, and amusement machines.

Authorisation of the financial statements and statement of compliance with IFRSs

The consolidated financial statements of ME Group International plc for the period ended 31 October 2024 were authorised for issue by the directors on 21 February 2025 and the statements of financial position were signed by S. Crasnianski, Chief Executive Officer and J. Lewis, Non-executive Chairman.

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and in conformity with the requirements of the Companies Act 2006.

1 Material accounting policies

The material accounting policies adopted in the preparation of the Group's consolidated financial statements are set out below. The policies have been consistently applied, unless otherwise stated, to all of the statements presented. New standards adopted for this financial period are shown in note 2 on page 133.

1.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards, using the historical cost convention except for certain financial instruments held at FVTPL, share-based payments and defined benefit pension obligations that have been measured at fair value.

The consolidated financial statements are presented in Pounds Sterling, being presentational currency of the Group and all values are shown in £'000 except where indicated. Further details are provided in note 1.3.

The following restatements have been made to the comparative figures for the year ending 31 October 2023;

- Reclassification from prepayments to non-current assets classified as held for sale (see notes 14 and 17)
- IFRS remeasurements of goodwill and intangibles following an acquisition (see note 12)
- Reallocation of VAT to components of revenue following a change in allocation methodology (see note 4)
- Reclassifications between categories of property, plant and equipment (see note 13)

Going concern

The consolidated financial statements of the Group have been prepared on the going concern basis.

In reaching this conclusion the Directors have reviewed detailed budgets, which reflect, where applicable, the current economic conditions, with regard to the level of demand for the Group's manufactured products, the level of consumer confidence and cash flow forecasts for at least the next twelve months.

The Directors assessed the Group's going concern basis by stress testing three scenarios and their projected financial impact over a three-year period. The Directors' have used the three-year business plan in this assessment which covers a period of 12 months after the date of signing of the financial statements for the assessment of going concern and a period of three years for the assessment of viability. The following scenarios were tested:

Scenario 1:

The budget, elaborated with each country manager and validated by the top management, which we consider as the most likely scenario. Please note that this scenario is the one approved by the Board.

Scenario 2:

The "mild" scenario is based on the budget, but with the following sensitivities added:

- A 5% decrease in machine installations due to supply chain issues
- A 5% price increase in spare parts and consumables
- A 1% increase in labour costs
- A 5% increase in paper costs
- A 1% drop in total revenue due to loss of key accounts
- A 1% drop in revenue due to the potential impact of a future pandemic or other global event.
- This scenario does not consider the potential impact of new regulations regarding photo identification

or permission of selfies as official photos within the three-year forecast

- In addition we assume in this scenario an additional revenue decrease of 2% the first year (2025) for an unidentified reason as of today.

Scenario 3:

The “worst case” scenario is based on the budget, but with the following sensitivities added:

- A 10% decrease in machine installations due to supply chain issues,
- A 10% price increase in spare parts and consumables
- A 2% increase in labour costs
- A 10% increase in paper costs
- A 1% drop in total revenue due to loss of key accounts
- A 3% drop in revenue due to the potential impact of a future pandemic or other global event.
- Revenue is reduced by 3% each year due to the potential impact of new regulations regarding photo identification or permission of selfies as official photos.
- In addition we assume in this scenario an additional revenue decrease of 3% the first year (2025) for an unidentified reason as of today.

In all three scenarios, exchange rate assumptions are as per the budget. The forecasts assume payment of dividends commensurate with results and the Group’s dividend policy.

In all three scenarios tested, the group continues to comply with its bank covenants and loan repayment terms and is in a strong financial position after three years.

Neither the Ukrainian nor Israeli conflicts are expected by management to have a significant impact on the business of the Group. The Group has no activity in these regions.

Management does not consider interest rate risk to be a threat to the Group’s going concern, as all current debt is at fixed rates and the forecasts indicate no requirement for new debt facilities.

As a result, the cash flow projections indicate that the Group will remain within its available banking facilities over the 12 months from signing these financial statements. Additional information on these facilities is provided in note 16.

1.2 Basis of consolidation

The Group consolidates the financial statements of the Company and all of its subsidiaries, and includes associates under the equity method, as at each year end.

Subsidiaries

Subsidiaries are all entities controlled by the Group. The Group controls an entity when it 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 over the entity. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The acquisition date is the date on which control is transferred to the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date on which control ceases. Losses applicable to non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a negative balance.

The principal subsidiaries affecting the results and financial position of the Group are shown in note 19 of the Parent Company Financial Statements.

Changes in ownership of subsidiaries and loss of control

Changes in the Group’s interest in a subsidiary that do not result in loss of control are accounted for as equity transactions.

Where the Group loses control of a subsidiary, the assets and liabilities are derecognised along with any related non controlling interest and other components of equity. Any resulting gain or loss is recognised in profit and loss. Any interest retained in a subsidiary is measured at fair value when control is lost.

The Group uses the acquisition method to account for business combinations. Acquisition costs for business combinations are expensed as incurred. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets acquired, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at their fair values on acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets.

Notes to the Group Financial Statements continued

1 Material accounting policies continued

If the business combination is achieved in stages, the carrying value of the acquirer's previously held interest in the acquiree is re-measured to fair value at the acquisition date, with such gains or losses arising from remeasurement recognised in profit and loss.

Transactions eliminated on consolidation

Inter-company transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated. Material intercompany transactions which are eliminated include sales between subsidiaries and recharges of corporate costs to subsidiaries.

1.3 Foreign currency translation

The consolidated financial statements are presented in Pounds Sterling, being the presentational currency of the Group and all values are shown in £'000 except where indicated.

Transactions in foreign currencies are translated into the respective functional currencies of the Group's subsidiaries at the exchange rate ruling on the date the transaction is recorded. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates ruling at 31 October. Exchange gains and losses resulting from the above translation are reflected in the income statement.

For subsidiaries that have a functional currency other than Pounds Sterling, income statements are translated into Pounds Sterling at the weighted average rate of exchange for the year, being a reasonable approximation of actual exchange rates at the date of the transaction. Statements of financial position are translated into Pounds Sterling at the exchange rate ruling at 31 October.

Exchange differences arising on the translation of opening net assets are taken to the translation reserve within equity, as is the exchange difference on the translation of the income statement between average and closing exchange rates. For this purpose, net assets includes loans between group companies and any related foreign exchange contracts where settlement is neither planned nor likely to occur in the foreseeable future. Such cumulative exchange differences are released to the income statement on disposal of the subsidiary or associate.

1.4 Revenue recognition

There are three types of revenue earned by the Group:

- a) Vending revenue is recognised when the services are provided which is also when payment is received. Vending revenue is total consideration received during the period including that held in machines at the statement of financial position date. Each vending sale transaction entered into by the Group represents a single performance obligation. Vending revenue is the fair value of consideration received and is measured net of discounts, VAT and other sales-related taxes. Payment is received immediately before the service is delivered to the customer, with no payment terms offered.
- b) Revenue from the sale of equipment, spare parts and consumables is recognised upon delivery of products and acceptance, if applicable, by the customer. Each sale of equipment, spare parts and consumables represents a single performance obligation. Sales revenue is the fair value of consideration received or receivable and is measured net of discounts, VAT and other sales-related taxes. Payment is typically due and received 30 days after the delivery of the product.

The Group offers a two year warranty on all machines sold and is responsible for any repairs required in that period
- c) Revenue from the provision of services, principally maintenance contracts, is recognised at the time the service is delivered to the customer. Sales of services represents a single performance obligation. Revenue is the fair value of consideration received or receivable and is measured net of discounts, VAT and other sales-related taxes. Revenue is recognised in a straight line manner over the maintenance contract term. Payment is typically due and received 30 days after the delivery of the service is complete. Contract terms do not exceed one year in length.

1.5 Finance income and costs

Finance income and costs are both recognised in the income statement under the effective interest method.

1.6 Taxation

Tax expense for the current period comprises current and deferred tax and is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or equity. The current tax charge is calculated on the basis of the laws enacted or substantively enacted at the statement of financial position date in the countries where the Group operates.

Deferred tax is provided in full on temporary differences arising between the tax base of assets and liabilities and their carrying value in the accounts.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in future periods in which the temporary difference will reverse, based on tax rates and laws enacted or substantively enacted at the year end.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit, against which the deductible temporary differences can be utilised, will be available.

Deferred tax is provided, or an asset recognised, on taxable temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Current tax assets and liabilities are measured at the amounts expected to be recovered from, or paid to, the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at year end.

1.7 Intangible assets

Goodwill

Goodwill represents the excess of cost of an acquisition of a subsidiary over the fair value of the Group's share of net identifiable assets at the date of acquisition.

Goodwill is not amortised but is tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amounts may be impaired and is carried at cost less any impairment. On disposals, goodwill is included in the calculation of gains or losses on the sale of the previously acquired entity.

For the purposes of impairment testing, goodwill is allocated to cash-generating units. Each of these units represents the Group's investment in an operating subsidiary.

Where an acquisition creates a gain on bargain purchase (negative goodwill), the gain is recognized directly in the income statement.

Internally generated research and development expenditure

Research and development costs are accounted for in line with all relevant criteria as mandated by IAS 38 Intangible Assets. Research expenditure is expensed as incurred. Costs incurred in developing projects are capitalised as intangible assets when it is considered that the commercial viability of the project will be a success based on discounted expected cash flows, and the costs can be reliably measured.

Development costs that do not meet the capitalization requirements of IAS 38 are expensed and are not recognised as assets.

Separately acquired intangible assets

Intangible assets (including acquired research and development) acquired as part of a business combination are initially recognised at fair value at the date of acquisition. Other intangibles are initially recognised at cost.

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment.

The amortisation policies applied to the Group's intangible assets are summarised as follows:

	Capitalised research and development	Software	Customer related	Patents and licences	Droit au Bail
Useful lives	Finite	Finite	Finite	Finite	Indefinite
Amortisation	Straight-line basis, with a maximum life of four years from commencement of commercial production, with no residual value	Straight-line basis, with a maximum life of three years, with no residual value	Straight-line basis, over their useful lives of between three and ten years, with no residual value	Straight-line basis, over their useful lives of between seven and ten years, with no residual value	Not amortised regularly, but subject to impairment testing
Internally generated or acquired	Internally generated	Acquired	Acquired	Acquired	Acquired

Notes to the Group Financial Statements continued

1 Material accounting policies continued Separately acquired intangible assets with indefinite useful lives

Droit au bail, which occur in France, are rights to occupy a space to site vending equipment. According to French law, droit au bail contracts are tacitly extended, hence the determination of an indefinite useful life.

The carrying amount of droit au bail assets at 31 October 2024 was £172,000.

Amortisation of capitalised development costs are included in the cost of sales. Amortisation of other intangible assets categories is included in both the cost of sales and administration expenses in the income statement.

1.8 Property, plant and equipment

Property, plant and equipment is shown at cost, less accumulated depreciation and any impairment.

Subsequent expenditure on property, plant and equipment is capitalised, either as a separate asset, or included in the cost of the asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost can be measured reliably. The carrying amount of any parts of the assets that are replaced are derecognised. All other costs are recognised in the income statement as an expense as incurred.

Freehold land is not depreciated. Other assets are depreciated on a straight-line basis, to reduce cost to the estimated residual value over the estimated useful life of the asset at the following rates:

Freehold buildings & vending machine sites	2% – 12.5% straight-line
Photobooths and vending machines	10% – 33.33% straight-line
Right of use assets	Depreciated over the lease term
Plant, machinery, furniture, fixtures and motor vehicles	12.5% – 33.33% straight-line.

The assets' residual values and useful lives are reviewed at each year end and adjusted, if appropriate.

1.9 IFRS 16 leases

The Group has arrangements across three main categories that meet the definition of a lease under IFRS 16: site agreements, property and motor vehicles. The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability at the lease commencement date, except for short term

leases and leases of low value. For short term and low value leases, the lease payments are recognized as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. The right-of-use assets are from the commencement date depreciated over the shorter period of lease term and useful life of the underlying asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment.

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the relevant country discount rate. Lease Liabilities are adjusted for certain re-measurement events, e.g. revised discount rate, change in the lease term or change in future lease payments resulting from a change in an index. Discount rates are determined using the Group's external cost of borrowing adjusted for timing of borrowing, lease term, country and currency impacts. An asset specific adjustment is also applied to tailor the discount rate to the specific characteristic of the leased asset. For the purpose of determining asset specific adjustments leases have been organised into pools of similar leased asset types.

Site agreements

The Group operates vending units which are deployed under a fee-paying agreement with the site owner. These agreements vary widely in their terms and conditions. The Group examines, on an individual basis, the degree to which these agreements meet the definition of a lease under IFRS 16, with particular regard to the presence of an identified asset with no substitution rights. While the standard sets out the definition of a lease, judgement is required in assessing the degree to which those criteria are met, particularly with regard to the presence of an identified asset with no substitution rights.

Contracts outside of the scope of IFRS 16

Some of the Group's lease arrangements do not meet the criteria for IFRS 16 treatment (e.g. variable rent, site owners have control over the machine location or ME Group can stop a contract with a short period notice at any time) and are de facto accounted for as operating costs

1.10 Impairment of non-financial assets

For goodwill and intangible assets with indefinite lives, the carrying value is reviewed annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amounts may be impaired.

Other intangible assets and property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying value of the asset is higher than the recoverable amount of the asset an impairment loss is recognised. Impairments charges are included in 'Administration expenses' in the income statement. In carrying out such impairment evaluations the recoverable amount is the higher of the asset's value in use or its fair value less costs to sell.

Assets that do not generate largely independent cash inflows are grouped at the lowest level for which separately identifiable cash inflows exist (cash-generating units) and the recoverable amount is determined for the cash-generating unit (CGU). For the purposes of impairment testing goodwill and intangible assets, the Group defines a CGU as an operating company. For property, plant and equipment, impairment testing is performed at the individual asset level.

Reversal of impairment

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised. No impairment loss is reversed for goodwill or intangible assets with indefinite lives.

1.11 Financial instruments

(i) Financial assets

Classification of financial assets

Financial instruments are classified based on the Group's business model for managing financial assets and the contractual cash flow characteristics of the financial asset.

(a) Trade receivables

Trade receivables are initially measured at fair value, and subsequently at their amortised cost as reduced by appropriate allowances for expected credit losses.

(b) Cash and cash equivalents

Cash and cash equivalents are measured at amortised costs. Bank overdrafts are included within borrowings in current liabilities in the statements of financial position.

(c) Financial assets at fair value through profit or loss

Financial assets in this category are initially recorded and subsequently valued at fair value, with changes in fair value recognised in the income statement.

For investments designated as financial assets at fair value through profit or loss, the fair values of quoted investments are based on current bid prices. For unlisted investments the Group uses various valuation techniques to determine fair values. Investments in convertible bonds are valued on a discounted cashflow basis and by reference to the issuing company's equity value, where necessary.

(ii) Financial liabilities

(a) Borrowings

Borrowings are recorded initially at the fair value of the consideration received net of directly attributable transaction costs.

After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate method. This method includes any initial issue costs and discounts or premiums on settlement. Finance costs on the borrowings are charged to the income statement under the effective interest rate method.

Financial liabilities are derecognised when the obligation under the liability is cancelled, discharged or has expired.

(b) Trade and other payables

Trade payables are initially recorded at fair value and subsequently recorded at amortised cost using the effective interest rate method.

1.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes costs incurred in bringing inventories to their present location and condition. The cost of work-in-progress and finished goods includes an appropriate proportion of production overheads.

Finished goods also include operating equipment not yet sited.

Raw materials and consumables are valued on a first-in first-out basis or on an average cost basis where average cost is not significantly different to first-in first-out due to the fast turnaround of consumables. The Group uses standard costs to value inventory and these standard costs are regularly updated to reflect current prices.

Inventories are stated net of provisions for slow moving and obsolete inventory based on expected future usage.

Notes to the Group Financial Statements continued

1 Material accounting policies continued

1.13 Cash and cash equivalents

Cash and cash equivalents are carried in the statements of financial position at amortised cost. Bank overdrafts are included within borrowings in current liabilities in the statements of financial position. For the purposes of the statements of cash flows, cash and cash equivalents comprises cash on hand, restricted and unrestricted deposits held at banks and other highly liquid investments with an original maturity of three months or less, less bank overdrafts.

The Group operates a zero balancing cash pooling arrangement, which physically sweeps cash from subsidiary bank accounts to central clearing bank accounts on a daily basis. Any overdrawn balances in subsidiaries are not offset against positive balances.

1 Material accounting policies continued

1.14 Share capital and reserves

Share capital

Ordinary shares of the Company are classified as equity.

Where the Company acquires its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of tax relief), is deducted from equity attributable to the Company's equity shareholders until the shares are either cancelled or subsequently reissued. The amount is shown in equity as treasury shares.

Where treasury shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Where treasury shares are subsequently cancelled, share capital is reduced by the nominal value of the shares cancelled, with a corresponding credit entry made to the capital redemption reserve. The consideration originally paid to acquire the shares is recognized as a reduction in retained earnings.

Share premium

Any excess received for shares issued over their nominal value is recorded in the share premium account.

Capital redemption reserve

The capital redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the purchase and cancellation of the Company's own shares.

Translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of

the financial statements of foreign subsidiaries and associates. In accordance with the options allowed under IFRS 1, only exchange rate differences arising on translation after the date of transition, 1 May 2004, are shown in this reserve.

Other reserves

Share options reserve

Used to accrue the grant date fair value of options issued, in accordance with IFRS 2.

Other reserve accounts arising in subsidiaries

Generally not distributable and arise as a result of local legislation regarding capital maintenance.

1.15 Employee benefits

Pension obligations

Group companies have various pension schemes in accordance with local conditions and practices in the countries in which they operate. The Group operates both defined benefit and defined contribution schemes.

The Company operates a defined benefit pension scheme, which is closed to new entrants, with contributions made by employees and the Company with defined benefits being based upon the employee's length of service and final pensionable salary. The Company also operates a defined contribution pension scheme.

Defined benefit schemes

Details of the pension schemes are included in note 24.

The net obligation for the Group's defined benefit pension schemes is calculated for each scheme separately by estimating the future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value amount of plan assets. The calculation is performed by independent actuaries using the projected unit credit actuarial method. If this calculation results in a potential asset for the Group, this asset is only recognised to the present value of the economic benefits available in the form of a refund of contributions paid to the fund or reductions in future contributions. In calculating the present value of any economic benefit consideration is given to any minimum funding requirements.

Re-measurement of the net liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effects of any asset ceiling, are recognised in other comprehensive income. The Group determines the net interest expense (income) on the net liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the then net defined liability (asset), taking into account changes in the

period as a result of contributions and pension benefits paid. Other expenses are charged to profit and loss.

When plan benefits are changed or the plan curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised in profit and loss. Gains and losses on settlement of any plan are recognised when settlement occurs.

Defined contribution schemes

Contributions to defined contribution schemes are expensed as incurred.

Other post-employment benefits

In addition to the pension schemes noted above, contracts of employment in certain Group companies require provision to be made for employee retirements. These provisions are based on local circumstances, length of service and salaries of the employees concerned. They are included in post-employment benefit obligations and shown in note 24 as other retirement provisions.

Share-based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date of grant, determined using the Black-Scholes model. The fair value is expensed on a straight-line basis over the vesting period, based on management's estimate of the number of shares that will eventually vest. The Group does not have options with market conditions.

On exercise of the option the proceeds received are allocated to share capital (nominal value of shares) and share premium.

The grant by the Parent Company of options over its ordinary shares to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of the employee services received, measured by reference to the grant date fair value, is recognised over the investing period as an increase to the investment in subsidiary undertakings with a corresponding credit to other reserves in equity.

Details of share-based payments are included in note 22.

Termination benefits

Termination benefits are recognised in the income statement in the period when the Group is demonstrably committed to the termination of employment or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Short-term employee benefits

The Group recognises a liability and an expense for short-term employee benefits (such as holiday pay,

bonuses and profit sharing) where these obligations contractually arise (for example, as a result of employment contracts) or where a constructive obligation has arisen from past practice.

1.16 Dividend distributions

Final dividends to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the dividends are approved by shareholders. Interim dividends are recognised as a liability when paid.

1.17 Non-current assets classified as held for sale

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Non-current assets transferred to held for sale are recognised at the lower of their carrying amount and fair value less costs to sell and presented separately on the Statement of Financial Position. Non-current assets classified as held for sale are not depreciated.

1.18 Guarantees issued by parent company

The parent company of the Group's has issued guarantees over certain bank loan liabilities of subsidiary companies in France and Japan. Under these guarantees, the Company would be liable for the subsidiaries' loan liabilities in the event of a default. The outstanding balance of guaranteed loan liabilities at 31 October 2024 was £12,054,000.

The Company is required to recognise expected credit losses provisions (ECL) based on unbiased forward-looking information in relation to these guarantee contracts. The ECL is measured using two main components: probability of default and loss given default.

Management have assessed the probability of default and considered the following factors: the Group operates a cash pooling arrangement, which ensures that all subsidiaries have access to sufficient cash to meet their obligations as they fall due; at the reporting date the Group holds cash of £86,147,000, which exceeds the balance of guaranteed loans; and cash forecasts indicate that the Group will continue to hold sufficient cash to cover the guaranteed loans for the next three years.

The loss given default value would be the outstanding value of the guaranteed loan liabilities.

Given the facts set out above, management determined that no ECL provision is required.

Notes to the Group Financial Statements continued

2 New standards, amendments and interpretations

New accounting standards

Adopted by the Group

The Group has adopted the following new standards and amendments for the first time in these financial statements with no material impact:

- Definition of Accounting Estimates – Amendments to IAS 8
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12
- Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules
- IFRS 17 Insurance Contracts (issued May 2017) and Amendments to IFRS 17 Insurance Contracts (Issued June 2020)
- Amendments to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Issued December 2021)

2 New standards, amendments and interpretations continued

Not yet adopted by the Group

Certain new accounting standards and interpretations have been published which are endorsed in the UK that are not mandatory for the current period and have not been early adopted by the Group. These new standards and interpretations, which are not expected to have a material effect on the Group, are set out below.

Description	Date required to be adopted by the Group
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1	1 January 2024
Disclosure of Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024
Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates	1 January 2025

3 Key judgements, critical accounting estimates and other accounting estimates

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

- 1) **Development costs – notes 1.7 and 12.**
Judgement is required to determine whether development expenditure meets the criteria for capitalization as an intangible asset, in accordance with IAS 38. Specifically, management must determine that it is probable that future economic benefits that are attributable to the asset will flow to the Group, and that the cost of the asset can be reliably measured. Management assesses whether an asset under development will be a commercial success, and therefore generate economic benefit, through the use of discounted cashflow analysis. This judgement has been applied consistently year to year.
- 2) **Application of IFRS16 to site agreements – note 1.9**
The Group operates vending units which are deployed under a fee-paying agreement with the site owner. These agreements vary widely in their terms and conditions. Due to the high volume of such agreements, the accounting impact is material to the Group. Management assesses, on agreement-by-agreement basis, whether the criteria for recognition as a lease under IFRS 16 has been met. While the standard sets out the definition of a lease, judgement is required in assessing the degree to which those criteria are met, particularly with regard to the presence of an identified asset with no substitution rights. This judgement has been applied consistently year to year.

The following are areas of estimation uncertainty:

Critical estimates:

- 1) **Goodwill and other intangible assets – notes 1.7, 1.10 and 12.**
Impairment

The recoverable amount of cash generating units (CGUs) has been determined by management on a value-in-use basis. These calculations require estimates by management, including management's expectations of future growth in revenue, costs and profit margins, cash flows and discount rates.

The carrying value of goodwill and intangible assets at the period end were £11,006,000 and £14,362,000 respectively.

For both goodwill and intangible assets, value in use was determined by discounting the future cash flows of the CGU. Cash flows include a forecast period of five years, based on actual operating results, budgets and economic market research with a terminal value based on a long-term growth rate applied thereafter. The Growth rate assumption for all CGUs was 1% (2023: 1%).

WACC discount rates were calculated for each territory and ranged between 11.4% and 14.3% (2023: 11.0%-14.1%).

Further details of impairment testing, including assumptions and sensitivities, are disclosed in note 12.

Goodwill impairments are not reversed or adjusted.

Purchase price allocation (PPA)

In accordance with IFRS, purchase price allocation is completed within one year of the acquisition date. Resulting adjustments to prior year balances are shown as an opening balance remeasurement in the current year.

2) Useful lives of property, plant and equipment (UEL) – notes 1.8 and 13.

Useful lives (UEL)

Management make estimates of the useful life of property, plant and equipment as disclosed in note 1.8. Photobooths and vending machines are the most material category of property, plant and equipment to the Group (carrying value of £107,920,000). UELs for photobooths and vending machines are determined through analysis of the historic cash generation lifecycle of the vending estate. Technological developments and regulatory changes can impact on the UELs of the vending estate. Management consider these factors in assessing the UELs of the assets.

The key inputs in determining asset UELs are actual historic and expected forward-looking cash generation lifecycle data. If the average period of cash generation for photobooths and vending machines increased by one year, causing a one year increase in UELs, the annual depreciation charge would reduce by £3,654,000. If the average period of cash generation for photobooths and vending machines decreased by one year, causing a one year decrease in UELs, the annual depreciation charge would increase by £5,038,000.

3) Valuation of pension obligations – note 1.15 and 24

The Group operates pension and other retirement and post-employment schemes including both funded defined benefit schemes, and

defined contribution schemes. The schemes' assets and liabilities are valued annually by third party actuaries, in accordance with IAS19. Pension valuations are subject to estimation and uncertainty due to the complex nature of actuarial assumptions. Management reviews the appropriateness of the actuaries' assumptions each year as part of the valuation process.

The carrying value of the Group's pension and retirement obligations at the period end was £4,402,000.

Other estimates

1) Impairment of property, plant and equipment – notes 1.8, 1.10 and 13.

Significant impairment charges were made against property, plant and equipment in the year ended 31 October 2020. The Covid 19 pandemic had impacted the trading and outlook of the Group, indicating reduced value in use of the vending estate and therefore impairment. In the subsequent years the Group continued to subject these assets to annual impairment tests. Previously recognised impairment losses were reversed where testing indicated increased value in use.

At 31 October 2024 management considers that the original indicator of impairment, caused by the Covid 19 pandemic, no longer exists. This conclusion is supported by increased cash generation of the assets since 2020.

A key input to the determination of value in use is the revenue generated by each machine. This metric has increased significantly post-Covid, as the Group's trading performance has recovered. Accordingly, management have increased their estimate of the future revenue generation of all machines. This increases the service potential of the assets, increasing value in use, and therefore recoverable amount, above the carrying value (excluding impairment). Consequently, all remaining impairments were reversed in the current year, with care taken to ensure that the closing net book value did not exceed what it would have been had the original impairment never occurred.

Impairments to property, plant and equipment with a total value of £1,668,000 were reversed in the year.

Further details are disclosed in note 13.

The carrying value of property, plant and equipment at the period end was £136,332,000.

Notes to the Group Financial Statements continued

3 Key judgements, critical accounting estimates and other accounting estimates continued

2) Determination of discount rates for lease accounting – notes 1.9 and 13

To calculate the value of right of use assets and lease liabilities recognised in the Statement of Financial Position, management must determine an appropriate discount rate to apply to the cashflows of each lease agreement. Discount rates are subject to uncertainty and estimation as they are based on numerous external inputs and assumptions.

Management determines discount rates using the Group's external cost of borrowing adjusted for timing of borrowing, lease term, country and currency impacts. Management obtained expert external advice on the determination of appropriate discount rates for the year ended 31 October 2024. The discount rates used range between 0.26% and 4.46%.

The key input in determining the discount rates is the Group's external cost of borrowing. A 10% increase in the Group's external cost of borrowing would result in a discount rate range of 0.39% to 4.58%.

4 Segmental analysis

IFRS 8 requires operating segments to be identified based on information presented to the Chief Operating Decision Maker (CODM) in order to allocate resources to the segments and monitor performance. For ME Group the Board is considered to be the CODM. The Group reports its segments on a geographical basis: Continental Europe, United Kingdom & Ireland and Asia Pacific.

Individual operating companies are aggregated into the three geographic segments. The Board believe that the similar economic characteristics of the operating companies, together with the fact that they are similar in terms of operations, use common systems and the nature of the regulatory environment allow them to be aggregated into geographic reporting segments.

The key segmental performance indicators considered by the CODM are revenue and operating profit.

Segmental results are reported before intra-group transfer pricing charges.

The following tables provide analysis of performance by geographic segment:

	Continental Europe £'000	United Kingdom & Ireland £'000	Asia Pacific £'000	Corporate £'000	Total £'000
31 October 2024					
Photo.ME	111,646	19,288	42,296	–	173,230
Wash.ME	64,084	27,207	166	–	91,457
Print.ME	10,657	116	85	–	10,858
Other Vending (including Feed.ME)	1,889	1,587	6,426	–	9,902
Total Vending Revenue	188,276	48,198	48,973	–	285,447
Sales of equipment, spare parts, consumables	17,406	841	378	–	18,625
Sales of services	3,305	150	360	–	3,815
Total Revenue	208,987	49,188	49,711	–	307,886
EBITDA	94,490	19,205	10,979	(10,450)	114,224
Depreciation and amortisation	(27,000)	(6,482)	(5,327)	(392)	(39,201)
(Impairment)/reversal of impairment	585	312	(1,530)	–	(633)
Operating profit/(loss)	68,075	13,035	4,122	(10,842)	74,390
Operating profit					74,390
Non operating income - net					982
Finance income					670
Finance costs					(2,621)
Profit before tax					73,421
Tax					(19,331)
Profit for the period					54,090
Capital expenditure (excluding Right of Use assets)	38,582	12,764	2,487	781	54,614
Non-current assets					
	108,727	32,265	23,667	1,511	166,170

31 October 2023	Continental Europe (restated) £'000	United Kingdom & Ireland (restated) £'000	Asia Pacific (restated) £'000	Corporate (restated) £'000	Total (restated) £'000
Photo.ME	114,297	21,624	36,573	–	172,494
Wash.ME	53,454	23,539	251	–	77,244
Print.ME	11,147	122	65	–	11,334
Other Vending (including Feed.ME)	2,179	1,757	6,653	–	10,589
Total Vending Revenue	181,077	47,042	43,542	–	271,661
Sales of equipment, spare parts, consumables	20,441	966	386	–	21,793
Sales of services	3,639	165	404	–	4,208
Total Revenue	205,157	48,173	44,332	–	297,662
EBITDA	90,109	18,545	9,475	(11,490)	106,639
Depreciation and amortisation	(26,079)	(6,785)	(5,126)	(355)	(38,345)
(Impairment)/reversal of impairment	(1,395)	639	(37)	–	(793)
Operating profit/(loss)	62,635	12,399	4,312	(11,844)	67,502
Operating profit					67,502
Non operating income - net					701
Finance income					1,401
Finance costs					(2,537)
Profit before tax					67,067
Tax					(16,401)
Profit for the period					50,666
Capital expenditure (excluding Right of Use assets)	37,494	7,380	8,846	733	54,453
Non-current assets	107,994	26,508	28,134	1,124	163,760

The comparative figures for total vending revenue, sales of equipment, spare parts, consumables and sales of services have been reclassified from those reported in the prior year financial statements. This is to reflect a change in the method of allocating VAT to gross revenues. This reclassification brings the comparatives in line with the method applied to current year figures.

The Parent Company is domiciled in the UK.

There were no major customers, defined as a single customer contributing at least 10% of the Group's revenue, in the period ended 31 October 2024 (2023: none).

Notes to the Group Financial Statements continued

5 Operating profit

Costs and overhead items charged/(credited) in arriving at operating profit for the period, include the following:

Cost of sales

	31 October 2024 £'000	31 October 2023 £'000
Depreciation of owned assets (note 13)	27,348	27,196
Depreciation of right of use assets (note 13)	5,584	6,036
Amortisation of previously capitalised research and development expenditure (note 12)	2,168	1,259
Amortisation of intangible assets other than research and development (note 12)	1,921	3,017
Impairment of previously capitalised research and development expenditure (note 12)	771	–
Reversal of impairment of property, plant and equipment (note 13)	(919)	(1,352)
Total depreciation, amortisation and impairment	36,873	36,156
Commissions	72,517	67,766
Consumables, spare parts and site costs	20,501	19,049
Employment costs (note 7)	40,873	43,446
Non capitalised research and development costs (excluding employment costs)	183	185
Property costs	1,051	2,343
Transportation freight costs	4,768	5,932
Short term and low value lease rentals	2,224	1,989
Cost of inventories recognised as an expense	9,689	9,476
Provisions charged against obsolete inventory	401	572
Foreign exchange loss/(gain)	1,767	(195)
Loss on disposal of property, plant and equipment	250	468
Other cost of sales	7,297	7,226
Cost of Sales	198,394	194,413

Other operating income

	31 October 2024 £'000	31 October 2023 £'000
Rental income	124	79
Other non-trading income	85	115
Other Operating Income	209	194

Administrative expenses

	31 October 2024 £'000	31 October 2023 £'000
Employment costs (note 7)	21,819	20,619
Depreciation of owned assets (note 13)	1,144	601
Amortisation of intangible assets other than research and development (note 12)	1,036	235
Impairment of intangible assets other than research and development (note 12)	516	1,445
Impairment of goodwill (note 12)	1,014	701
Reversal of impairment of property, plant and equipment (note 13)	(749)	–
Foreign exchange (gain)/loss	(305)	959
Legal, audit and professional fees	3,438	4,147
Travel and entertaining costs	1,092	1,146
Other administrative costs	6,612	5,498
Administrative Expenses	35,617	35,351

Audit and non-audit services

The following fees for audit and non-audit services were paid or are payable to the Group's auditor, Forvis-Mazars (2023: Forvis-Mazars) and its associates.

	31 October 2024 £'000	31 October 2023 £'000
Fees for the audit of the company and the group – Forvis Mazars	420	317
Fees for the audit of the company and the group – Forvis Mazars (overrun in prior year)	40	80
Fees for the audit of the subsidiaries – other Forvis Mazars	141	120
Fees for audit related services (interim review) – Forvis Mazars	55	50
Non audit related services – Forvis Mazars	–	–
Fees for the audit of the subsidiaries – Other firms	–	50
	656	617

In order to maintain the independence of the external auditors, the Board has determined policies as to what non-audit services can be provided by the Group's external auditors and the approval processes related thereto. This function is performed by the Audit Committee. Such services will only be approved if there are clear efficiencies and added value benefits to the Group.

In addition to the audit fees payable to the Group's auditor and its associates, certain Group subsidiaries are audited by other firms.

6 Non-operating income – net

Non-operating income – net comprises transactions relating to financial instruments held at FVTPL, acquisition and disposal of subsidiaries and disposal of property. They have been disclosed separately in order to improve a reader's understanding of the financial statements and are not disclosed within operating profit as they are non-trading in nature.

	31 October 2024 £'000	31 October 2023 £'000
(Loss)/gain on disposal of subsidiary	(339)	57
Gain on disposal of property	378	–
Gain on bargain purchase	1,120	–
Fair value (loss)/gain on financial instrument held at FVTPL	(334)	586
Other gain	157	58
Non-operating income – net	982	701

Period ended 31 October 2024

The Group made a loss on disposal of £339,000 from the disposal of its French subsidiary Sempa SAS in May 2024.

The Group generated a gain of £378,000 from the partial disposal of an office building, previously held as non-current assets classified as held for sale. See note 14 for details.

The Group recognised a gain on bargain purchase of £1,120,000 in the relation to the Fujifilm acquisition. See note 31 for details.

Period ended 31 October 2023

The Group generated a profit on disposal of £57,000 from the disposal of its Korean subsidiary Photo-Me Korea Company Limited.

Notes to the Group Financial Statements continued

7 Employees**Employment costs**

	31 October 2024 £'000	31 October 2023 £'000
Wages and salaries	44,389	45,723
Social security costs	9,269	10,178
Share options granted to directors and employees	795	345
Post-employment benefit costs		
– defined benefit schemes	359	417
– defined contribution schemes	783	201
	55,595	56,864

Number of employees

The average number of employees during the period (including executive directors) comprised:

	31 October 2024	31 October 2023
Full – time	968	1053
Part – time	151	140
	1,119	1,193
UK : Full – time	154	154
UK : Part – time	3	3
Continental Europe : Full – time	651	730
Continental Europe : Part – time	40	29
Asia and rest of the world : Full – time	163	169
Asia and rest of the world : Part – time	108	108
	1,119	1,193

Employees by category

	As at 31 October 2024	As at 31 October 2023
Senior managers in the Group (excluding directors of ME Group)	18	21
Employees– Sales	108	136
Employees-Administration	181	194
Employees-Operating	812	842
Total	1,119	1,193

The cost of sales employees and operating employees are recognised in the income statement in Cost of Sales. The cost of administration employees is recognised in the income statement in Administrative Expenses. The cost of senior managers is recognised in the income statement in either Cost of Sales or Administrative Expenses, dependent on the function they perform.

8 Finance income and costs

	31 October 2024 £'000	31 October 2023 £'000
Finance income		
Interest income	670	1,401
	670	1,401
Finance costs		
Bank loans and overdrafts at amortised cost	(1,037)	(1,168)
Interest on lease liabilities	(1,575)	(1,251)
Other finance costs	(9)	(119)
	(2,621)	(2,537)

Interest income, interest cost on bank loans and overdrafts and interest on lease liabilities are all recognised on an effective interest rate basis.

Interest income is earned on short term deposits. Group earned interest on deposits at rates between 2.90% and 4.75% in the year (2023: 2.90% to 2.93%).

9 Taxation expense

Tax charges/(credits) in the statement of comprehensive income

	31 October 2024 £'000	31 October 2023 £'000
Taxation		
Current taxation		
UK Corporation tax		
– current period	10,081	9,833
– prior periods	(156)	(1,068)
	9,925	8,765
Overseas taxation		
– current period	7,702	6,916
– prior periods	125	(212)
	7,827	6,704
Total current taxation	17,752	15,469
Deferred taxation		
Origination and reversal of temporary differences		
– current period – UK	2,239	677
– current period – overseas	(803)	(663)
Adjustments in respect of prior periods – UK	143	843
Impact of change in rate	–	75
Total deferred tax	1,579	932
Tax charge in the income statement	19,331	16,401
Tax relating to items (credited)/charged to other components of comprehensive income		
Corporation tax	–	–
Deferred tax	(118)	(48)
Tax charge in other comprehensive income	(118)	(48)
Total tax charge in the statement of comprehensive income	19,213	16,353

Notes to the Group Financial Statements continued

9 Taxation expense continued

Reconciliation of total tax charge

The difference between the Group tax charge and the standard UK corporation tax rate of 25% (2023: 22.5%) is explained below:

	31 October 2024 £'000	31 October 2023 £'000
Profit before tax	73,421	67,067
Tax using the weighted average UK corporation tax rate of 25% (2023: 22.5%)	18,355	15,090
Effect of:		
– non-taxable items	(349)	449
– overseas tax rates	975	580
– remeasurement of deferred tax for changes in tax rates	–	75
– non-deductible expenses	197	8
– adjustments to tax in respect of prior periods	112	(436)
– foreign exchange movements	–	–
– other adjustments	41	635
Total tax charge	19,331	16,401
Effective tax rate	26.3%	24.5%

The Group tax charge of £19.3m (2023: £16.4m) corresponds to an effective tax rate of 26.3% (2023: 24.5%).

The UK Corporation Tax rate increased from 19% to 25% with effect from 1 April 2023. The weighted average UK Corporation Tax rate for the prior year ended 31 October 2023 was 22.5%.

The Group undertakes business in multiple tax jurisdictions.

10 Dividends paid and proposed

	31 October 2024 £'000	31 October 2023 £'000
Declared and paid during the year		
Final dividend for 2023: 4.42p (2022: 3.00p)	16,640	11,345
Interim dividend for 2023: 2.97p (2022: 2.60p)	11,202	9,829
Special dividend for 2023: Nil (2022: 0.60p)	–	2,269
	27,842	23,443
Declared but paid after the year end		
Interim dividend for 2024: 3.45p (2023: 2.97p)	12,998	11,202
	12,998	11,202
Proposed for approval by shareholders at the AGM		
(Not recognised as a liability at 31 October)		
Final dividend for 2024: 4.45p (2023: 4.42p)	16,751	16,640
	16,751	16,640

Declared and paid during the year

The Board proposed a final dividend of 4.42p per ordinary share in respect of the year ended 31 October 2023, which was approved by shareholders at the Annual General Meeting held on 26 April 2024 and paid on 23 May 2024.

The Board approved an interim dividend of 2.97p per ordinary share for the six month period ended 30 April 2023, at its 11 July 2023 meeting. The interim dividend was paid on 23 November 2023.

Declared but paid after the year end

The Board approved an interim dividend of 3.45p per ordinary share for the six month period ended 30 April 2024, at its 12 July 2024 meeting. The interim dividend was paid on 29 November 2024.

Proposed for approval by shareholders at the AGM

The Board proposed a final dividend of 4.45p per ordinary share in respect of the year ended 31 October 2024. Subject to approval by shareholders at the Annual General Meeting on 25 April 2025, the final dividend will be paid on 23 May 2025.

11 Earnings per share

Basic earnings per share amounts are calculated by dividing net earnings attributable to shareholders of the Parent Company of £54,090,000 (2023: £50,666,000) by the weighted average number of shares in issue during the period.

Diluted earnings per share amounts are calculated by dividing the net earnings attributable to shareholders of the Parent Company by the weighted average number of shares outstanding during the period plus the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into shares. The Group has only one category of dilutive potential shares being share options granted to senior staff, including directors, as detailed in note 22.

The earnings and weighted average number of shares used in the calculation are set out in the table below:

	31 October 2024			31 October 2023		
	Earnings £'000	Weighted average number of shares '000	Earnings per share pence	Earnings £'000	Weighted average number of shares '000	Earnings per share pence
Basic earnings per share	54,090	376,605	14.36	50,666	378,110	13.40
Effect of dilutive share options	–	2,566	(0.09)	–	2,490	(0.09)
Diluted earnings per share	54,090	379,171	14.27	50,666	380,600	13.31

Notes to the Group Financial Statements continued

12 Goodwill and other intangible assets

Goodwill

	£'000
Cost:	
At 1 November 2022	16,935
Exchange differences	3
Additions	3,268
At 31 October 2023	20,206
IFRS remeasurement	(2,999)
At 1 November 2023 (restated)	17,207
Exchange differences	(540)
Disposals	(3,357)
At 31 October 2024	13,310
Impairment charges:	
At 1 November 2022	615
Exchange differences	2
Impairment charge in the period	701
At 31 October 2023	1,318
At 1 November 2023	1,318
Exchange differences	(28)
Impairment charge in the period	1,014
At 31 October 2024	2,304
Net book value:	
At 1 November 2022	16,320
At 1 November 2023 (restated)	15,889
At 31 October 2024	11,006

The amount of impairment losses is recognised in Administrative costs.

IFRS remeasurements

IFRS remeasurements represent the finalisation of purchase price allocation on acquisitions.

In the period the purchase price allocation was completed for the Fujifilm acquisition. Customer related intangible assets with a total value of £4,181,000 were identified and transferred from goodwill to intangible assets. The acquisition generated a gain on bargain purchase of £1,120,000, which has been recognised in non-operating income in the Group's Income Statement. Further details of the purchase price allocation and gain on bargain purchase are provided in note 31.

Disposals

In the period the Group disposed of its French subsidiary Sempa SARL.

Goodwill by segments

The table below shows the allocation of goodwill acquired through business combinations between segments.

Goodwill has been allocated for impairment testing purposes to seven (2023: eight) cash-generating units (CGUs).

	31 October 2024 £'000	31 October 2023 (Restated) £'000
Carrying amount		
UK & Ireland		
CGU 1 – ME Group Ireland Supplies Limited	154	154
CGU 2 – Photo-Me Northern Ireland	14	14
Total UK & Ireland	168	168
Continental Europe		
CGU 1 – ME Group France SAS	300	312
CGU 2 – ME Group Germany GmbH	1,926	2,005
CGU 3 – Sempa SARL	–	3,423
CGU 4 – Dreamakers	888	925
Total Continental Europe	3,114	6,665
Asia		
CGU 1 – ME Group Japan* (restated for IFRS remeasurement)	7,724	8,017
CGU 2 – Now Retail Group	–	1,039
Total Asia	7,724	9,056
Total	11,006	15,889

* Asia CGU 1 includes goodwill from the acquisition of Photo Plaza Co Ltd, which was merged into ME Group Japan on 15th March 2021.

Goodwill impairment assessment

The Group tests annually, for impairment, or more frequently if there are indications that goodwill might be impaired. The recoverable amount of all CGUs has been determined on a value in use basis.

Value in use was determined by discounting the future cash flows of the CGU. Cash flows include a forecast period of five years, based on actual operating results, budgets and economic market research with a terminal value based on a long-term growth rate applied thereafter.

As a result of the impairment tests, the goodwill relating to the Now Retail Group CGU was fully impaired (£1,014,000). This is due to a reduction in forecast cash generation. The impairment charge was recognised in the income statement line "Administrative expenses".

In the year ended 31 October 2023, the goodwill relating to the pizza vending division (formerly SGER) was fully impaired (£701,000). This is due to a reduction in forecast cash generation.

Notes to the Group Financial Statements continued

12 Goodwill and other intangible assets continued

Key assumptions for impairment tests of goodwill and other intangible assets

Growth rate 1% (2023: 1%)

The Growth rate assumption for all Group CGUs was 1%. The growth rate has been determined based on a conservative basis for expected annual growth in EBITDA for each CGU and takes into account revenue, volumes, selling prices and operating costs. It is based on past experience and expected future developments in markets, operations and economic conditions.

Discount rate 11.4%-14.3% (2023: 11.0%-14.1%)

The post-tax discount rates applied to the cash flow forecasts for the CGUs are derived from the pre-tax weighted average cost of capital for the Group adjusted for country specific risks, local risk free borrowing rates and local tax rates for the specific country concerned. The changes in discount rate assumptions from the prior year reflect the change in economic conditions, in each territory, over the period.

The rates used are: United Kingdom 14.3%, (2023: 14.1%), Ireland 12.5% (2023: 13.0%), France 12.8% (2023: 12.8%), Germany 11.4% (2023: 11.6%), Japan 11.4% (2023: 11.0%) and Australia 13.6% (2023: 13.5%). The Board is confident, overall, that these discount rates reflect the circumstances in each region and are in accordance with IAS 36.

Sensitivity to key assumptions

As at the measurement date, the recoverable amount of all CGUs, based on their value in use, is significantly higher than the carrying amount relevant for the impairment test. Management considers that a reasonably pessimistic revision of key assumptions which can rationally be expected would still result in the recoverable amount of the CGUs exceeding their carrying amount. The headroom of recoverable amount over carrying value for each CGU range between £3,337,000 and £481,815,000 (2023: £921,000 to £504,083,000).

Discount rate

A 1% increase in the discount rate assumption for each territory would not generate any additional impairments. Aggregate headroom across all CGUs would be reduced by £64,196,000 (2023: £66,110,000). For the CGU with the lowest headroom, the 1% increase in discount rate would reduce headroom by a further £544,000 (2023: £332,000).

Growth rate

A 1% decrease in the growth rate assumption for each territory would not generate any additional impairments. Aggregate headroom across all CGUs would be reduced by £39,626,000 (2023: £45,769,000). For the CGU with the lowest headroom, the 1% decrease in growth rate would reduce headroom by a further £333,000 (2023: £224,000).

Future growth in revenue, costs and profit margins

CGUs were subjected to an impairment test under a worst case scenario, with decreased revenue and increased costs. The details of the sensitivity assumptions used are disclosed in the going concern section of the accounting policies (note 1.1 Basis of preparation).

In this worst case scenario, no additional CGUs were impaired. However, headroom across the remaining unimpaired CGUs would be reduced by £134,443,000 (2023: two further CGUs would be impaired: Asia CGU 1 £1,331,000 and Asia CGU 2 £243,000. Headroom across the remaining unimpaired CGUs would be reduced by £263,703,000).

For the CGU with the lowest headroom, using the worst case scenario would reduce headroom by a further £761,000 (2023: £334,000).

Other intangible assets

	Capitalised development costs £'000	Software £'000	Brands £'000	Customer related £'000	Patents £'000	Droit au Bail £'000	Total £'000
Cost:							
At 1 November 2022	11,822	3,855	1,280	20,362	1,500	3,553	42,372
Exchange differences	(95)	(17)	11	(274)	27	52	(296)
Additions	2,337	437	–	–	–	39	2,813
Additions work in progress	985	–	–	–	–	–	985
Additions new subsidiary	–	49	–	–	–	–	49
Transferred to property, plant and equipment (note 13)	–	–	–	(120)	–	(24)	(144)
Disposals	–	(163)	–	(6)	–	(37)	(206)
At 31 October 2023	15,049	4,161	1,291	19,962	1,527	3,583	45,573
IFRS remeasurement	–	–	–	4,181	–	–	4,181
At 1 November 2023 (restated)	15,049	4,161	1,291	24,143	1,527	3,583	49,754
Exchange differences	(483)	(172)	(51)	(780)	(73)	(126)	(1,685)
Additions	918	661	–	4	1	6	1,590
Additions work in progress	921	–	–	–	–	–	921
Transfers	(59)	(186)	–	168	42	35	–
Disposal of subsidiary	–	–	–	(10,874)	–	–	(10,874)
Disposals	(123)	(146)	–	(848)	(2)	(41)	(1,160)
At 31 October 2024	16,223	4,318	1,240	11,813	1,495	3,457	38,546
Amortisation:							
At 1 November 2022	6,864	2,465	190	8,791	411	3,433	22,154
Exchange differences	(105)	4	6	(88)	13	50	(120)
Provided during the period	930	473	190	2,673	174	–	4,440
Impairment charge	–	–	577	57	811	–	1,445
Transferred to property, plant and equipment (note 13)	–	–	–	(23)	–	–	(23)
Disposals	–	(104)	–	(4)	–	(37)	(145)
At 31 October 2023	7,689	2,838	963	11,406	1,409	3,446	27,751
IFRS remeasurement	–	–	–	40	–	–	40
At 1 November 2023	7,689	2,838	963	11,446	1,409	3,446	27,791
Exchange differences	(247)	(128)	(39)	(466)	(67)	(135)	(1,082)
Provided during the period	2,168	646	59	2,211	–	–	5,084
Impairment charge	771	–	–	516	–	–	1,287
Transfers	(57)	(74)	–	116	–	15	–
Disposal of subsidiary	–	–	–	(7,774)	–	–	(7,774)
Disposals	(123)	(146)	–	(810)	(2)	(41)	(1,122)
At 31 October 2024	10,201	3,136	983	5,239	1,340	3,285	24,184
Net book value:							
At 1 November 2022	4,958	1,390	1,090	11,571	1,089	120	20,218
At 1 November 2023 (restated)	7,360	1,323	328	12,696	118	137	21,962
At 31 October 2024	6,022	1,182	257	6,574	155	172	14,362

Notes to the Group Financial Statements continued

12 Goodwill and other intangible assets continued

Capitalised research and development expenditure is amortised over a maximum of four years, with no residual value.

The remaining amortisation periods for material categories of other intangible assets are:

- Capitalised development costs – between two and four years
- Customer related – between three and nine years

Impairment charges

Current year

An impairment charge of £771,000 was recognised against the capitalised development costs relating to the Group's pizza vending machines. With the Group's food division performing below expectations, the pizza development costs are no longer expected to generate economic benefit, so the carrying amount has been fully impaired. The impairment charge was recognised in the income statement line "Cost of sales". The impairment charge was made against an asset in the Continental Europe operating segment.

An impairment charge of £516,000 was recognised against customer related intangible assets. The impairment charge was recognised in the income statement line "Administrative expenses".

The entire impairment charge relates to the Now Retail Group CGU and is due to a reduction in forecast cash generation. The impairment charge was made against an asset in the Asia Pacific operating segment. The recoverable amount of the impaired asset is nil, determined by value in use. The discount rate used in determining the value in use was 13.6%.

Prior year

In the year ended 31 October 2023, impairment charges were recognised in the year against the following categories of intangibles assets: brands (£577,000); customer related (£57,000); and patents (£811,000).

All impairments charges were made against the intangible assets of KIS SAS and related to the pizza vending division (formerly SGER) CGU. The impairment charges were made against assets in the Continental Europe operating segment. The impairment charges were recognised in the line "Administrative expenses". Impairment charges were due to a reduction in forecast cash generation of the pizza vending division. The recoverable amount of the impaired assets was nil, determined by value in use. The discount rate used in determining the value in use was 12.8%.

13 Property, plant and equipment

	Land & Buildings £'000	Photobooth & vending machines £'000	Plant, machinery, furniture, fixtures & motor vehicles £'000	Right of Use Land & Buildings £'000	Right of Use Plant, machinery, furniture, fixtures £'000	Right of Use Motor vehicles £'000	Total £'000
Cost:							
At 31 October 2022	15,303	276,924	30,165	5,009	14,486	6,462	348,349
Correction of error - reclassification	20,291	(1,427)	(18,864)	-	-	-	-
At 1 November 2022 (restated)	35,594	275,497	11,301	5,009	14,486	6,462	348,349
Exchange difference	232	(891)	86	123	352	157	59
Additions	2,678	39,109	4,055	639	421	2,456	49,358
Additions - new subsidiary	-	1,496	-	-	-	-	1,496
Transfer from intangible assets	-	16	128	-	-	-	144
Transfers	15	481	(496)	-	-	-	-
Disposals	(985)	(17,133)	(2,511)	-	(2,419)	(1,348)	(24,396)
At 31 October 2023	37,534	298,575	12,563	5,771	12,840	7,727	375,010
Exchange difference	(1,117)	(12,277)	(747)	(207)	(461)	(277)	(15,087)
Additions	2,154	45,878	4,071	1,337	334	2,566	56,340
Transfers	(124)	(74)	198	214	(176)	(38)	-
Disposal of subsidiary	(23)	-	(312)	-	-	-	(335)
Disposals	(596)	(13,421)	(1,178)	(769)	(2,444)	(1,147)	(19,556)
At 31 October 2024	37,828	318,681	14,595	6,346	10,092	8,831	396,373
Depreciation:							
At 31 October 2022	6,994	205,301	23,498	2,158	6,880	2,428	247,259
Correction of error - reclassification	13,843	(1,408)	(12,435)	-	-	-	-
At 1 November 2022 (restated)	20,837	203,893	11,063	2,158	6,880	2,428	247,259
Exchange difference	137	(1,268)	94	88	281	99	(569)
Provided during the period	1,811	24,542	1,491	1,454	2,384	2,207	33,889
Impairments/(reversal of impairments)	(649)	(304)	(400)	-	-	-	(1,353)
Transfer from intangible assets	-	1	22	-	-	-	23
Disposals	(700)	(16,356)	(1,540)	-	(2,419)	(1,348)	(22,363)
At 31 October 2023	21,436	210,508	10,730	3,700	7,126	3,386	256,886
Exchange difference	(754)	(9,299)	(582)	(154)	(283)	(158)	(11,230)
Provided during the period	3,025	23,235	2,232	1,233	1,770	2,581	34,077
Reversal of impairments	(57)	(1,434)	(177)	-	-	-	(1,668)
Transfers	(39)	(74)	113	258	(293)	35	-
Disposal of subsidiary	(16)	-	(201)	-	-	-	(217)
Disposals	(284)	(12,175)	(988)	(769)	(2,444)	(1,147)	(17,807)
At 31 October 2024	23,311	210,761	11,127	4,269	5,876	4,697	260,041
Net book value:							
At 31 October 2022 (restated)	14,757	71,604	238	2,851	7,606	4,034	101,090
At 31 October 2023 (restated)	16,098	88,067	1,832	2,071	5,714	4,341	118,124
At 31 October 2024	14,517	107,920	3,467	2,077	4,216	4,134	136,332

The balances of cost and depreciation for land and buildings, photobooth and vending machines and plant, machinery, furniture, fixtures & motor vehicles as at 31 October 2022 and 31 October 2023 have been restated to correct classification errors in the prior year property, plant and equipment note.

The impact on cost balances at 31 October 2022 was: land and buildings increase of £20,291,000; photobooth and vending machines reduction of £1,427,000; and plant, machinery, furniture, fixtures & motor vehicles reduction of £18,864,000. The impact on cost balances at 31 October 2023 was: land and buildings increase of £22,002,000; photobooth and vending machines reduction of £1,218,000; and plant, machinery, furniture, fixtures & motor vehicles reduction of £20,784,000.

Notes to the Group Financial Statements continued

13 Property, plant and equipment continued

The impact on depreciation balances at 31 October 2022 was: land and buildings increase of £13,843,000; photobooth and vending machines reduction of £1,408,000; and plant, machinery, furniture, fixtures & motor vehicles reduction of £12,435,000. The impact on depreciation balances at 31 October 2023 was: land and buildings increase of £14,201,000; photobooth and vending machines reduction of £1,202,000; and plant, machinery, furniture, fixtures & motor vehicles reduction of £12,999,000.

These reclassifications have no impact on the total opening cost or depreciation balances of property, plant and equipment. Accordingly, this restatement had no impact on the group's statement of financial position, statement of cash flows, total assets, total Shareholders' funds, statement of comprehensive income and earnings per share for the current or prior year.

Property, plant and equipment Impairment assessment

Significant impairment charges were made against property, plant and equipment in the year ended 31 October 2020. The Covid 19 pandemic had impacted the trading and outlook of the Group, indicating reduced value in use of the vending estate and therefore impairment. In the subsequent years the Group continued to subject these assets to annual impairment tests, with the impairment value reduced where testing indicated increased value in use.

At 31 October 2024 management considers that the original indicator of impairment, caused by the Covid 19 pandemic, no longer exists. This conclusion is supported by increased cash generation of the assets since 2020.

A key input to the determination of value in use is the revenue generated by each machine. This metric has increased significantly post-Covid, as the Group's trading performance has recovered. Accordingly, management have increased their estimate of the future revenue generation of all machines. This increases the service potential of the assets, increasing value in use, and therefore recoverable amount, above the carrying value (excluding impairment). Consequently, all remaining impairments were reversed in the current year, with care taken to ensure that the closing net book value did not exceed what it would have been had the original impairment never occurred.

Impairments to property, plant and equipment with a total value of £1,668,000 were reversed in the year.

Reversals of impairment to photoboos and vending machines were recognised in the following operating segments: Continental Europe (£1,172,000) and United Kingdom (£262,000).

Reversals of impairment to plant, machinery, furniture, fixtures and motor vehicles were recognised in the following operating segments: Continental Europe (£184,000) and United Kingdom (£50,000).

Prior year

In the year ended 31 October 2023 an impairment charge to land and buildings of £6,000 was recognised in the United Kingdom operating segment. This relates to the impairment of vending machines whereby the site that the machine is located is impaired as well as the equipment. The impairment was due to a reduction in forecast cash generation of the vending machine.

14 Non-current assets classified as held for sale

	Property £'000
Net Book Value	
At 1 November 2022	-
Transferred from investment property	585
At 31 October 2023	585
Correction of error – reclassification	4,362
At 1 November 2023 (restated)	4,947
Exchange differences	(196)
Disposal	(1,882)
At 31 October 2024	2,869

The opening balance of property held for sale at 1 November 2023 has been restated by £4,362,000 to correct an error in the prior year financial statements. The adjustment represents the value of capital additions to the asset held for sale which had previously been reported in prepayments under trade and other receivables. A corresponding adjustment has been made to reduce the balance of prepayments by the same value (note 17).

The restatement is reflected in the group statement of financial position at 31 October 2023 as an increase in non-current assets classified as held for sale and a decrease in trade and other receivables. The group statement of cashflows for the year ended 31 October 2023 has been restated by increasing cash generated from operations by £4,362,000 (movement in trade and other receivables) and increasing net cash utilised in investing activities by the same amount (capital expenditure on non-current assets classified as held for sale). This restatement had no impact on the group's total assets, total Shareholders' funds, statement of comprehensive income and earnings per share for the current or prior year. The impact on the consolidated statement of financial position at 1 November 2022 was immaterial.

The non-current asset classified as held for sale is an office building and associated land, located in Grenoble, France. The Group previously earned rental income from the office building but now intends to dispose of the property.

The Group has entered an agreement with a buyer to dispose of the property in two tranches. The sale of tranche one was completed on 31 October 2024. The sale of tranche two is expected to complete in the first half of the year ended 31 October 2025.

The disposal recognized in the year represents the cost attributable to the sale of tranche one. The Group made a gain of £378,000 on the disposal of tranche one, which has been recognised in non-operating income - net.

The non-current asset classified as held for sale is included in the Continental Europe operating segment.

15 Investments in associates

In the current and prior year, the Group held investments in only one associate, Photomaton Maroc. This associate company is incorporated in Morocco and its registered address is 131 Bd D'Anfares Azur Sidi Belyout, Casablanca.

	£'000
Cost:	
At 1 November 2022	20
Exchange differences	1
Share of profit	14
At 31 October 2023	35
Exchange differences	(2)
Share of profit	3
At 31 October 2024	36

The Group's share of post-tax profits from associates is recognized within operating profit in the group statement of comprehensive income. This policy is employed as the Group's only associate investment, Photomaton Maroc, is engaged in the same principal activity as the Group, so the investment is deemed to be part of the Group's operating activities.

Name	Assets £'000	Liabilities £'000	Revenue £'000	Profit £'000	Dividends received	Share of Interest %
At 31 October 2023	141	106	–	14	–	50
	141	106	–	14	–	50
At 31 October 2024	159	123	–	3	–	50
	159	123	–	3	–	50

Notes to the Group Financial Statements continued

16 Financial instruments

Group Treasury

The Group has a centralised treasury function. The primary aim of this function is to manage liquidity and funding arrangements and the Group's exposure to associated financial and market risks, including liquidity risk, credit risk, interest rate risk and foreign currency risk. The general approach for Group Treasury is one of risk reduction within a framework of delivering total shareholder return.

Treasury operations

Overview and policy

Treasury policy is set by the Board. Group Treasury activities are subject to a set of controls appropriate for the magnitude of the borrowing, investments and group-wide exposures. To date the treasury function has limited itself to obtaining surplus cash from subsidiaries and depositing this in bank accounts owned by the Group's to maximise returns on cash. The Board has defined an investment strategy, which dictates the types of products to which the surplus cash may be invested and the financial limits for such investments.

The Board monitors the performance of the Treasury function and is responsible for making changes to the personnel and limits of authority of Treasury personnel.

The Board has provided written principles for overall risk management of the Treasury function. It has also defined policies and procedures covering such areas as foreign exchange risk, interest rate risk, credit risk, the use of derivative instruments and investment of excess liquidity (surplus funds above the immediate and short-term operational funding needs, such as working capital requirements). The key objectives for Group Treasury are to protect the principal value of cash and cash equivalents, to concentrate cash at the centre to minimise external borrowings, and to maximise the return on cash.

16(A) Fair values of financial instruments by class

Generally, there is no material difference between the fair values and the carrying values of financial assets and financial liabilities held in the Group's statement of financial position. However, given the sharp increase in market interest rates since the Group last financed its fixed rate debt, the fair value of the groups loans liabilities could differ from its carrying value. The estimated fair value of the Groups fixed rate debt at the reporting date is £48,083,000, which is £138,000 higher than its carrying value.

Financial instruments held at fair value – Level 1

The Group holds an investment in Max Sight Group Holdings Ltd, which is a listed company. This investment is valued at level 1. The Group owns 109,972,500 Max Sight Group Holdings Ltd's shares valued at 0,058 HKD per share as at 31 October 2024, giving a value at that date of £637,000.

This financial instrument is valued at the reporting date by reference to quoted market prices.

Financial instruments held at fair value – Level 2

There are no material Level 2 investments held by the Group.

Financial instruments held at fair value – Level 3

The Group holds 125 B shares in Energy Observer Developments SAS, a privately held company, following the conversion of 100,000 convertible bonds to equity on 14 November 2023. This investment is valued at level 3 as its value is linked to the equity value of Energy Observer Developments SAS, which is not observable market data. At 31 October 2024 the investment is valued at £982,000.

The 400,000 convertible bonds that were not converted to equity matured on 27 October 2024, with payment due within 120 days of maturity. The total cash due, including accrued interest, of £3,740,000 was presented in other receivables in the Group's statement of financial position at 31 October 2024.

The investment in shares was valued at the reporting date by reference to the latest equity valuation of the issuing company. The equity valuation used was based on a fund raising by the issuing company. This, in effect, gave an external, arms-length valuation as new investors were purchasing equity based on their valuation of the company. This fund raising information is the key unobservable input to the valuation calculation.

Sensitivity to key unobservable inputs

Equity valuation

A 20% decrease in the equity value of Energy Observer Developments SAS would result in a decrease in valuation of £196,000.

Movement in level 3 financial instruments value

The following table presents the changes in level 3 financial instruments for the years ended 31 October 2023 and 31 October 2024.

	Convertible Bond £'000	Unlisted Equities £'000	Total £'000
Fair value at 1 November 2022	4,450	–	4,450
Foreign exchange movement recognised in other comprehensive income	65	–	65
Fair value gain recognised in non-operating income – net	226	–	226
Fair value at 31 October 2023	4,741	–	4,741
Foreign exchange movement recognised in other comprehensive income	(150)	(41)	(191)
Conversion of bonds to shares	(1,023)	1,023	–
Fair value gain recognised in non-operating income – net	172	–	172
Bonds matured (transferred to receivables)	(3,740)	–	(3,740)
Fair value at 31 October 2024	–	982	982

No assets or liabilities were transferred between levels 1,2 and 3 in the year.

Financial instruments by category

The tables below show financial instruments by category for the Group.

At 31 October 2024	Amortised Cost £'000	Fair Value Through Profit & Loss £'000	Total £'000
Assets per statement of financial position			
Financial instruments held at FVTPL	–	1,619	1,619
Financial assets – held at amortised cost:			
Trade and other receivables	18,240	–	18,240
Cash and cash equivalents	86,147	–	86,147
	104,387	1,619	106,006

	Other financial liabilities at amortised cost £'000	Total £'000
Liabilities per statement of financial position		
Borrowings	47,945	47,945
Leases	11,819	11,819
Trade and other payables	56,843	56,843
	116,607	116,607

Notes to the Group Financial Statements continued

16(A) Fair values of financial instruments by class continued

At 31 October 2023	Amortised Cost £'000	Fair Value Through Profit & Loss £'000	Total £'000
Assets per statement of financial position			
Financial instruments held at FVTPL	–	5,886	5,886
Financial assets – held at amortised cost:			
Trade and other receivables	11,286	–	11,286
Cash and cash equivalents	111,091	–	111,091
	122,377	5,886	128,263
Liabilities per statement of financial position			
Borrowings		77,174	77,174
Leases		13,336	13,336
Trade and other payables		57,921	57,921
		148,431	148,431

16(B) Financial risk management

Financial risk factors and financial risk management

Overview

The Group is exposed to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It mainly arises on trade and other receivables and bank balances.

Liquidity risk arises from the Group having insufficient cash resources to meet its obligations as and when they fall due for payment. A material and sustained shortfall in the Group's cash flow could undermine the Group's credit rating, impair major investor confidence and restrict the ability of the Group to raise new funds.

Market risk arises from changes in market prices, such as exchange rates, interest rates and equity prices that will impact on the Group's statement of comprehensive income or the value of its holding of financial instruments.

Listed below are details of these risks, the Group's objectives, policies and processes for measuring and monitoring risks and the Group's management of capital.

Risk Management Framework

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential risks for the Group.

There is a continuous process for identifying, evaluating and managing the key financial risks faced by the Group in line with changing market conditions and the Group's strategy. If necessary, the Group's internal audit function may assist in monitoring and assessing the effectiveness of controls and procedures. The Board retains responsibility for ensuring the adequacy of systems for identifying and assessing significant risks, that appropriate control systems and other mitigating actions are in place and that residual exposures are consistent with the Group's strategy and objectives. Assessments are conducted for all material entities.

The Group may use derivatives to manage exchange or interest rate risk. Approval for their use is given by the Board and the position is monitored constantly.

With regard to management of interest rate risk, the objectives are to lessen the impact of adverse interest rate movements on earnings and shareholders' funds and to ensure no breach of covenants. This is mainly achieved by reviewing the mix of fixed and floating rate borrowings.

The Group's liquidity risk management involves maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities.

(i) Credit risk

The Group has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, and on outstanding trade and other receivables. Cash deposits are limited to high credit quality financial institutions. The Group has policies in place to ensure that sales of products and services are made to customers with an approved credit history.

Credit quality of financial assets

Cash and cash equivalents

Individual Group companies have banking relationships with leading banks in the country in which the Group company operates. Surplus cash is placed with Group Treasury bank accounts, as described above. The Group has procedures in place to ensure that cash is placed with sound financial institutions.

Accounts receivable

The Group trades with a large number of customers, ranging from quoted companies and state organisations to individual traders. Individual Group companies have credit control procedures in place before making sales to new customers and levels of credit are reviewed in light of trading experience. The normal terms of settlement are in the range 30–90 days. Trade receivables are normally interest free. The collection of outstanding receivables is monitored at both the Group and subsidiary level.

Under the Group's operating model, most revenue is collected at the point of sale. Where credit terms are offered, the Group has a strong record of debtor recovery.

The maximum credit risk for financial assets is the carrying value.

Expected credit losses (ECL)

The Group makes allowances for ECL against trade receivables and contract assets, by applying the simplified ECL model.

Due to the low volume of receivables accounts, the Group's approach is to assess on an account-by-account basis, rather than organising accounts into groupings. ECL are determined for each receivables account, by reference to the customer's past payment performance and latest information on the customer.

Where the Group has open work in progress or where technical issues are preventing the proper operation of the vending unit in question, these factors are taken into consideration when determining the ECL.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 120 days past due.

ECL allowances against trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The Group does not require collateral in respect of trade and other receivables. The Group does not have trade receivable and contract assets for which no loss allowance is recognised because of collateral.

Notes to the Group Financial Statements continued

16(B) Financial risk management continued

The ageing of net current trade receivables is as follows:

	31 October 2024			31 October 2023		
	Gross trade receivables £'000	Allowance for expected credit losses £'000	Trade receivables £'000	Gross trade receivables £'000	Allowance for expected credit losses £'000	Trade receivables £'000
Current	3,709	–	3,709	3,847	–	3,847
Past due						
– overdue 1-30 days	–	–	–	–	–	–
– overdue 31-60 days	407	–	407	289	–	289
– overdue 61 days	2,865	(882)	1,983	2,378	(1,326)	1,052
Total past due	3,272	(882)	2,390	2,667	(1,326)	1,341
Total trade receivables	6,981	(882)	6,099	6,514	(1,326)	5,188

The credit quality of trade receivables that are neither past due nor impaired is assessed on an individual basis, based on credit ratings and experience. Management believes an adequate allowance for expected credit losses has been made for trade receivables.

Other receivables

Other receivables usually consist one-off non-trading items. As these balances are low in volume, management assesses their recoverability on an item-by-item basis, making provisions for expected non-recovery as necessary.

(ii) Liquidity risk

The Group's liquidity risk management involves maintaining sufficient cash and cash equivalents and the availability of funding through an adequate amount of committed credit facilities. Trading forecasts indicate that the current facilities provide more than sufficient liquidity headroom to support the business for the foreseeable future. The Group's strong cash generation and net cash position at 31 October 2024 and 31 October 2023 mitigates its liquidity risk. The Group largely finances its working capital and capital expenditure programmes from its own resources.

During the current period and prior period surplus cash held by the operating subsidiaries, over and above balances required for working capital management was transferred to Group Treasury. These funds were deposited in interest bearing, centrally managed, bank accounts.

The Group has undrawn facilities totalling 2 million euros and having regard to the Group's cash flow, it is considered that the facilities provide adequate headroom for the Group's needs. The facilities are generally reaffirmed by the banks annually. These undrawn facilities, if used, will be subject to floating rates of interest and may be subject to the normal covenant conditions attached to such borrowings.

Some of the Group's loans are subject to covenants and, during the years to 31 October 2024 and 31 October 2023, the Group has comfortably complied with such requirements. The nature of the covenants are ratio of EBITDA to debt, ratio of debt to equity, ratio of net interest to EBITDA, free cashflow and profit requirements.

The table below summarises the maturity profile of the Group's financial liabilities (including trade and other payables) at 31 October 2024 and 31 October 2023 based on contractual undiscounted payments.

Group contractual cashflows

	Within one year £'000	Year 2 £'000	Year 3 £'000	Year 4 £'000	Year 5 £'000	Over 5 years £'000	Total £'000
At 31 October 2024							
Interest bearing loans and borrowings	19,796	16,910	10,342	711	472	428	48,659
Leases	5,195	3,340	1,918	1,281	588	986	13,308
Trade and other payables	56,843	–	–	–	–	–	56,843
	81,834	20,250	12,260	1,992	1,060	1,414	118,810
At 30 October 2023							
Interest bearing loans and borrowings	27,676	20,663	17,655	10,819	771	976	78,560
Leases	6,243	4,061	2,376	1,462	1,026	1,331	16,499
Trade and other payables	57,921	–	–	–	–	–	57,921
	91,840	24,724	20,031	12,281	1,797	2,307	152,980

Financial instruments held at amortised cost

These largely comprise of restricted bank deposit accounts where the cash acts as security against possible shortfalls in Group's UK pension fund obligation.

(iii) Market risk

Foreign exchange risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the local functional currency. In addition, the Group faces currency risks arising from monetary financial instruments held in non-functional currencies. The income statement reflects the impact of realised and unrealised exchange differences on trading items and monetary financial instruments (note 5).

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. The main currency translation risk relates to foreign operations whose functional currency is the Euro, Swiss Franc or Japanese Yen. The investments are not hedged. The translation reserve reflects the exchange differences arising on translation of the opening net assets and results of the foreign operation (note 21).

Operational foreign exchange exposure

Where possible, the Group tries to invoice in the local currency of the respective entity. If this is not possible, to mitigate exposure, the Group endeavours to buy from suppliers and sell to customers in the same currency. The exposure relating to receivables and payables denominated in the non-functional currency is normally less than 3 months as this is the normal settlement period for these items.

Subject to the requirements of Group Treasury, where possible, the Group tries to hold the majority of its cash and cash equivalent balances in the local currency of the respective entity.

Monetary assets and liabilities

The Group continues to monitor exchange rates and buy or sell currencies in order to minimise the open exposure to foreign exchange risk.

The Group may use derivative financial instruments mainly to reduce the risk of foreign exchange exposure on trading items (sales or purchases in currencies other than the domestic currency of the company concerned) and interest rate movements. The Group does not hold or issue derivative financial instruments for financial trading purposes.

Borrowings

At 31 October 2024 and 31 October 2023 the majority of the Group's borrowings were denominated in Euros and held by subsidiaries whose functional currency is the Euro.

Notes to the Group Financial Statements continued

16(B) Financial risk management continued

Analysis of monetary assets and liabilities by currency

At 31 October 2024	Sterling £'000	Euro £'000	Swiss Franc £'000	Japanese Yen £'000	Other Currencies £'000	Total £'000
Assets per statement of financial position						
Financial instruments held at FVTPL	637	982	–	–	–	1,619
Trade and other receivables	3,063	12,972	56	1,430	718	18,239
Cash and cash equivalents	6,805	62,233	4,640	11,264	1,205	86,147
	10,505	76,187	4,696	12,694	1,923	106,005
Liabilities per statement of financial position						
Borrowings and Leases	1,160	52,157	242	6,205	–	59,764
Trade and other payables	6,915	43,225	2,067	3,952	684	56,843
	8,075	95,382	2,309	10,157	684	116,607

At 31 October 2023	Sterling £'000	Euro £'000	Swiss Franc £'000	Japanese Yen £'000	Other Currencies £'000	Total £'000
Assets per statement of financial position						
Financial instruments held at FVTPL	1,145	4,741	–	–	–	5,886
Trade and other receivables	1,406	6,968	173	2,210	529	11,286
Cash and cash equivalents	17,769	77,828	6,198	8,200	1,096	111,091
	20,320	89,537	6,371	10,410	1,625	128,263
Liabilities per statement of financial position						
Borrowings and Leases	1,635	80,351	296	8,194	34	90,510
Trade and other payables	8,426	42,437	2,415	3,995	648	57,921
	10,061	122,788	2,711	12,189	682	148,431

IFRS 7 sensitivity analysis

Sensitivity analysis has been performed on the Group's Euro foreign exchange risk, as its most material foreign currency. A 10% strengthening of Euro against Sterling, at the Statement of Financial Position date, would have caused a £1,253,000 decrease in the Group's net assets at that date (2023: £2,906,000 decrease in net assets). A 10% weakening of Euro against Sterling would have had the equal and opposite effect on the Group's net assets.

Interest rate risk

	2024 Carrying amount £'000	2023 Carrying amount £'000
Net cash		
Mainly non-interest bearing current accounts:		
Cash at bank and in hand	72,669	70,669
Deposit accounts – generally interest bearing:		
Bank deposit accounts	13,478	40,422
Other items		
Interest bearing loans	(47,945)	(77,174)
	38,202	33,917

The above table shows which components of net debt are subject to interest. The Group has no exposure to floating rate interest bearing debt and a change in interest rates will not have a material change on interest expense.

IFRS 7 sensitivity analysis

All of the Group's debt is subject to fixed rates of interest, so interest payable charges would not be materially impacted by a change in interest rates. Consequently, no sensitivity tables have been presented.

Details of the Group's borrowings are shown in the table below. All loans are subject to fixed rates of interest. A theoretical increase of 1% in the fixed rate of interest would result in an extra £479,000 (31 October 2023: £772,000) of interest expense. This sensitivity is purely illustrative as the Groups debt is not subject to an interest rate risk.

Terms and debt repayment schedule

The table below shows the maturity profile and interest rates of the Groups borrowings at 31 October 2024 and 31 October 2023.

Group	Status	Currency	Interest Rate	Year of maturity	2024 Carrying amount £'000	2023 Carrying amount £'000
Loans	Fixed rate	Euro	0,28% – 1,57%	2025 – 2027	42,957	69,975
Loans	Fixed rate	Japanese Yen	0,54% – 1,15%	2028 – 2030	4,986	7,199
Lease liabilities	Fixed rate	Various	0,3% – 18.6%	2024 – 2033	11,820	13,336
					59,763	90,510

Price risk

The Group is exposed to changes in prices on raw materials, consumables and finished goods purchased from suppliers. Wherever possible, price rises are passed on to customers via sales price increases to help manage this risk.

The Group's investments in listed and unlisted equity securities are not material thus the Group does not have any significant exposure to price risk on these equity investments.

16(C) Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to enhance long-term shareholder value, by investing in the business so as to improve the return on investment (by increasing profits available for dividends) and by managing the capital gearing ratio (mixture of equity and debt).

The Group manages, and makes adjustments to, its capital structure in light of the prevailing risks and economic conditions affecting its business activities. This may involve adjusting the rate of dividends, purchasing the Company's own shares, the issue of new shares and reviewing the level and type of debt. The Group manages its borrowings by appraising the mix of fixed and floating rate borrowings and the mix of long-term and short-term borrowings. Details of how the Group and subsidiaries are funded are shown below. There were no changes to the Group's approach to capital management during the period.

Group

The Group is funded by share capital and retained earnings; supplemented by external borrowing as required. The Group has had a strong net cash position throughout the current and comparative period.

Subsidiary companies

Subsidiary companies are funded by share capital and retained earnings, and where applicable local borrowings by the subsidiaries in appropriate currencies.

Notes to the Group Financial Statements continued

16(C) Capital risk management continued

The capital structure of the Group is presented below.

	31 October 2024 £'000	31 October 2023 £'000
Cash and cash equivalents	86,147	111,091
Borrowings	(47,945)	(77,174)
Net cash	38,202	33,917
Equity	179,871	158,988

The Group has various borrowings and available facilities that contain certain external capital requirements (covenants) that are considered normal for these types of arrangements. The Group remains comfortably within all such covenants.

17 Trade and other receivables

	31 October 2024 £'000	31 October 2023 (restated) £'000
Non-current assets		
Other receivables	2,814	3,005
	2,814	3,005
Current assets		
Gross trade receivables	6,981	6,514
Allowance for expected credit losses	(882)	(1,326)
Trade receivables	6,099	5,188
Other receivables	9,327	3,093
Prepayments	3,866	3,980
	19,292	12,261

All trade receivables arise from contracts with customers.

Non-current other receivables includes restricted deposits in relation to the Group's pension schemes.

Current other receivables at 31 October 2024 include £3.7m due from the maturity of convertible bonds (2023: nil). See note 16 for further details.

18 Inventories

	31 October 2024 £'000	31 October 2023 £'000
Raw materials and consumables	25,794	25,484
Finished goods	12,271	7,017
	38,065	32,501

The replacement value of inventories is not materially different from that stated above.

19 Cash and cash equivalents

	31 October 2024 £'000	31 October 2023 £'000
Cash at bank and in hand	72,668	70,669
Deposit accounts	13,479	40,422
Cash and cash equivalents per statement of financial position	86,147	111,091

Deposit accounts have an original maturity term of less than three months. The amounts placed in short-term deposit accounts depend on the immediate cash requirements of the Group. Interest was earned on deposits at rates between 2.90% and 4.75% in the year (2023: 2.90% to 2.93%). Cash at bank is generally interest free but may earn interest at the applicable daily bank floating deposit rate.

20 Net cash

	Notes	31 October 2024 £'000	31 October 2023 £'000
Cash and cash equivalents per statement of financial position	19	86,147	111,091
Non-current borrowings	23	(28,547)	(50,137)
Current borrowings	23	(19,398)	(27,037)
Net Cash		38,202	33,917

Net cash is a non-GAAP measure since it is not defined in accordance with IFRS but is a key indicator used by management in assessing operational performance and financial position strength. The inclusion of items in net cash as defined by the Group may not be comparable with other companies' measurement of net cash/debt. The Group defines net cash as cash and cash equivalents less current and non-current borrowings outstanding, excluding lease liabilities of £11,819,000 (2023: £13,336,000).

Reconciliation of movement in liabilities arising from financing activities

	Non cash movements				Cash movements		31 October £'000
	1 November £'000	Exchange differences £'000	New lease liabilities £'000	Other movements £'000	Repayment of liabilities £'000	New loans £'000	
31 October 2024							
Non-current loans	50,137	(2,194)	–	(18,245)	(1,151)	–	28,547
Non-current lease liabilities	8,310	(409)	3,260	(4,061)	310	–	7,410
Non-current liabilities arising from financing activities	58,447	(2,603)	3,260	(22,306)	(841)	–	35,957
Current loans	27,037	(1,138)	–	18,245	(25,898)	1,152	19,398
Current lease liabilities	5,026	(88)	1,653	4,061	(6,243)	–	4,409
Current liabilities arising from financing activities	32,063	(1,226)	1,653	22,306	(32,141)	1,152	23,807
Total liabilities arising from financing activities	90,510	(3,829)	4,913	–	(32,982)	1,152	59,764
31 October 2023							
Non-current loans	72,365	778	–	(25,243)	(744)	2,981	50,137
Non-current lease liabilities	10,064	157	657	(2,568)	–	–	8,310
Non-current liabilities arising from financing activities	82,429	935	657	(27,811)	(744)	2,981	58,447
Current loans	29,799	375	–	25,243	(30,216)	1,836	27,037
Current lease liabilities	5,858	(4)	2,462	2,568	(5,858)	–	5,026
Current liabilities arising from financing activities	35,657	371	2,462	27,811	(36,074)	1,836	32,063
Total liabilities arising from financing activities	118,086	1,306	3,119	–	(36,818)	4,817	90,510

Notes to the Group Financial Statements continued

21 Share capital and reserves

Share Capital

	31 October 2024 Number	31 October 2023 Number	31 October 2024 £'000	31 October 2023 £'000
Allotted, issued and fully paid:				
Ordinary shares of 0.5p each				
At the beginning of the period	378,454,879	378,051,637	1,891	1,889
Issued in year – share options exercised	677,500	403,242	3	2
Cancellation of shares held in treasury	(2,368,626)	–	(12)	–
At the end of the period	376,763,753	378,454,879	1,882	1,891

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

Reserves

Treasury shares

	Number of Shares	Cost* £'000	Proportion of ordinary issued share capital
Shares held in treasury at 1 November 2022	–	–	–
Purchase of own shares	1,260,534	1,969	–
Shares held in treasury at 31 October 2023	1,260,534	1,969	0.33%
Purchase of own shares	1,108,092	1,425	–
Cancellation of shares held in treasury	(2,368,626)	(3,394)	–
Shares held in treasury at 31 October 2024	–	–	0.00%

* Purchase cost including transaction costs

At the Annual General Meeting on 18 August 2023, a shareholders' resolution was passed permitting the Company to purchase its own shares up to a maximum of 10% of the Ordinary shares in issue.

In the year ended 31 October 2024 the Company purchased, on various dates and at various prices, 1,108,092 shares at a combined cost of £1,425,000 including £6,000 transaction costs, bringing the total number of shares purchased since the resolution to 2,368,626 at a combined cost of £3,394,000. The shares were purchased at an average price of 133.17 pence per ordinary share.

On 12 July 2024 the Board of the Company passed a resolution to cancel all of its 2,368,626 ordinary shares of 0.5 p each held in treasury. The cancellation took place on the same date. The cancellation is reflected in the statement of financial position as a reduction in share capital and retained earnings.

The treasury shares had no voting or dividend rights.

Share premium

Share premium reserve is the cumulative value of the excess received for shares above their nominal value.

Capital redemption reserve

The capital redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the purchase and cancellation of the Company's own shares.

Other reserves

Includes the share-based payment reserve on equity settled schemes. The share-based payment reserve is generally distributable.

The other reserve accounts included within this category mainly arise in subsidiaries, are generally not distributable, and arise as a result of local legislation regarding capital maintenance.

Translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries and associates. In accordance with the options allowed under IFRS 1, only exchange rate differences arising on translation after the date of transition, 1 May 2004, are shown in this reserve. When an overseas subsidiary or associate is disposed, the cumulative exchange difference relating to the entity disposed is recycled through the statement of comprehensive income as part of the profit or loss on sale in other net gains/(losses) and is shown as a movement in other comprehensive income.

22 Share-based payments

Share options, which have been granted to senior staff, including directors, to purchase Ordinary shares of 0.5p each, are as follows:

Date options granted	At 31 October 2023	Exercise price	Granted during year	Lapsed or forfeited during year	Exercised during year	At 31 October 2024	Date from which exercisable	Last date on which exercisable
27-Aug-19	594,752	101.40p	–	–	–	594,752	27-Aug-22	26-Aug-26
19-Apr-21	925,000	61.40p	–	(40,000)	(625,000)	260,000	19-Apr-24	19-Apr-28
05-Aug-21	1,799,774	77.50p	–	(143,000)	(37,500)	1,619,274	05-Aug-24	05-Aug-28
12-May-22	1,750,000	68.73p	–	(212,500)	(7,500)	1,530,000	12-May-25	12-May-29
04-Apr-23	1,939,947	126.70p	–	(50,000)	–	1,889,947	04-Apr-26	03-Apr-30
19-Jul-23	357,500	163.10p	–	–	(7,500)	350,000	19-Jul-26	19-Jul-30
22-Aug-24	–	192.33p	1,115,000	–	–	1,115,000	22-Aug-27	22-Aug-34
23-Sep-24	–	192.33p	90,000	–	–	90,000	23-Sep-27	22-Sep-34
	7,366,973		1,205,000	(445,500)	(677,500)	7,448,973		

All options can be exercised, in normal circumstances, within a period of between four and seven years from the exercise of option date, providing that the performance criterion or performance condition has been achieved. The subscription price for all options is based upon the average market price on the three days prior to the date of grant. Options are restricted, or may lapse, if the grantee leaves the employment of the Group before the first exercise date.

All options are equity settled options.

Options granted after 2005 are covered by the new Me Group Executive Share Option Scheme. The vesting of options is subject to an EPS-based performance condition relating to the extent to which the Group's basic EPS for the third financial year, following the date of grant, reaches a sliding scale of challenging EPS targets.

Options are normally granted over shares worth up to 150% of a participant's salary each year. In exceptional cases as part of the terms of attracting senior management, options in excess of that number may be granted.

The weighted average exercise price of all options outstanding at 31 October 2024 is 112.213p (2023: 88.83p) and the weighted average exercise price of options exercisable at 31 October 2024 is 81.55p (2023: 101.40p).

The weighted average share price for options exercised during the period ended 31 October 2024 was 173.82p (31 October 2023: 154.43p).

The weighted average remaining years for options outstanding at the period-end date is 6.3 years (2023: 5.2 years).

Notes to the Group Financial Statements continued

22 Share-based payments continued**Share-based payments expense**

In accordance with IFRS 2 Share-based Payments, share options granted to senior management including directors after November 2002 have been fair-valued and the Group has used the Black-Scholes option pricing model. This model takes into account the terms and conditions under which the options were granted.

The following table lists the inputs to the model used for the years ended 31 October 2024 and 31 October 2023:

Date of grant	4 October 2019	5 October 2020	19 April 2021
Vesting period	3 years	3 years	3 years
Share price volatility	32.59%	31.64%	51.40%
Share price on date of grant	92.80p	42.30p	63.20p
Option price	93.30p	93.30p	61.40p
Expected term	3.25 years	3.25 years	3.25 years
Dividend yield	3.98%	0.00%	0.00%
Risk free interest rate	0.00%	0.00%	0.17%
Fair value	41.99p	22.97p	34.89p

Date of grant	5 August 2021	5 October 2021	12 May 2022
Vesting period	3 years	3 years	3 years
Share price volatility	77.50%	49.48%	49.91%
Share price on date of grant	77.50p	65.50p	65.20p
Option price	77.50p	61.10p	68.73p
Expected term	3.25 years	3.25 years	3.25 years
Dividend yield	0.00%	0.00%	4.43%
Risk free interest rate	0.15%	0.56%	1.24%
Fair value	28.18p	24.47p	25.17p

Date of grant	4 April 2023	19 July 2023	22 August 2024
Vesting period	3 years	3 years	3 years
Share price volatility	52.91%	40.51%	35.96%
Share price on date of grant	127.40p	159.00p	191.80p
Option price	126.70p	163.10p	192.33p
Expected term	3.25 years	3.25 years	3.25 years
Dividend yield	4.40%	4.14%	4.10%
Risk free interest rate	3.35%	4.53%	3.84%
Fair value	59.25p	60.26p	62.93p

Date of grant	23 September 2024
Vesting period	3 years
Share price volatility	35.74%
Share price on date of grant	190.20p
Option price	192.33p
Expected term	3.25 years
Dividend yield	3.75%
Risk free interest rate	3.69%
Fair value	60.62p

The charge for share-based payments is £795,000 (2023: £345,000).

Share price volatility is based on historical data.

23 Financial liabilities

	31 October 2024 £'000	31 October 2023 £'000
Non-current liabilities		
Non-current instalments due on bank loans	28,547	50,137
Current liabilities		
Current instalments due on loans	19,398	27,037

Bank loans bear fixed rates of interest and vary between 0.28% and 1.57%. Further details are provided in note 16.

Lease Liabilities

In addition to bank loans, the Group has lease liabilities of £11,819,000 (2023: £13,336,000).

The Group has lease arrangements across three main categories: site agreements, property and motor vehicles. The key quantitative information regarding the lease portfolio is shown below:

As at 31 October 2024	Site agreements	Property	Motor vehicles
Number of lease agreements	481	7	600
Average lease term (months)	103	100	39
Average remaining term (months)	43	47	20

As at 31 October 2023	Site agreements	Property	Motor vehicles
Number of lease agreements	618	9	507
Average lease term (months)	80	74	41
Average remaining term (months)	50	41	22

The maturity profile of lease liabilities is shown below:

	Within one year £'000	Year 2 £'000	Year 3 £'000	Year 4 £'000	Year 5 £'000	Over 5 years £'000	Total £'000
At 31 October 2024							
Leases	5,195	3,340	1,918	1,281	588	986	13,308
At 31 October 2023							
Leases	6,243	4,061	2,376	1,462	1,026	1,331	16,499

24 Post-employment benefit obligations

The Parent Company and its principal subsidiaries (the "Group") operate pension and other retirement and post-employment schemes including both funded defined benefit schemes, and defined contribution schemes.

Defined benefit plans

A defined benefit plan is a pension arrangement under which participating members receive a benefit at retirement. The amount is determined by the plan rules and is dependent on such factors as age, years of service and pensionable pay and is not dependent on contributions made by the employing company or members. The income statement service cost, in respect of defined benefit plans represents the increase in the defined benefit liability arising from pension benefits accrued by members in the current experience being different to those assumptions and the return on plan assets above the amount included in net pension interest.

Defined contribution plans are arrangements in which the benefits paid to participants are linked to the amount of contributions paid and the performance of the scheme. Such plans are independent of the Group and the Group has no exposure to investment and experience risks. The income statement charge for these plans represents the contributions paid by the Group based on a percentage of employees' pay.

Notes to the Group Financial Statements continued

24 Post-employment benefit obligations continued

The Group's defined benefit pension schemes are included in the statement of financial position under employment benefit obligations, as are other overseas retirement provisions.

The amounts charged to profit and loss for all post-employment benefits are shown in note 7.

The amount shown in the statement of financial position is detailed as follows:

	31 October 2024 £'000	31 October 2023 £'000
Overseas employment benefit obligations	4,119	3,847
Defined benefit schemes	283	216
	4,402	4,063

Me Group International plc defined benefit pension scheme

The Parent Company (the "Company") runs a defined benefit pension scheme, the Photo-Me International Plc Pension and Life Assurance Fund (the "Fund"). This note covers the pension obligations provided from the Fund.

The Fund is administered by a corporate Trustee, with Trustee Directors, which is legally separate from the Company. The Trustee Directors include representatives of both the Company and Fund members. The Trustee Directors are required by law to act in the interest of all relevant beneficiaries and are responsible for the investment policy with regard to the assets plus the day to day administration of the benefits.

The level of benefits provided by the Fund depends on a member's length of service and salary at date of leaving or retiring from the Fund. Annual pension increases between leaving the Fund and retirement are linked to increases in the Retail Prices Index (RPI). After retirement, annual pension increases are at 3.0% pa for pension accrued before April 1997 and in line with increases in the Retail Prices Index (RPI), up to a maximum of 5.0% pa, for pension accrued from April 1997. The benefit payments are from a trustee administered fund containing assets held in trust and governed by UK regulations and practice. The amount of Company contributions is decided jointly by the Trustee Directors and the Company.

The Fund's investment strategy is decided by the Trustee Directors, in consultation with the Company. The Trustee Directors exercise their powers of investment (or delegation where these powers have been delegated to a fund manager) in a manner calculated to ensure the security, quality, liquidity and profitability of the portfolio as a whole. In order to avoid an undue concentration of risk a spread of assets is held. The diversification is both within and across asset classes. The assets are invested in a manner appropriate to the nature and duration of the expected future retirement benefits payable under the Fund. Day to day selection of stocks is delegated to fund managers appointed by the Trustee Directors. As regards the review and selection of their fund managers, the Trustee Directors take expert advice.

The actuarial valuation of the UK Pension scheme has revealed a surplus at 31 October 2024 and at each financial statement date since 30 April 2017. This surplus has not been recognised as an asset, in accordance with IFRIC 14, as in the future the surplus will not be recovered by a reduction in future contributions to the scheme. The scheme has been closed to new members for over 30 years.

Profile of the Fund

The defined benefit obligation includes benefits for deferred pensioners and current pensioners. The defined benefit obligation is broadly split 99%/1% between pensioners and deferred members.

The defined benefit obligation for certain current pensioners is backed by insurance policies. A corresponding asset equal to the defined benefit obligation is included in this note in respect of these members.

The Fund duration is an indicator of the weighted-average time until benefit payments are made. For the Fund as a whole, the duration is around 8 years.

Funding requirements

UK legislation requires that pension schemes are funded prudently. The most recent triennial funding valuation of the Fund was carried out by a qualified actuary with an effective date of 1 June 2021. At this date the Fund had a funding level of 102% and a surplus of approximately £0.2 million on a technical provisions basis. This basis uses actuarial assumptions adopted by the Trustee Directors of the Fund that are consistent with the Fund continuing on an ongoing basis with support from the Company.

The last active member ceased employment with the Company in 2020 so contributions are no longer required in respect of the accrual of benefits in the Fund.

Risks associated with the Fund

The Fund exposes the Company to a number of risks, the most significant of which are described below.

Asset volatility	The liabilities are calculated using a discount rate set with reference to corporate bond yields; if assets underperform this yield, this will create a deficit.
Changes in bond yields	A decrease in corporate bond yields will increase the value placed on the Fund's liabilities for IAS 19, although this will be partially offset by an increase in the value of the Fund's bond holdings and insurance policies backing pensions in payment.
Inflation risk	Some of the Fund's benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect against extreme inflation). In addition, increases in expected inflation will be offset by an increase in the value of the Fund's index-linked bond holdings and insurance policies backing pensions in payment.
Life expectancy	The majority of the Fund's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the liabilities. Increases in life expectancy will be partially offset by an increase in the value of the insurance policies backing pensions in payment.

Reconciliation of the movement in the present value of the defined benefit obligation

	31 October 2024 £'000	31 October 2023 £'000
Present value of defined benefit obligation at beginning of the period	3,685	4,364
Current service cost	–	–
Interest cost	197	206
Actuarial (gains) on fund liabilities arising in demographic assumptions	(4)	(70)
Actuarial losses/(gains) from changes in financial assumptions	84	(225)
Actuarial losses/(gains) on liabilities from experience	29	(268)
Benefits paid	(329)	(322)
Present value of defined benefit obligation at end of the period	3,662	3,685

Reconciliation of the movement in the fair value of plan assets

	31 October 2024 £'000	31 October 2023 £'000
Fair value of plan assets at beginning of the period	4,001	4,769
Interest income on fund assets	215	226
Remeasurement gains/(losses) on assets	71	(672)
Benefits paid	(329)	(322)
Fair value of plan assets at end of the period	3,958	4,001

Notes to the Group Financial Statements continued

24 Post-employment benefit obligations continued

Amount to be recognised in the statement of financial position

	31 October 2024 £'000	31 October 2023 £'000
Present value of funded obligations	3,662	3,685
Fair value of scheme assets	3,958	4,001
Net surplus	(296)	(316)
Effect of limit of recognition of an asset	296	316
Amount recognised in statement of financial position	-	-

Amount recognised in profit and loss

	31 October 2024 £'000	31 October 2023 £'000
Amount recognised in profit and loss		
Current service cost	-	-
Interest on net defined liability/(asset)	-	-
Total charge	-	-
Pension expense recognised in profit and loss	-	-
Remeasurement in Other Comprehensive Income		
Return on Scheme assets in excess of that recognised in net interest	(71)	672
Actuarial losses/(gains) due to changes in financial assumptions	84	(225)
Actuarial (gains) due to changes in demographic assumptions	(4)	(70)
Actuarial losses/(gains)/losses on liabilities arising from experience	29	(268)
Adjustment due to the asset ceiling	(38)	(109)
Total expense/(income) amount recognised in Other Comprehensive Income	-	-
Total expense amount recognised in Comprehensive Income	-	-

The amounts shown above are included in staff costs (note 7) and in administrative expenses.

An analysis of the assets of the plan is as follows:

	31 October 2024		31 October 2023	
	£'000	%	£'000	%
Bonds and insurance policies	3,810	96	3,892	97
Other	148	4	109	3
	3,958	100	4,001	100

There were no financial instruments of the Company included in the plan assets (2023: none) and there were no property assets occupied by the Company (2022: none).

Principal actuarial assumptions

	31 October 2024 %	31 October 2023 %
Discount rate for scheme liabilities	5.3	5.6
Rate for increase in salaries	n/a	n/a
Price inflation	3.2	3.2
Pension increases	3.0	3.0

The mortality tables used for 2024 are S3NXA Light tables for males and S3NXA All lives for females, with CMI 2023 projections and a long-term rate of improvement of 1.25% pa. The mortality tables used for 2023 were also S3NXA Light tables, but with CMI 2022 projections and a long term rate of improvement of 1.25% pa. The mortality assumptions allow for expected future improvements in mortality rates.

	31 October 2024	31 October 2023
Male currently aged 65	23.3 years (age 88.3)	23.3 years (age 88.3)
Female currently aged 65	24.8 years (age 89.8)	24.7 years (age 89.7)

History of asset values, defined benefit obligation and surplus/deficit in fund

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Fair value of defined benefit obligation	3,685	3,685	4,364	5,788	6,267
Fair value of assets	3,662	4,001	4,769	6,641	7,040
Surplus/(deficit)	296	316	405	853	773

History of experience gains and losses

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Experience gains/(losses) on fund assets	71	(672)	(1,645)	(170)	622
Experience (losses)/gains on plan liabilities	(29)	268	(84)	79	(67)

Liabilities for 2024, 2023, 2022, 2021 and 2020 relate to gains/(losses) in respect of liability experience only, and excludes any change in liabilities in respect of changes to the actuarial assumptions used.

Sensitivity to key assumptions

The key assumptions used for the IAS 19 valuation are: discount rate, inflation rate and mortality. If different assumptions were used, this could have a material effect on the results disclosed. The table below shows the sensitivity to the key assumptions noted above.

Period ended 31 October 2024	Plan assets £'000	Defined benefit obligation £'000	Surplus £'000
As reported	3,958	3,662	296
Following a 0.1% decrease in the discount rate	3,966	3,691	275
Following a 0.1% increase in the inflation assumption	3,959	3,671	288
Following an increase in the life expectancy of one year	4,046	3,844	202

The sensitivity information shown above has been prepared using the same method as adopted when adjusting the results of the latest valuation to the statement of financial position data. This is the same approach as has been adopted in previous years.

Notes to the Group Financial Statements continued

24 Post-employment benefit obligations continued**Overseas pension schemes**

The Group's Swiss subsidiary, Me Group Switzerland AG participates in funded multi-employer pension schemes. A guaranteed return for such employees' schemes is mandated by the Swiss state. An actuarial valuation was performed at 31 October 2024 and 31 October 2023 by independent actuaries.

Reconciliation of the movement in the present value of the defined benefit obligation

	31 October 2024 £'000	31 October 2023 £'000
Present value of defined benefit obligation at start of the period	2,930	2,898
Exchange difference	(61)	136
Contribution by members	37	33
Current service cost	130	126
Past service cost	(24)	(18)
Interest cost	56	71
Remeasurement losses/(gains) on plan liabilities	282	(56)
Prepaid risk premiums	(37)	(36)
Benefits paid	(302)	(225)
Administration costs	1	1
Present value of defined benefit obligation at end of the period	3,012	2,930

	31 October 2024 £'000	31 October 2023 £'000
Fair value of plan assets at start of the period	2,714	2,740
Exchange difference	(56)	127
Contributions by company and members	185	166
Expected return on plan assets	52	67
Remeasurement gains/(losses) on plan assets	173	(125)
Benefits paid	(302)	(225)
Prepaid risk premiums	(37)	(36)
Fair value of plan assets at end of the period	2,729	2,714

	31 October 2024 £'000	31 October 2023 £'000
Net liability at start of the period	216	158
Exchange difference	(5)	8
Increase/(decrease) in liability	72	49
Net liability at end of the period	283	216

Amounts recognised in comprehensive income

	31 October 2024 £'000	31 October 2023 £'000
Amount recognised in profit and loss:		
Amounts recognised in comprehensive income:		
Current service cost	130	127
Past service cost	(24)	(18)
Administrative expenses	1	1
Net pension interest	4	4
Total charge	111	114
Amount recognised in other comprehensive income:		
Gain on scheme assets	(173)	125
Actuarial losses on defined benefit obligation	282	(56)
Total amount recognised in other comprehensive income	109	68
Total amount recognised in profit and loss and other comprehensive income	220	182

	31 October 2024		30 October 2023	
	£'000	%	£'000	%
Cash	28	1	27	1
Equities & debt instruments	1,856	68	1,954	68
Other	846	31	733	31
Total plan assets	2,729	100	2,714	100

Principal actuarial assumptions

	31 October 2024 %	31 October 2023 %
Discount rate	1.10	2.00
Expected return on plan assets at end of year	n/a	n/a
Rate of increase in salaries	1.20	1.20
Price inflation	1.00	1.00

The normal retirement age for males is between 60 – 65 years and for females between 59 – 64 years for both 2024 and 2023.

The mortality tables used in 2024, 2023, 2022 and 2021 were the BVG 2020 GT tables

The mortality tables used in 2020 were the BVG 2015 GT tables.

Notes to the Group Financial Statements continued

24 Post-employment benefit obligations continued

History of assets, liabilities and actuarial gains and losses

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Present value of defined benefit obligation	3,012	2,930	2,898	3,621	4,792
Fair value of assets	2,729	2,714	2,740	3,113	3,615
Deficit	(283)	(216)	(158)	(508)	(1,177)

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Experience (losses)/gains on plan liabilities	(282)	56	658	436	(93)
– as a percentage of the present value of plan liabilities	(9%)	(2%)	(23%)	(12%)	2%
Remeasurement gains/(losses) on plan assets	173	(125)	(276)	166	(69)
– as a percentage of the present value of plan assets	6%	(5%)	(10%)	5%	(2%)

Sensitivity to key assumptions

The key assumptions used for the IAS 19 valuation are: discount rate, inflation rate and mortality.

If different assumptions were used, this could have a material effect on the results disclosed.

The table below shows the sensitivity to the key assumptions noted above.

	Defined benefit obligation £'000	Increase/ (decrease) in defined benefit obligation £'000
Defined benefit obligation as reported	3,012	–
Defined benefit obligation		
– with discount rate – 0.25%	3,121	109
– with discount rate 0.25%	2,910	(102)
– with salary decrease – 0.25%	3,105	93
– with salary increase 0.25%	2,926	(86)
– with life expectancy 1 year	3,058	46
– with life expectancy – 1 year	2,965	(47)

The Group's best estimate for contributions to be paid by the Group next year to the scheme is £139,000 (2023: £140,000).

The amount recognised in the income statement for this scheme was £111,000 (2023: £114,000).

Overseas post-employment benefit obligations

Provisions for obligations to make termination payments on retirement, to employees who are not members of the pension and retirement schemes, are as follows:

- The Group's Japanese subsidiary undertaking, ME Group Japan, has an unfunded post-employment retirement provision based on an employee's length of service with the company and their current salary. The allowance is paid to an employee when they leave the company. This has been provided for in full within the accounts. ME Group Japan, agreed with the employees that 50% of the liability for the retirement provision will be paid in cash to an independently controlled defined contribution scheme, with the balance to be met by the company when the employee leaves. The provision were valued by an independent actuary using the Projected Unit Credit Method at 31 October 2024 and 31 October 2023. This actuarial valuation incorporated the following principal assumptions in arriving at the present value of the obligations:

	31 October 2024	31 October 2023
Discount rate	0.97%	0.95%
Rate of increase in salaries	0%	0%
Retirement age	60 years	60 years
Mortality table	Standard mortality rates under defined benefit corporation pension plan (the 22nd Life Table for male & female)	Standard mortality rates under defined benefit corporation pension plan (the 22nd Life Table for male & female)

Expenses relating to the Japanese post-employment benefit obligation were recognised in following sections of the statement of comprehensive income:

- Administration expenses £62,000 (2023: £65,000)
- Interest expense £8,000 (2023: nil)
- Remeasurement gains in other comprehensive income £4,000 (2023: £1,000)
- To meet the legal obligations within France, the Group's subsidiary undertakings have unfunded retirement provisions, which were valued by an independent actuary using the Projected Unit Credit Method at 31 October 2024 and 31 October 2023. This actuarial valuation incorporated the following principal assumptions in arriving at the present value of the obligations:

	31 October 2024	31 October 2023
Discount rate	3.40%	3.80%
Rate of increase in salaries	2.00%	2.00%
Retirement age	62-67 years	62-67 years
Inflation rate	2.10%	2.00%
Mortality table	TGH/TGF 05	TGH/TGF 05

Expenses relating to the French post-employment benefit obligation were recognised in following sections of the statement of comprehensive income:

- Administration expenses £74,000 (2023: £16,000)
- Finance cost £105,000 (2023: £102,000)
- Remeasurement losses in other comprehensive income £408,000 (2023: remeasurement loss of £151,000)

Notes to the Group Financial Statements continued

25 Provisions

	Employee related claims £'000	Product warranties £'000	Other £'000	Total £'000
At 31 October 2022	238	635	694	1,567
Exchange differences	5	4	(1)	8
Utilised and other movements	(49)	(52)	(522)	(623)
Reclassifications	–	314	(314)	–
Charged to income statement	78	–	854	932
At 31 October 2023	272	901	711	1,884
Amount shown as current liability	272	901	711	1,884
Amount shown as non-current liability	–	–	–	–
At 31 October 2023	272	901	711	1,884
Exchange differences	(20)	(14)	(41)	(75)
Utilised and other movements	(77)	–	(296)	(373)
Disposal of subsidiary	–	–	(303)	(303)
Charged to income statement	621	(453)	5	173
At 31 October 2024	796	434	76	1,306
Amount shown as current liability	796	434	76	1,306
Amount shown as non-current liability	–	–	–	–

Other provisions include amounts for unresolved claims made against the Group by suppliers.

26 Deferred taxation

Deferred tax comprises:

	31 October 2024 £'000	31 October 2023 £'000
Temporary differences relating to property, plant and equipment	4,408	2,089
Other temporary differences in recognising revenue and expense items in other periods for taxation purposes:		
– capitalised development costs	989	1,030
– post-employment benefit provisions	(1,269)	(1,254)
– acquisition related intangibles	916	4,407
– other short-term temporary differences	2,159	2,294
	7,202	8,566
The closing balance comprises:		
Deferred tax assets	(2,668)	(1,020)
Deferred tax liabilities	9,870	9,586
	7,202	8,566

The movements on deferred taxation during the period were as follows:

	31 October 2024 £'000	31 October 2023 £'000
Opening balance	8,566	7,778
Exchange differences	(233)	(92)
Post-employment benefit provisions	(118)	(52)
Charge/(credit) for the period in income statement	1,580	932
Disposal of subsidiary	(2,593)	–
Closing balance	7,202	8,566

Temporary differences associated with Group investments

Unremitted earnings of overseas affiliates

No deferred tax liability has been recognised on the unremitted earnings of overseas subsidiaries as no tax is expected to be payable on them in the foreseeable future based on current legislation or where the Group is able to control remittance of earnings and it is possible that such earnings will not be remitted in the foreseeable future.

Unrecognised deferred tax assets

The Group has no unrecognised deferred tax assets.

Factors that may affect future tax charges

The UK Corporation Tax rate increased from 19% to 25% with effect from 1 April 2023. The deferred tax assets and liabilities have been recognised based on the respective corporation tax rates at which they are anticipated to unwind in each jurisdiction.

27 Trade and other payables

	31 October 2024 £'000	31 October 2023 £'000
Amounts shown as current liabilities		
Trade payables	31,179	33,393
Other taxes and social security costs	4,692	2,631
Other payables	11,968	11,184
Accruals and deferred income	9,004	10,713
	56,843	57,921

28 Capital commitments and contingent liabilities

Contingent liabilities

In the opinion of the Directors, adequate provision has been made for claims and legal disputes and the Directors therefore consider that no contingent liability for litigation exists.

The Group has no contingent liabilities with regard to its interest in the associated undertakings (2023 none).

Notes to the Group Financial Statements continued

29 Related parties

The Group's related parties are its associated undertakings, subsidiary undertakings and its key management personnel, which comprises the Board of Directors.

The following transactions were carried out with related parties:

Directors' compensation

	31 October 2024 £'000	31 October 2023 £'000
Salaries, director fees, short term benefits and short term bonuses	2,186	2,318
Share-based payment charge	105	136
	2,291	2,454

The remuneration of the directors, both executive and non-executive, of the Parent Company, who are the key management personnel of the Group, is set out in the table above. These figures include amounts payable to third party companies for services of the directors. The figures exclude pension related costs and any long-term incentive costs.

Directors of the Company control 36.65% of the Ordinary shares of the Company.

30 Subsidiary audit exemption

The following company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts for the year ended 31 October 2024 by virtue of Section 479A of the Companies Act 2006:

- Photo-Me Limited.

31 Business combinations and disposals

Acquisition of the photobooths business of Fujifilm Imaging Systems Co. Ltd.

On 30 September 2023 the Group completed the acquisition of 100% of the photobooths business of Fujifilm Imaging Systems Co. Ltd ("Fujifilm") for total consideration of JPY 965,755,000 (£5,284,000), obtaining control of the business on that date.

Fujifilm is a Japanese photobooth owner and operator and the acquisition of its photobooths division adds a further 3,548 photobooth units to the Group's existing operations in Asia Pacific. This acquisition is in line with the Group's strategy to expand the number of units in operation.

The acquisition was funded by a new loan facility taken by the Group's Japanese subsidiary, Me Group Japan.

In accordance with IFRS 3, this transaction meets the definition of a business combination so has been accounted for using the acquisition method.

Acquisition-related expenses of £146,000 have been recognised in the Group's statement of comprehensive income.

Deferred consideration

A portion of the total consideration was deferred and contingent on the total number of photobooth units that were acquired. Post-closing there followed a six-month period during which further units could be transferred to the Group, in addition to the 3,318 units transferred at the closing date, and subject to a maximum number of 3,806. The total consideration increases in proportion with the number of photobooths acquired, up to a maximum value of JPY 996,000,000 (£5,466,000).

At 31 October 2023, management's best estimate of the deferred consideration to be paid was JPY 40,039,000 (£220,000). This amount was accrued and included in the total estimated consideration value at that date of JPY 946,000,000 (£5,191,000).

The six-month window for the transfer of further units closed on 29 March 2024. The final number of units acquired was 3,548, resulting in a deferred consideration payment of JPY 59,794,000 (£312,000).

The additional deferred consideration, in excess of management's estimate previously accrued (£92,000), has been added to the goodwill balance in the Group's Statement of Financial Position.

Acquired assets and liabilities

Due to the proximity of the transaction to the prior period reporting date, the purchase price allocation, including determination of the fair value of intangible assets recognised on consolidation, had not been finalised when the prior period financial statements were approved.

With the purchase price allocation now complete, the Group has during the period adjusted the provisional amounts that were recorded in the prior period financial statements by increasing intangible assets by JPY 830,000,000 (£4,181,000) (see note 12).

As part of the purchase price allocation, the Group has recognised separately identifiable acquired intangible assets in accordance with IAS 38 and had their fair values assessed by an independent expert.

The fair value adjustments in respect of acquired intangible assets are due to the recognition of JPY 830,000,000 (£4,181,000) in respect of Fujifilm's customer relationships.

Gain on bargain purchase

Including the identified customer relationships intangible asset, the acquired net assets (JPY 1,180,454,000) exceed the total consideration paid (JPY 965,755,000), generating a gain on bargain purchase of JPY 214,699,000 (£1,120,000). The gain has been recognised in non-operating income in the Group's statement of comprehensive income.

This acquisition resulted in a gain on bargain purchase for the following reasons:

- Negotiations for the transaction initially began approximately two years prior to the completion date (September 2023) and Fujifilm's photobooth business was adversely affected by Covid-19 in FY21 and FY22, leading to a depressed purchase price being negotiated;
- Fujifilm had sought to divest its photobooth business, deeming it to no longer core to the group which was focussed on penetrating other markets. Consequently, Fujifilm had stopped investing in this business in the years leading up to the transaction in terms of both capital investment and enacting annual price increases to customers;
- Following the lack of investment and impact of Covid-19, the Group needed to invest heavily in the acquired business to turn it around. This represented a risk to the Group, which further supported the purchase consideration being driven by a short payback period.

Notes to the Group Financial Statements continued

31 Business combinations continued

Other changes to the composition of the Group

Disposal of SEMPA

On 20 May 2024 the Group disposed of its interest in its French subsidiary, Sempa SAS, for cash consideration of €4,600,000 (£3,936,000). The Group generated a loss on disposal of £339,000 which is included in non-operating income in the Group's statement of comprehensive income.

The assets and liabilities which the Group lost control over are detailed below:

	£'000
Goodwill	3 357
Other intangible assets	3 103
Property, plant & equipment	120
Inventories	462
Trade and other receivables	136
Cash and cash equivalents	263
Total assets	7 441
Provisions	(386)
Trade and other payables	(131)
Deferred income tax liability	(2 649)
Total liabilities	(3 166)
Net assets	4 275

32 Events after the statement of financial position date

Interim dividend

On 29 November 2024 the Group paid its interim dividend in respect of the six month period ended 30 April 2024 of 3.45 pence per ordinary share, totalling £12,998,000.

UK defined benefit pension scheme

The Company runs a defined benefit pension scheme, the Photo-Me International Plc Pension and Life Assurance Fund. In November 2024, the Trustee of the Fund entered into an insurance contract with Legal & General that provides the pensions for certain members of the Fund. As a result, the benefits for all members of the Fund are now secured with an insurance company, via policies in the name of the Trustee. The intention is that in due course these policies will be transferred into the name of the individual members and the Fund wound-up.

Disposal of an office building

On 20 February 2025 the Group disposed of the second, and final, tranche of an office property in Grenoble, France for £4,848,000. At 31 October 2024 the property was recognised in non-current assets classified as held for sale in the Group's statement of financial position. The Group will recognise a gain on disposal of £1,584,000 in the year ended 31 October 2025.

33 Period summary (unaudited)

Income statement

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Revenue					
UK & Ireland	49,188	48,173	41,996	29,644	54,623
Continental Europe	208,987	205,157	177,839	145,009	195,230
Asia	49,711	44,332	39,945	39,751	60,392
Total revenue	307,886	297,662	259,780	214,404	310,245
Operating profit	74,390	67,502	56,681	29,335	3,317
Net finance (cost)/income & non-operating income	(969)	(435)	(3,327)	(780)	(2,825)
Profit before taxation	73,421	67,067	53,354	28,555	492
Taxation	(19,331)	(16,401)	(14,561)	(6,703)	(2,844)
Profit after taxation	54,090	50,666	38,793	21,852	(2,352)
Attributable to:					
– equity owners of the Parent	54,090	50,666	38,793	21,713	(2,305)
– Non-controlling interests	–	–	–	139	(47)
	54,090	50,666	38,793	21,852	(2,352)
Earnings per share – Basic	14.36p	13.40p	10.26p	5.78p	(0.62)p
Earnings per share – Diluted	14.27p	13.31p	10.23p	5.72p	(0.62)p
Dividends – interim	3.45p	2.97p	2.60p	0.00p	0.00p
Dividends – final	4.45p	4.42p	3.00p	2.89p	0.00p
Dividends – special	0.00p	0.00p	7.10p	0.00p	0.00p
Total dividends	7.90p	7.39p	12.70p	2.89p	0.00p

Statement of financial position

	2024 £'000	2023 £'000	2022 £'000	2021 £'000	2020 £'000
Intangible assets	25,368	36,710	32,736	34,502	32,739
Property, plant and equipment	136,332	118,124	101,090	91,973	90,937
Other non-current investments	37	35	21	21	57
Other non-current assets	4,433	8,891	7,805	3,966	3,743
Current assets	143,601	163,815	184,716	141,688	139,760
Assets held for sale	2,869	4,947	–	–	–
Total assets	312,640	332,522	326,368	272,150	267,237
Share capital	1,882	1,891	1,889	1,889	1,889
Share premium	11,510	11,083	10,627	10,599	10,599
Treasury shares	–	(1,969)	–	–	–
Reserves	166,479	147,983	120,133	115,486	99,693
Equity of the Parent	179,871	158,988	132,649	127,974	112,181
Non-controlling interests	–	–	–	1,720	1,689
Total equity	179,871	158,988	132,649	129,694	113,870
Total non-current liabilities	47,561	71,076	94,039	68,900	52,968
Total current liabilities	85,208	102,458	99,680	73,556	100,399
Total equity and liabilities	312,640	332,522	326,368	272,150	267,237
Net cash	38,202	33,917	33,917	34,919	21,877

Note: The figures above have been extracted from the accounts for the relevant period and have not been adjusted for changes in accounting policies as a result of adoption of new accounting standards.

Notes to the Group Financial Statements continued

33 Period summary (unaudited) continued

Financial & operating statistics

	2024	2023	2022	2021	2020
Capital expenditure – photobooth & vending machines £'000	45,878	39,122	27,205	22,563	38,435
Capital expenditure – research & development £'000	918	2,337	1,418	1,802	2,296
EBITDA £'000	114,224	106,639	92,241	65,077	87,313
EBITDA % of revenue	37.1%	35.8%	35.5%	30.4%	28.1%
Number of vending sites	48,200	47,600	43,900	43,800	44,500

Company Statement of Financial Position

As at 31 October 2024

	Notes	31 October 2024 £'000	31 October 2023 £'000
Assets			
Intangible assets	4	1	3
Property, plant & equipment	5	22,626	16,329
Investment in subsidiaries	6	45,186	44,616
Financial instruments held at FVTPL	7	637	1,145
Other receivables	8	988	981
Non-current assets		69,438	63,074
Inventories	9	4,066	1,793
Trade and other receivables	8	32,140	32,662
Current tax		–	1,806
Cash and cash equivalents	10	4,907	3,344
Current assets		41,113	39,605
Total assets		110,551	102,679
Equity			
Share capital	11	1,882	1,891
Share premium		11,510	11,083
Treasury shares	11	–	(1,969)
Capital redemption reserve		12	–
Translation and other reserves		3,868	3,073
Retained earnings		69,830	70,504
Total Shareholders' funds		87,101	84,581
Liabilities			
Financial liabilities	13	668	1,026
Deferred tax liabilities	15	3,046	672
Financial liabilities	13	491	609
Current tax		–	–
Trade and other payables	16	19,245	15,791
Current liabilities		19,735	16,400
Total equity and liabilities		110,551	102,679

The notes on pages 184 to 197 are an integral part of these financial statements.

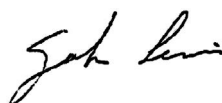
As permitted by section 408 of the Companies Act 2006, the Company's Statement of Profit or Loss has not been included in these financial statements.

The company recognised a profit after tax for the period of £30,562,000 (2023: £25,196,462).

The accounts were approved by the Board on 21 February 2025 and signed on its behalf by:



Serge Crasnianski
Chief Executive Officer



Sir John Lewis OBE
Non-executive Chairman

Registration number: 00735438

Company Statement of Cash Flows

For the period ended 31 October 2024

Notes	31 October 2024 £'000	31 October 2023 £'000
Cash flow from operating activities		
Profit before tax	32,938	26,634
Interest of lease liabilities	195	167
Finance income	(446)	(91)
Dividends received	(31,820)	(25,000)
Non-operating income – net	508	(356)
Operating profit	1,376	1,354
Amortisation and impairment of intangible assets	2	2
Depreciation of property, plant and equipment net of reversal of impairments	4,097	4,213
Loss on sale of property, plant and equipment	98	182
Share based compensation charge	225	197
Other non cash items	2	6
Changes in working capital:		
Inventories	(2,274)	38
Trade and other receivables	515	(10,501)
Trade and other payables	3,452	1,239
Cash generated from/(utilised in) operations	7,493	(3,270)
Interest paid	(196)	(167)
Interest received	346	236
Taxation paid	1,804	(1,338)
Net cash generated from/(utilised in) operating activities	9,447	(4,540)
Cash flows from investing activities		
Dividends received from investments in financial instruments	100	42
Purchase of property, plant and equipment	(10,520)	(5,024)
Proceeds from sale of property, plant and equipment	188	229
Dividends received from associates and subsidiaries	31,820	25,000
Net cash generated from investing activities	21,588	20,247
Cash flows from financing activities		
Issue of ordinary shares to equity shareholders	430	458
Purchase of treasury shares	11 (1,425)	(1,969)
Repayment of principal of leases	(636)	(731)
Dividends paid to owners of the Parent	3 (27,842)	(23,443)
Net cash utilised in financing activities	(29,472)	(25,685)
Net increase / (decrease) in cash and cash equivalents	1,563	(9,977)
Cash and cash equivalents at beginning of year	3,344	13,321
Cash and cash equivalents at end of year	4,907	3,344

The notes on pages 184 to 197 are an integral part of these financial statements.

Company Statement of Changes in Equity

For the period ended 31 October 2024

	Share capital £'000	Share premium £'000	Treasury shares £'000	Capital Redemption Reserve £'000	Other reserves £'000	Retained earnings £'000	Total £'000
At 1 November 2022	1,889	10,627	-	-	2,728	68,743	83,987
Profit for the period	-	-	-	-	-	25,196	25,196
Other comprehensive income	-	-	-	-	-	7	7
Total comprehensive income	-	-	-	-	-	7	7
Total comprehensive income	-	-	-	-	-	25,203	25,203
Transactions with owners of the Parent							
Shares issued in the period (note 11)	2	456	-	-	-	-	458
Purchase of treasury shares (note 11)	-	-	(1,969)	-	-	-	(1,969)
Share options (note 11)	-	-	-	-	345	-	345
Dividends (note 3)	-	-	-	-	-	(23,443)	(23,443)
Total transactions with the Parent	2	456	(1,969)	-	345	(23,443)	(24,609)
At 31 October 2023	1,891	11,083	(1,969)	-	3,073	70,504	84,581
At 1 November 2023	1,891	11,083	(1,969)	-	3,073	70,504	84,581
Profit for period	-	-	-	-	-	30,562	30,562
Other comprehensive income	-	-	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	30,562	30,562
Transactions with owners of the Parent							
Shares issued in the period (note 11)	3	427	-	-	-	-	430
Purchase of treasury shares (note 11)	-	-	(1,425)	-	-	-	(1,425)
Cancellation of treasury shares (note 11)	(12)	-	3,394	12	-	(3,394)	-
Share options (note 11)	-	-	-	-	795	-	795
Dividends (note 3)	-	-	-	-	-	(27,842)	(27,842)
Total transactions with the Parent	(9)	427	1,969	12	795	(31,236)	(28,042)
At 31 October 2024	1,882	11,510	-	12	3,868	69,830	87,101

The notes on pages 184 to 197 are an integral part of these financial statements.

Notes to the Company Financial Statements

For the period ended 31 October 2024

General Information

ME Group International plc (the "Company") is a public limited company incorporated and registered in England and Wales and whose shares are quoted on the London Stock Exchange, under the symbol MEGP. The registered number of the Company is 735438 and its registered office is at Unit 3B, Blenheim Rd, Epsom, KT19 9AP. The principal activities of the Company are the operation, sale, and servicing of a wide range of instant-service equipment in the United Kingdom.

Authorisation of the financial statements and statement of compliance with IFRSs

The Company financial statements of ME Group International plc for the period ended 31 October 2024 were authorised for issue by the directors on 21 February 2024 and the statements of financial position were signed by S. Crasnianski, Chief Executive Officer and J. Lewis, Non-executive Chairman.

The Company financial statements have been prepared in accordance with UK-adopted international accounting standards and in conformity with the requirements of the Companies Act 2006.

As permitted by Section 408 of the Companies Act 2006, the Statement of Profit or Loss of the Company is not presented as part of the Company financial statements.

1 Basis of preparation

The financial statements have been prepared in accordance with UK-adopted international accounting standards. The financial statements have been prepared under the historical cost convention except for certain financial instruments held at FVTPL, share-based payments and defined benefit pension obligations that have been measured at fair value.

The financial statements are presented in Pounds Sterling, being the functional and presentational currency of the Company and all values are shown in £'000 except where indicated.

Going concern

The financial statements have been prepared on a going concern basis. The going concern status of the Company is linked to the financial performance and viability of the Group.

The Directors concluded that the Group is a going concern. In reaching this conclusion they have reviewed detailed budgets, which reflect, where applicable, the current economic conditions, with regard to the level of demand for the Group's and Parent Company's manufactured products, the level of consumer confidence and cash flow forecasts for at least the next twelve months.

At 31 October 2024 company had net assets of £87,101,000 (2023: £84,581,000)

Refer to note 1.1 of the Group financial statements for full details of the going concern assessment.

Accounting policies

The Company's principal accounting policies applied in the preparation of these financial statements are the same as those set out in note 1 of the Group's financial statements, with the exception of investments in subsidiaries, which is explained below.

These policies have been consistently applied to all the years presented.

Investment in Subsidiaries

Investments in subsidiaries and associates are stated at cost less impairment. The Company reviews, at least annually, the carrying value of investments and performs an impairment review.

An impairment charge is made where there is evidence that the carrying value exceeds the future cash flows of the investment or where its carrying amount will not be recovered from sale.

Guarantees issued over subsidiaries' loan liabilities

The Company has issued guarantees over certain bank loan liabilities of subsidiary companies in France and Japan. Under these guarantees, the Company would be liable for the subsidiaries' loan liabilities in the event of a default. The outstanding balance of guaranteed loan liabilities at 31 October 2024 was £12,054,000.

The Company is required to recognise expected credit losses provisions (ECL) based on unbiased forward-looking information in relation to these guarantee contracts. The ECL is measured using two main components: probability of default and loss given default.

Management have assessed the probability of default and considered the following factors: the Group operates a cash pooling arrangement, which ensures that all subsidiaries have access to sufficient cash to meet their obligations as they fall due; at the reporting date the Group holds cash of £86,147,000, which exceeds the balance of guaranteed loans; and cash forecasts indicate that the Group will continue to hold sufficient cash to cover the guaranteed loans for the next three years.

The loss given default value would be the outstanding value of the guaranteed loan liabilities.

Given the facts set out above, management determined that no ECL provision is required.

2 Critical accounting estimates and key judgements

The key area of estimation and judgement in the preparation of the Company's financial statements is the assessment of the recoverable value of investment in subsidiaries.

The recoverable value of material investments has been determined on a value-in-use basis. These calculations require estimates by management, including management's expectations of future growth in revenue, costs and profit margins, cash flows and discount rates.

The carrying value of investment in subsidiaries at the reporting date was £45,186,000.

Value in use was determined by discounting the future cash flows of the subsidiary company. Cash flows include a forecast period of five years, based on actual operating results, budgets and economic market research with a terminal value based on a long-term growth rate applied thereafter. The Growth rate assumption for all subsidiaries was 1% (2023: 1%).

WACC discount rates were calculated for each territory and ranged between 9.2% and 14.3% (2023: 9.7%-15.2%).

Further details of impairment testing, including assumptions and sensitivities, are disclosed in note 6.

3 Dividends paid and proposed

Please refer to note 10 of the Group's financial statements.

4 Intangible assets

	Customer related £'000
Cost:	
At 1 November 2022	781
At 31 October 2023	781
At 31 October 2024	781
Amortisation:	
At 1 November 2022	776
Amortisation	2
At 31 October 2023	778
Amortisation	2
At 31 October 2024	780
Net book value:	
At 1 November 2022	5
At 31 October 2023	3
At 31 October 2024	1

Notes to the Company Financial Statements continued

5 Property, plant and equipment

	Land & Buildings £'000	Photobooth & vending machines £'000	Plant, machinery, furniture, fixtures & motor vehicles £'000	Right of Use Land & Buildings £'000	Right of Use Plant, machinery, furniture, fixtures £'000	Right of Use Motor vehicles £'000	Total £'000
Cost:							
At 31 October 2022	572	40,323	3,161	1,011	1,499	1,114	47,679
Correction of error - reclassification	-	(1,427)	1,427	-	-	-	-
At 1 November 2022 (restated)	572	38,896	4,588	1,011	1,499	1,114	47,679
Additions	-	3,738	1,286	-	-	570	5,594
Disposals	-	(1,526)	(588)	-	(787)	(258)	(3,159)
At 31 October 2023	572	41,108	5,286	1,011	712	1,426	50,114
Additions	-	8,341	2,179	-	-	160	10,680
Disposals	-	(2,821)	(575)	-	(615)	(74)	(4,084)
At 31 October 2024	572	46,628	6,890	1,011	97	1,512	56,710
Depreciation:							
At 31 October 2022	307	28,768	1,268	376	1,123	473	32,315
Correction of error - reclassification	-	(1,408)	1,408	-	-	-	-
At 1 November 2022 (restated)	307	27,360	2,676	376	1,123	473	32,315
Provided during the period	17	3,448	28	106	289	325	4,213
Disposals	-	(1,419)	(284)	-	(782)	(258)	(2,744)
At 31 October 2023	324	29,389	2,419	482	630	540	33,785
Provided during the period	18	2,945	768	108	76	459	4,374
Disposals	-	(2,644)	(466)	-	(615)	(74)	(3,799)
Reversal of impairments	-	(232)	(44)	-	-	-	(276)
At 31 October 2024	342	29,458	2,677	590	91	925	34,083
Net book value:							
At 1 November 2022 (restated)	265	11,536	1,911	635	376	641	15,364
At 31 October 2023 (restated)	248	11,718	2,866	529	82	886	16,329
At 31 October 2024	230	17,170	4,213	421	6	587	22,626

The balances of cost and depreciation for photobooth and vending machines and plant, machinery, furniture, fixtures & motor vehicles as at 31 October 2022 and 31 October 2023 have been restated to correct classification errors in the prior year property, plant and equipment note.

The impact on cost balances at 31 October 2022 was: photobooth and vending machines reduction of £1,427,000; and plant, machinery, furniture, fixtures & motor vehicles increase of £1,427,000. The impact on cost balances at 31 October 2023 was: photobooth and vending machines reduction of £1,235,000; and plant, machinery, furniture, fixtures & motor vehicles increase of £1,235,000.

The impact on depreciation balances at 31 October 2022 was: photobooth and vending machines reduction of £1,408,000; and plant, machinery, furniture, fixtures & motor vehicles increase of £1,408,000. The impact on depreciation balances at 31 October 2023 was: photobooth and vending machines reduction of £1,221,000; and plant, machinery, furniture, fixtures & motor vehicles increase of £1,221,000.

These reclassifications have no impact on the total opening cost or depreciation balances of property, plant and equipment. Accordingly, this restatement had no impact on the Company's statement of financial position, statement of cash flows, total assets or total Shareholders' funds for the current or prior year.

Impairment

The Company assesses property, plant and equipment for indicators of impairment annually. Where indicators exist, the relevant assets are subject to impairment testing on a value in use basis. Value in use is determined by discounting the expected cashflows of an asset over the remainder of its useful economic life.

At 31 October 2024 no new indicators of impairment were identified.

Impairment reversal

Significant impairment charges were made against photobooth and vending machines and land and building assets in the year ended 31 October 2020. The Covid 19 pandemic had impacted the trading and outlook of the Company, indicating reduced value in use and therefore impairment. In the subsequent years the Company continued to subject these assets to annual impairment tests, with the impairment value reduced where testing indicated increased value in use.

At 31 October 2024 management considers that the original indicator of impairment, caused by the Covid 19 pandemic, no longer exists. This conclusion is supported by increased cash generation of the assets since 2020.

A key input to the determination of value in use is the revenue generated by each machine. This metric has increased significantly post-Covid, as the Group's trading performance has recovered. Accordingly, management have increased their estimate of the future revenue generation of all machines. This increases the service potential of the assets, increasing value in use, and therefore recoverable amount, above the carrying value (excluding impairment). Consequently, all remaining impairments were reversed in the current year, with care taken to ensure that the closing net book value did not exceed what it would have been had the original impairment never occurred.

Impairments to photobooths and vending machines with a total value of £232,000 were reversed in the year.

Impairments to plant and machinery with a total value of £44,000 were reversed in the year.

6 Investments in associates and subsidiaries

	Associated undertakings £'000	Subsidiary undertakings £'000	Total £'000
Costs:			
At 1 November 2022	6	46,386	46,392
Capital increase relating to share-based payment (net)	–	148	148
At 31 October 2023	6	46,534	46,540
At 1 November 2023	6	46,534	46,540
Capital increase relating to share-based payment (net)	–	570	570
At 31 October 2024	6	47,104	47,110
Provision:			
At 1 November 2022	6	1,918	1,924
At 31 October 2023	6	1,918	1,924
At 1 November 2023	6	1,918	1,924
At 31 October 2024	6	1,918	1,924
Net book value:			
At 1 November 2022	–	44,468	44,468
At 31 October 2023	–	44,616	44,616
At 31 October 2024	–	45,186	45,186

The net capital increase relating to share-based payments relates to share options in the Company granted to employees of subsidiary undertakings of the Group. Refer to note 22 of the Group financial statements for further details on the share option schemes.

The Company's subsidiaries and associated are detailed in note 19.

Notes to the Company Financial Statements continued

Impairment

At each reporting date, the Directors assess whether any indicators exist that any of the Company's investments in subsidiaries may be impaired. Where an indicator exists, the investment is subject to an impairment review, with an impairment provision recognised if an investment's recoverable value is less than its carrying amount. The recoverable value of an investment is determined on a value in use basis, using discounted cash flow projections of the subsidiary.

For subsidiaries with an associated goodwill balance in the consolidated financial statements – ME Group Ireland Supplies Limited, ME Group Germany G.m.b.H. and ME Group Japan K.K. – the Company has utilised the recoverable values determined by the Group goodwill impairment review. Details of the methodology and assumptions used are provided in note 12 of the Group financial statements.

No impairment charges were recognised in the current or prior year.

Key assumptions

The key assumptions used in the impairment review are growth rates and discount rates, as described in note 12 of the Group financial statements.

Sensitivity

As at the measurement date, the recoverable value of all investments in subsidiaries, based on their value in use, is significantly higher than their respective carrying amounts. After considering all key assumptions, management considers that a reasonably pessimistic revision of key assumptions which can rationally be expected would still not result in any impairment to the Company's investments.

7 Financial instruments

7(A) Fair values of financial instruments by class

There is no material difference between the fair values and the carrying values of financial assets and financial liabilities held in the Company's statement of financial position.

Financial instruments held at fair value – Level 1

The Company holds an investment in Max Sight Group Holdings Ltd, which is a listed company. This investment is valued at level 1. The Company owns 109,972,500 Max Sight Group Holdings Ltd's shares valued at 0,058 HKD per share as at 31 October 2024, giving a value at that date of £637,000.

This financial instrument is valued at the reporting date by reference to quoted market prices.

Financial instruments held at fair value – Level 2

There are no material Level 2 investments held by the Company.

Financial instruments held at fair value – Level 3

There are no material Level 3 investments held by the Company.

No assets or liabilities were transferred between levels 1,2 and 3 in the year.

7(A) Fair values of financial instruments by class continued

Financial instruments by category

The tables below show financial instruments by category for the Company:

At 31 October 2024	Amortised Cost £'000	Fair Value Through Profit & Loss £'000	Total £'000
Assets per statement of financial position			
Financial assets held at FVTPL	–	637	637
Financial assets – held at amortised cost:			
Trade and other receivables	31,013	–	31,013
Cash and cash equivalents	4,907	–	4,907
	35,920	637	36,556

At 31 October 2024	Other financial liabilities at amortised cost £'000	Total £'000
Liabilities per statement of financial position		
Leases	1,160	1,160
Trade and other payables	19,244	19,244
	20,404	20,404

At 31 October 2023	Amortised Cost £'000	Fair Value Through Profit & Loss £'000	Total £'000
Assets per statement of financial position			
Financial assets held at FVTPL	–	1,145	1,145
Financial assets – held at amortised cost:			
Trade and other receivables	33,001	–	33,001
Cash and cash equivalents	3,344	–	3,344
	36,346	1,145	37,491

At 31 October 2023	Other financial liabilities at amortised cost £'000	Total £'000
Liabilities per statement of financial position		
Leases	1,635	1,635
Trade and other payables	15,791	15,791
	17,426	17,426

Notes to the Company Financial Statements continued

7(B) Financial risk management

Financial risk factors and financial risk management

Overview

The Company is exposed to the following risks arising from financial instruments:

- (i) Credit risk
- (ii) Liquidity risk
- (iii) Market risk

The Company's financial risks are integrated with the financial risks of the Group, and financial risk management is centrally controlled at Group level. Refer to note 16 of the Group financial statements for the details of the Group's financial risk management strategy.

The specific financial risks to the Company are described below.

(i) Credit risk

Amounts due from subsidiaries

The Company's most significant credit risk is the recoverability of intercompany balances due from subsidiaries. Intercompany balances with subsidiaries are repayable on demand. At the reporting date, each intercompany counterparty is assessed to determine whether it has sufficient accessible highly liquid assets to cover the intercompany debtor owed to the parent company. If this analysis determines that intercompany balance is not fully recoverable at the reporting date, management will set a recovery strategy and estimate the expected credit loss on the debtor. No provision was recognised against the Company's intercompany receivables in the year (2023: nil).

Cash and cash equivalents

The Company's cash is deposited with sound financial institutions, in line with the Group Treasury Policy. Any surplus cash is transferred to the Group treasury function's bank accounts, which minimises the Company's exposure to credit risk on cash.

Accounts receivable

The nature of the Companies principal activities means that most revenue is received at the point of sale, so accounts receivable balances are immaterial. The normal terms of settlement are in the range 30–90 days. Trade receivables are normally interest free.

Where necessary, allowances for expected credit losses (ECL) are made. The Company applies the simplified ECL model.

The ageing of net current trade receivables is as follows:

	31 October 2024			31 October 2023		
	Gross trade receivables £'000	Allowance for expected credit losses £'000	Trade receivables £'000	Gross trade receivables £'000	Allowance for expected credit losses £'000	Trade receivables £'000
Current	23	–	23	24	–	24
Past due						
– overdue 1-30 days	–	–	–	–	–	–
– overdue 31-60 days	5	–	5	1	–	1
– overdue 61 days	22	(22)	–	22	(22)	–
Total past due	26	(22)	5	23	(22)	1
Total trade receivables	49	(22)	28	47	(22)	25

(ii) Liquidity risk

Liquidity risk is managed at Group level by the central treasury function. Part of the Group treasury function's role is to ensure that the Company always maintains sufficient cash to meet its obligations.

The Company has no debt facilities but has access to the Group's undrawn facilities.

The Company's contractual cashflows are shown below:

	Within one year £'000	Year 2 £'000	Year 3 £'000	Year 4 £'000	Year 5 £'000	Over 5 years £'000	Total £'000
At 31 October 2024							
Leases	700	459	199	149	–	–	1,507
Trade and other payables	19,245	–	–	–	–	–	19,245
	19,945	459	199	149	–	–	20,752
At 30 October 2023							
Leases	709	597	355	162	149	–	1,971
Trade and other payables	15,791	–	–	–	–	–	15,791
	16,500	597	355	162	149	–	17,762

(iii) Market risk

The Company's market risk and approach to its management is aligned to that of the Group. Refer to note 16 of the Group financial statements for details.

7(C) Capital risk management

Capital risk is managed at Group level. Refer to note 16 of the Group financial statements for details.

8 Trade and other receivables

	31 October 2024 £'000	31 October 2023 £'000
Non-current assets		
Other receivables	988	981
	988	981
Current assets		
Gross trade receivables	49	47
Allowance for expected credit losses	(22)	(22)
Trade receivables	28	25
Amounts due from subsidiaries	28,017	31,947
Other receivables	1,980	49
Prepayments	2,115	642
	32,140	32,662

All trade receivables arise from contracts with customers.

Amounts due from subsidiaries are non-interest-bearing trading balances and are repayable on demand.

Non-current other receivables consist of restricted deposits related to pension schemes.

Notes to the Company Financial Statements continued

9 inventories

	31 October 2024 £'000	31 October 2023 £'000
Raw materials and consumables	2,037	1,249
Finished goods	2,030	543
	4,066	1,793

The replacement value of inventories is not materially different from that stated above.

10 Cash and cash equivalents

	31 October 2024 £'000	31 October 2023 £'000
Cash at bank and in hand	4,907	3,344
Cash and cash equivalents per statement of financial position	4,907	3,344

Cash at bank is generally interest free but may earn interest at the applicable daily bank floating deposit rate.

Reconciliation of movement in liabilities arising from financing activities

	1 November £'000	New lease liabilities £'000	Repayment of liabilities £'000	Other movements £'000	31 October £'000
31 October 2024					
Non-current lease liabilities	1,026	92	–	(450)	668
Current lease liabilities	609	68	(636)	450	491
Total liabilities arising from financing activities	1,635	160	(636)	–	1,160
31 October 2023					
Non-current lease liabilities	741	358	–	(73)	1,026
Current lease liabilities	1,060	212	(731)	68	609
Total liabilities arising from financing activities	1,801	570	(731)	(5)	1,635

11 Share capital and reserves

Share Capital

	31 October 2024 Number	31 October 2023 Number	31 October 2024 £'000	31 October 2023 £'000
Allotted, issued and fully paid:				
Ordinary shares of 0.5p each				
At the beginning of the period	378,454,879	378,051,637	1,891	1,889
Issued in year – share options exercised	677,500	403,242	3	2
Cancellation of shares held in treasury	(2,368,626)	–	(12)	–
At the end of the period	376,763,753	378,454,879	1,882	1,891

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

Reserves

Treasury shares

	Number of Shares	Cost* £'000	Proportion of ordinary issued share capital
Shares held in treasury at 1 November 2022	–	–	–
Purchase of own shares	1,260,534	1,969	–
Shares held in treasury at 31 October 2023	1,260,534	1,969	0.33%
Purchase of own shares	1,108,092	1,425	–
Cancellation of shares held in treasury	(2,368,626)	(3,394)	–
Shares held in treasury at 31 October 2024	–	–	0.00%

* Purchase cost including transaction costs

At the Annual General Meeting on 18 August 2023, a shareholders' resolution was passed permitting the Company to purchase its own shares up to a maximum of 10% of the Ordinary shares in issue.

In the year ended 31 October 2024 the Company purchased, on various dates and at various prices, 1,108,092 shares at a combined cost of £1,425,000 including £6,000 transaction costs, bringing the total number of shares purchased since the resolution to 2,368,626 at a combined cost of £3,394,000. The shares were purchased at an average price of 133.17 pence per ordinary share.

On 12 July 2024 the Board of the Company passed a resolution to cancel all of its 2,368,626 ordinary shares of 0.5 p each held in treasury. The cancellation took place on the same date. The cancellation is reflected in the statement of financial position as a reduction in share capital and retained earnings.

The treasury shares had no voting or dividend rights.

Share premium

Share premium reserve is the cumulative value of the excess received for shares above their nominal value.

Capital redemption reserve

The capital redemption reserve is a statutory, non-distributable reserve into which amounts are transferred following the purchase and cancellation of the Company's own shares.

Other reserves

The Company's other reserves include the share-based payment reserve on equity settled schemes £3,243,000 (2023: £2,673,000). This relates to the fair value of options granted to employees of Group undertakings. The share-based payment reserve is generally distributable.

12 Shared-based payments

Please refer to note 22 of the Group's financial statements.

Notes to the Company Financial Statements continued

13 Lease liabilities

The Company has lease liabilities of £1,160,000 (2023 £1,635,000).

The key quantitative information regarding the lease portfolio is shown below:

As at 31 October 2024	Site agreements	Property	Motor vehicles
Number of lease agreements	1	1	122
Average lease term (months)	80	113	41
Average remaining term (months)	5	47	14

As at 31 October 2023	Site agreements	Property	Motor vehicles
Number of lease agreements	44	1	124
Average lease term (months)	52	113	45
Average remaining term (months)	6	60	21

The maturity profile of lease liabilities is shown below:

	Within one year £'000	Year 2 £'000	Year 3 £'000	Year 4 £'000	Year 5 £'000	Over 5 years £'000	Total £'000
At 31 October 2024							
Leases	700	459	199	149	–	–	1,507
At 31 October 2023							
Leases	709	597	355	162	149	–	1,971

14 Post-employment benefit obligations

The Company runs a defined benefit pension scheme, the Photo-Me International Plc Pension and Life Assurance Fund. At both the current year and prior year reporting date the scheme was in surplus. In accordance with IFRIC 14, the surplus has not been recognised as an asset in the statement of financial position. Please refer to note 24 of the Group financial statements for details of the scheme.

15 Deferred taxation

Deferred tax comprises:

	31 October 2024 £'000	31 October 2023 £'000
Temporary differences relating to property, plant and equipment	3,065	702
Other short-term temporary differences	(19)	(30)
	3,046	672
The closing balance comprises:		
Deferred tax assets	(19)	(30)
Deferred tax liabilities	3,065	702
	3,046	672

The movements in deferred taxation during the period were as follows:

	31 October 2024 £'000	31 October 2023 £'000
Opening balance	672	(948)
Charge/(credit) for the period in income statement	2,374	1,620
Closing balance	3,046	672

Unrecognised deferred tax assets

The Company has no unrecognised deferred tax assets.

Factors that may affect future tax charges

The UK Corporation Tax rate increased from 19% to 25% with effect from 1 April 2023.

16 Trade and other payables

	31 October 2024 £'000	31 October 2023 £'000
Amounts shown as current liabilities		
Trade payables	2,041	2,246
Amounts owed to subsidiaries	13,212	9,448
Other taxes and social security costs	317	814
Accruals and deferred income	3,675	3,284
	19,245	15,791

17 Capital commitments and contingent liabilities

The Company has no capital commitments or contingent liabilities.

18 Related parties

The following related party transactions took place between the Company and its subsidiaries during the year:

	31 October 2024 £'000	31 October 2023 £'000
Transactions with subsidiaries:		
Purchases	63	74
Intercompany fees charged by/(received from) subsidiaries	7,247	5,255
Property, plant and equipment acquired from subsidiaries	7,607	3,189
Dividend income from subsidiaries	31,820	25,000
Balances with subsidiaries:		
Amounts owed by subsidiaries	28,017	31,947
Amounts owed to subsidiaries	13,212	9,448

The key management personnel of the Company are its directors, both executive and non-executive. The remuneration of the directors is borne by subsidiaries of the Company. Details of the directors' remuneration is provided in note 29 of the Group financial statements.

Directors of the Company control 36.65% of the Ordinary shares of the Company.

19 Subsidiary and associate undertakings

This disclosure is made in accordance with Section 409 of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended by the Companies, Partnerships and Groups (accounts and reports) Regulations 2015. A full list of subsidiary undertakings and associated undertakings (showing country of incorporation, which is also the main trading location of the company, and the effective percentage of equity shares held) at 31 October 2024 is shown below. Unless indicated otherwise the equity shares held are in the form of ordinary shares or common stock.

Notes to the Company Financial Statements continued

19 Subsidiary and associate undertakings continued

Company name	Principal Activity	Group interest	Registered office address	Country of incorporation
UK & Ireland				
Jolly Roger (Amusement Rides) Limited	In liquidation	100%	Unit 3B, Blenheim Road, Epsom, KT19 9AP	UK
MgInvest Investments Limited	In liquidation	100%*	Unit 3B, Blenheim Road, Epsom, KT19 9AP	UK
Me Group International Limited	Dormant	100%	Unit 3B, Blenheim Road, Epsom, KT19 9AP	UK
Photo-Me (Retail) Limited	In liquidation	100%	Unit 3B, Blenheim Road, Epsom, KT19 9AP	UK
Photo-Me Limited	Corporate	100%	Unit 3B, Blenheim Road, Epsom, KT19 9AP	UK
Photo-Me Trustee Company Limited	Dormant	100%	Unit 3B, Blenheim Road, Epsom, KT19 9AP	UK
Xpand Investments Limited	In liquidation	100%	Unit 3B, Blenheim Road, Epsom, KT19 9AP	UK
Me Group Ireland Supplies Limited	Operations	100%	Unit A4, Alexander House, Tallaght Cross East, Tallaght, Dublin 24	Republic of Ireland
Continental Europe				
Me Group Austria G.m.b.H.	Operations	100%	Industriestraße 7/K01 L/10, 2100 Korneuburg	Austria
Prontophot Belgium NV	Operations	100%	Boulevard Paepsem 8a, 1070 Anderlecht	Belgium
Me-Group SPC Finland Oy	Operations	100%	Unit 3B Blenheim Road, Epsom, UNITED KINGDOM. KT19 9AP	Finland
KIS SAS	Production	100%*	7 Rue Jean-Pierre Timbaud, 38130 Echirolles	France
Me Group France	Operations	100%*	8 rue Auber 75009, Paris	France
Me Group GSS	Corporate	100%	8 rue Auber 75009, Paris	France
SCI Immobilière du 21	Property	100%*	7 Rue Jean-Pierre Timbaud, 38130 Echirolles	France
Dreamaker SARL	Operations	100%	80 route des Lucioles 06560 Valbonne	France
Me Group Germany G.m.b.H.	Operations	100%	Gervinusstraße 15-17, 60322 Frankfurt am Main	Germany
Me-Group Italia Srl	Operations	100%	Roma (RM) Via Lovanio 1, CAP 00198	Italy
KIS Italia Srl	Dormant	100%	Milano, Via Tiziano 32, CAP 20145	Italy
Prontophot Holland B.V	Operations	100%	Loonseweg 14, 5527 AC Hapert	Netherlands
KIS Poland s.p.z.o.o.	Operations	100%	ul. Targowa 46/5, 03-733 Warszawa	Poland
Me Group Portugal LDA	Operations	100%	Industrial do Carvalhinho – Fracção K 2860-579 MOITA	Portugal
Me Group Spain Solutions	Operations	100%	28224 – Pozuelo de Alarcón (Madrid), Calle de las Dos Castillas, 33, Ático 7	Spain
Me Group Switzerland AG	Operations	100%	Sonnentalstrasse 5, 8600Dübendorf	Switzerland
Asia & ROW				
Me Group Australia Pty Ltd	Operations	100%	4/24 Philip Street, Hawthorne, Queensland 4171	Australia
Now Retail Group Pty Ltd	Operations	100%	Level 9, 123 Albert Street, Brisbane, Queensland 4000	Australia
Photo-Me (Shanghai) Co Limited	Operations	100%*	Room 1102 Tongyong Tower, No. 1346 Gong he Xin Road, Zha bei District, Shanghai 200070	China
Photo-Me Beijing Co Limited	Operations	100%*	Room 1124, Ocean Natural Xintiandi, No.106 East Majiapu Road, Fengtai District, Beijing 100000	China
Photo-Me Chengdu Co Limited	Dormant	100%*	Room 1124, Ocean Natural Xintiandi, No.106 East Majiapu Road, Fengtai District, Beijing 100000	China
ME Group Japan	Operations	100%	Room 1302, Atlas Tower Roppongi, Roppongi 7-7-13,Minato-Ku, 106 0032	Japan
Photomatico (Singapore) Pte Limited	Operations	100%	26 Sin Ming Lane, Singapore 573971	Singapore
KIS Technology Company Limited	Dormant	100%	P.1003, Ford Thang Long Building, 105 Lang Ha, Lang Ha Street, Ba Dinh district, Hanoi	Vietnam
Photomaton Maroc SARL	Operations	50%	131 Bd D'Anfares Azur Sidi Belyout,/Casablanca	Morocco

* Investments in subsidiaries not owned directly by Me Group International plc.

The following companies were in liquidation at 31 October 2024

- Jolly Roger (Amusement Rides) Limited;
- Photo-Me (Retail) Limited;
- Xpand Investments Limited; and
- Mginvest Investments Limited.

The results of the Group's subsidiaries and associates are consolidated for the period ended 31 October 2024. Certain subsidiaries and associates have a different statutory year end, sometimes due to legal requirements in the country concerned.

The following company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts for the year ended 31 October 2024 by virtue of Section 479A of the Companies Act 2006:

- Photo-Me Limited.

20 Events after the statement of financial position date

Please refer to note 32 of the Group financial statements.

Glossary

Term	Definition	Rationale
Total Revenue	Revenue per financial statements.	Helps evaluate growth trends and assess operational performance.
Revenue by geographic region	Total revenue per the Group's geographical segments.	Helps evaluate growth trends and assess operational performance by geography.
Vending revenue	Revenue earned from machines in operation and excluding revenue from the sale of equipment, consumables, spare parts and services. This has previously been referred to as operating revenue.	
Photo.ME vending revenue	Vending revenue from photobooth units in operation.	Helps understand performance and cash generation of the vending estate.
Wash.ME vending revenue	Vending revenue from laundry units in operation.	
Print.ME vending revenue	Vending revenue from digital printing kiosks units in operation.	
Other vending revenue	Vending revenue from other vending units in operation (food, children's rides and photocopiers).	
Total revenue from laundry operations	Wash.ME vending revenue from the operation of laundry machines plus revenue from the sale of laundry machines	Measures the total revenue contribution of the Wash.ME segment.
Like-for-like vending revenue	Vending revenue excluding that earned from machines installed in the current period.	Excludes the effect of new machine installations to measure performance of the existing estate.
Average revenue per Machine (excl. VAT)	Vending revenue divided the average number of machines in operation.	Key measure of the performance of the vending estate.
EBITDA	Profit before tax, depreciation, amortisation, non-operating income/expense and finance cost and income.	EBITDA is a key profit measure. it shows the results of normal operations exclusive of income or charges that are not considered to represent the underlying operational performance.
EBITDA Margin	EBITDA divided by revenue.	Helps evaluate growth trends and assess operational performance.
Constant currency	<p>Current year results translated using the prior year's foreign exchange rates.</p> <p>Statement of financial position items are re-translated at the prior period closing rates.</p> <p>Income statement items are re-translated at the prior period average rates.</p> <p>Material foreign currencies to the Group are the Euro and Japanese Yen. Current year figures were re-translated at the following rates to calculate the constant currency figures:</p> <p>Euro: FY23 closing rate for balance sheet items 1.146 FY23 average rate for income statement items 1.149</p> <p>Japanese Yen: FY23 closing rate for balance sheet items 183.15 FY23 average rate for income statement items 171.68</p>	Presenting results of the Group excluding foreign exchange volatility.
Change excluding FX impact	Constant currency compared to prior year actuals.	Presenting year on year movements excluding foreign exchange volatility.
Cash generated from operations	EBITDA less change in net working capital, share-based payment expense.	Measure of cash generated by the Group before investing activities and financing activities.
Net cash	Cash and cash equivalents minus bank loans.	A key indicator used by management in assessing operational performance and financial position strength.
Diluted earnings per share	Group profit after tax divided by the weighted average number of shares outstanding during the period plus the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into shares.	Shows the impact on earnings per share of all potential dilutive shares being converted.
Number of units in operation	The number of active machines in operation at the reporting date.	Helps understand the size and growth of the vending estate.
Laundry units deployed	Laundry units owned, sold and acquired.	Helps evaluate growth trends and assess operational performance.

Company Information & Advisers

Registered in England and Wales

Number 735438

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29 Wellington Street
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LS1 4DL

Shareholder Information

Investor relations website

Investor relations information, including share price, is available through the Company's website <https://me-group.com/>

Transfer office and registration services

MUFG Corporate Markets act on behalf of the Company. All shareholder enquiries, notifications of change of address, dividend mandates, etc. should be referred to them at:

MUFG Corporate Markets
10th floor
Central Square
29 Wellington Street
Leeds
LS1 4DL

Tel: 0371 664 0300
Overseas Tel: 00 44 371 664 0391

MUFG Corporate Markets also offer a range of shareholder information online at www.capitashareportal.com

The Register of directors' interests is maintained at the registered office at Epsom.

Copies of the Annual Report should be requested from:

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Financial Calendar

Annual General Meeting	25 April 2025
Half year results (to 30 April 2025)	Announcement in July 2025
Full year results (to 31 October 2025)	Announcement in February 2026

