15 July 2024

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

Interim Results for the six months ended 30 April 2024

Further positive financial and strategic progress in H1 and on track to deliver another year of record performance

ME Group International plc (LSE: MEGP), the instant-service equipment group, announces its results for the six months ended 30 April 2024 (the "Period" or "H1 2024").

KEY FINANCIALS

	Six months ended 30 April 2024	Six months ended 30 April 2023	Change	Change excluding FX impact[3]
Revenue	£150.4m	£143.8m	+4.6%	+8.6%
EBITDA[1]	£51.2m	£46.1m	+11.1%	+14.8%
Profit before tax	£30.0m	£27.2m	+10.3%	+13.6%
Profit after tax	£22.6m	£20.4m	+10.8%	+15.7%
Cash generated from operations	£41.7m	£36.8m	+13.3%	+19.0%
Gross cash	£82.7m	£113.1m	-26.9%	-24.2%
Net cash[2]	£21.7m	£24.4m	-11.1%	-8.2%
Earnings per share (diluted)	5.97p	5.34p	+11.9%	+16.7%
Dividends:				
- Interim Dividend per ordinary share	3.45p	2.97p	+16.2%	n/a

[1] EBITDA is profit before 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 (£10.6 million). In November 2023, £1.0 million of the convertible bonds were converted to equity (see note 10 for details). Refer to note 12 for the reconciliation of net cash to cash and cash equivalents per the financial statements
[3]. Percentage change excluding the Impact from foreign exchange rates ("FX impact") during H1 2024, particularly the Japanese yen which saw a 15% decrease in value against pound sterling (average rate of exchange used in H1 2024 was Yen/£ 187.64 vs H1 2023: 163.16), and a 2.2% decrease in the euro against pound Sterling (average rate of exchange used in H1 2024 was €/£ 1.138 vs H1 2023: 1.163).

H1 HIGHLIGHTS

- Reported revenue up 4.6% to £150.4 million, EBITDA[1] up 11.1% to £51.2 million and profit before tax up 10.3% to £30.0 million, driven by growth in core laundry and photobooth operations, despite foreign currency rate impacts. Revenue was up 8.6% excluding the impact of foreign currency rate changes.

- Strong performance from Wash.ME laundry operations, which is the fastest-growing business area and a key growth driver for the Group, with revenue up 16.7% to £44.1 million. Revolution laundry units in operation grew by 18.0% and represented 12.4% of total Group vending estate, driven by strong demand and record machine installations of 420 Revolution machines in H1.

- The Group continues to expand across its established partnerships in high footfall locations, such as supermarkets and petrol forecourts, and its installation pipeline indicates that it is on track to deploy a record number of Revolution machines during FY 2024.

- The number of Photo.ME machines increased by 12.6% to 30,708 (H1 2023: 27,275). Photo.ME vending revenue[1] was up 2.4% to £85.9 million (up 7.5% excluding FX impact), reflecting quieter volumes in Q1 followed by a strong performance from Q2 to June 2024 with increased activity across almost all territories, particularly Continental Europe and Asia Pacific.

- Highly cash generative, with cash generated from operations up 13.3% to £41.7 million, supporting the Group's investment in its growth strategy and returns to shareholders.

- The Group has a strong balance sheet, with £82.7 million of gross cash and a net cash balance of £21.7 million at the period end, excluding investments in convertible bonds of £3.7 million.

- Diluted earnings per ordinary share up 11.8% to 5.97 pence, reflecting the continued focus on delivering meaningful profitable growth returns for all shareholders.

- Interim dividend up 16.2% to 3.45 pence per Ordinary Share, which will be paid at the end of November, will return £13.0 million to shareholders. The Group's policy is to pay annual dividends in excess of 55% of annual profits, subject to market and capital requirements.

OUTLOOK

- The Group will continue to capitalise on significant market opportunities for photobooth and laundry services.

- Strong Revolution laundry machine installation pipeline, targeting 80-90 per month, and on track to deliver a record number of installations in H2 2024.

- Rollout of next-generation multi-service photobooths with plans to install 2,000 to 2,500 machines by the end of FY 2024.

- H2 2024 has started strongly and the Group continues to see positive trading momentum across its operations. As a result, the Board remains confident that it will deliver another year of record profitability in FY 2024, in line with current market expectations.

[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.

Serge Crasnianski, CEO & Deputy Chairman, commented:

“We are pleased to report positive trading momentum throughout H1 2024, which has continued into H2 2024, and reflects further strategic progress from the Group’s core automated photobooth and laundry operations which are both exceptionally profitable and highly cash generative. The Group continues to focus on profitability, returns and cash generation, with these metrics being the key performance indicators for the Group. The Group is on track to deliver another record year across these financial metrics, including the number of machines deployed.”

“Through our continued focus on R&D and technological innovation, the Group remains focused on prudently exploring new and exciting opportunities within the automated self-service instant machine category to further diversify our portfolio, including the planned launch of new machines offering a broader range of services for our consumers.

“Additionally, the Group's R&D team has devised new production techniques to reduce the cost of the next-generation photobooths by 28% (effective immediately) and the Revolution laundry machine by 13% (effective FY 2025). A new generation solar panel, which delivers twice the power generation of the current model, is also in development and will be utilised by the Group’s Revolution machines

“I look forward to updating you on the Group’s progress and I thank our employees and partners for their continued support.”

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NOTES TO EDITORS

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

The Group operates vending units across 18 countries and its technological innovation is focused on four principal areas:

- Photo.ME - Photobooths and integrated biometric identification solutions
- Wash.ME - Unattended laundry services and launderettes
- Print.ME - High-quality digital printing kiosks
- Feed.ME - Vending equipment for the food service market

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

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

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

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

The Company's shares have been listed on the London Stock Exchange since 1962.

For further information: www.me-group.com

CHAIRMAN'S STATEMENT

The Company is pleased to report further financial and strategic progress in H1 2024 driven by its core photobooth and laundry operations. This resulted in the growth of revenue (up 4.6%), EBITDA (up 11.1%) and profit before tax up (up 10.3%), despite foreign exchange headwinds (“FX impact”) which saw the value of the Japanese Yen and the euro against the British pound sterling decline by 15% and 2.2% respectively compared with H1 2023. Further details on the financial performance are set out in the Chief Executive’s Business and Financial Review below.

This strong performance is a testament to the dedication and commitment of my Board colleagues, the executive team, and every employee across the Group. I want to thank them all for their continued hard work.

Our growth strategy

The Group’s growth strategy is focused on expansion and ongoing diversification of our operations and continuing to drive attractive levels of return on invested capital, supported by technological innovation and modernisation of our automated-vending machine estate. 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. 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.

Good progress was made in H1 2024 as we expanded our laundry and photobooth presence and strengthened partnerships with site owners to support our growth plans. The pace of Revolution laundry installations was at a record high with 420 machines installed (H1 2023: 404), alongside the continued rollout of our next-generation photobooths in France. Whilst actively expanding the Group’s presence in existing markets, we continued with a small-scale photobooth trial in Australia, in line with the Group’s longer-term strategy to enter new and attractive markets.

The Board & Executive Team

As previously announced, Jean-Marc Janailhac stepped down as an Executive Director of the Company on 2 November 2023, a role he held since July 2020. Jean-Marc remains on the Board as a Non-executive Director and the Group continues to benefit from his extensive experience and strategic counsel.

Françoise Coutaz-Replan was appointed to the Company’s Remuneration Committee on 12 July 2024. Biographical details for Miss Coutaz-Replan can be found on page 71 of the Company’s 2023 Annual Report.

Dividend

The Board is pleased to declare an interim dividend of 3.45 pence per Ordinary Share (H1 2023: 2.97 pence per Ordinary Share), an increase of 16.2%, which will return £13.0 million to shareholders. The dividend will be paid on 29 November 2024 to shareholders on the register on 7 November 2024. The ex-dividend date will be 8 November 2024.

This is in line with Group’s dividend policy which seeks to pay annual dividends of more than 55% of annual profits after tax subject to market and capital requirements, one-third of which is paid as an interim dividend and the remaining two-thirds paid as a final dividend.

Cancellation of Treasury Shares

The Board of the Company announces that on 12 July 2024 it 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 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.

Following such cancellation, the total issued share capital comprises 376,586,253 ordinary shares of 0.5p each and the total number of voting rights is 376,586,253. Shareholders should use this figure when determining if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Sustainability at ME Group

The Board is committed to strengthening our Sustainability activity. Our journey encompasses everything from innovative photobooths to our environmentally-friendly self-service laundry machines and other automated vending equipment, which all aim to make everyday life easier, and embed sustainable practices into the fabric of our business.

We have launched a CSRD policy in France, led by dedicated sustainability experts, with plans to extend this approach to our European operations over the next few years. This approach will enhance our sustainability reporting, which will add new quantitative and qualitative indicators to our reporting. Details of our Sustainability approach are set out in our Annual Report 2023.

Looking ahead

Historically, the second half of the financial year is seasonally the strongest for the Group in terms of financial performance, with higher demand for photo ID for passports and from students at the start of the new academic year. Furthermore, Revolution laundry operations tend to see higher machine usage during the summer months.

The Board is pleased with how H2 has started and the Group is on track to deliver a record number of new Revolution machine installations in H2 2024, giving the Board continued confidence the Group will deliver record profitability for the year, in line with current market expectations. The Group remains highly cash generative with a strong financial position, ensuring it is able to fund its growth plans and capitalise on the significant market opportunity for laundry and photobooth services.

Sir John Lewis OBE
Non-executive Chairman

15 July 2024

CHIEF EXECUTIVE'S BUSINESS AND FINANCIAL REVIEW

Financial performance

We are pleased to report positive trading momentum throughout H1 2024 and further strategic progress from the Group's core activities of automated photobooth and laundry services. Reported revenue in H1 2024 was £150.4 million, an increase of 4.6% compared with H1 2023 (up 8.6% excluding FX impact).

Wash.ME was the fastest-growing business area, with total laundry revenue up 16.7% at £44.1 million. Vending revenue from Revolution laundry machines grew strongly, increasing 18.4% to £41.2 million (up 20.4% excluding FX impact). EBITDA increased by 15.3% to £21.1 million (up 17.5% excluding FX impact).

Photo.ME, our photobooth business, performed well benefiting from ongoing demand for photo ID services. Vending revenue was up 2.4% to £85.9 million (up 7.5% excluding FX impact) and EBITDA decreased by 1.3% to £29.3 million (increased 2.7% excluding FX impact).

The performance by geography saw revenue for Continental Europe increase by 5.2% to £98.3 million, with operating profit stable at £21.0 million. In the UK & Republic of Ireland, revenue was down 1.9% to £25.7 million, however, operating profit was up by 28.6% to £7.2 million. Revenue for Asia Pacific increased by 9.1% to £26.4 million. Further detail is set out in the Review of Performance by Geography below.

Reported EBITDA increased by 11.1% to £51.2 million (H1 2023: £46.1 million), which delivered an improved EBITDA margin of 34.0% (H1 2023: 32.2%). Excluding FX impact EBITDA increased by 14.8%.

Reported profit before tax was up 10.3% at £30.0 million (H1 2023: £27.2 million), with the Group benefiting from operational leverage as the number of machines in operation increased. Profit after tax increased by 10.8% to £22.6 million (H1 2023: £20.4 million). Excluding FX impact profit before tax increased by 13.6% and profit after tax increased by 15.7%.

Cash generated from operations increased significantly, up 13.3% to £41.7 million (H1 2023: £36.8 million). In line with our growth strategy, cash generated from operations supports our investment in growing our core activities of photobooth and laundry services. As a result, capital expenditure increased by £5.5 million to £26.6 million (H1 2023: £21.1 million).

Given the FX headwinds in H1 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.

Financial position

As at 30 April 2024, the Group had gross cash of £82.7 million, down 26.9% compared with H1 2023 (H1 2023: £113.1 million). The net cash balance reduced 11.1% to £21.7 million (H1 2023: £24.4 million), excluding investments in convertible bonds of £3.7 million (H1 2023: £4.7 million). In November, 2023 £1.0 million of the convertible bonds were converted to equity (see note 10 for details). In H1 2024, the Group made loan repayments totaling £14.9 million and it continued to invest in its growth strategy.

In the 12 months ending 30 April 2024, the Group has returned £24.8 million to shareholders through dividend payments. The Group remains in a strong financial and liquidity position to fund its future growth strategy.

Overview of principal business areas

Below is an overview of the Group's four principal business areas: photobooth (Photo.ME), laundry (Wash.ME), digital printing (Print.ME) and food (Feed.ME). In addition, the Group operates Other Vending Equipment.

Photo.ME *Photobooths and secure integrated biometric photo ID solutions*

	Six months ended 30 April 2024	Six months ended 30 April 2023
Number of units in operation	**30,708**	27,275
Percentage of total group vending estate (number of units)	**64.0%**	62.3%
Vending revenue[1]	**£85.9m**	£83.9m
Capex	**£9.0m**	£1.3m
EBITDA	**£29.3m**	£29.7m

[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.

Photobooth operations are the Group's most established and largest business area by number of units, revenue and EBITDA contribution.

The Group's photobooth growth strategy is centred on the rollout of the next-generation machine and increasing the utilisation rate of machines, which has a material drop through to profit. We are a leading provider of automated photo ID services for official documents, such as passports and driving licences. Our next-generation photobooth provides this service plus the capability for new features, functionality and an enhanced user experience, such as smartphone printing.

Demand for photo ID services remained robust with the strongest performing territories being France and Japan. Vending revenue increased by 2.4% to £85.9 million (H1 2023: £83.9 million). The average revenue per machine in H1 decreased 8.4% to £2,795 (H12023: £3,051) and 3.8% excluding FX impact. This was due to a period of lower demand in Q1 2024, however, Q2 saw stronger performance which continued in Q3 during which time the Group continued to relocate a small number of machines to higher footfall sites which are expected to perform stronger in H2.

Capex increased significantly to £9.0 million (H12023: £1.3 million) as the Group progressed with its rollout of next-generation photobooths, with more than 1,400 installed in H1 2024 replacing machines in high-footfall locations.

EBITDA reduced slightly to £29.3 million (H1 2023: £29.7 million), however, excluding the FX impact EBITDA was up 2.7% . EBITDA margin for Photo.ME operations remained robust at 34.1% in H1 with the segment's EBITDA contribution representing 57.2% of Group EBITDA.

At 30 April 2024, the number of photobooths in operation was up by 12.6% at 30,708 units (H1 2023: 27,275), mainly due to the acquisition of 3,611 photobooths in Japan in the previous financial year. Photo.ME operations accounted for 64.0% of the Group's total vending units.

The Group aims to install 2,000 – 2,500 next-generation machines by the end of FY 2024 with £5 million to £6 million of expected capex in H2, and approximately 8,000 next-generation photobooths by the end of FY 2025. In addition, the Group is modernising the hardware of its existing photobooth estate by installing new proprietary software.

The Board continues to believe there remains attractive longer-term opportunities in the photo ID market across existing and new geographic markets. This includes the UK where, despite the Government's acceptance of home-taken photos for official documents, we continue to see good consumer demand for our photobooth services.

Wash.ME *Unattended Revolution laundry services and launderettes*

	Six months ended 30 April 2024	Six months ended 30 April 2023
Total Laundry units deployed (owned, sold and acquisitions)	**7,317**	6,239
Total revenue from Laundry operations[1]	**£44.1m**	£37.8m
Total Laundry EBITDA	**£21.1m**	£18.3m
Revolution		
- Number of Revolutions in operation	**5,957**	5,048
- Percentage of total group vending estate (number of units)	**12.4%**	11.5%
- Vending revenue from Revolutions[2]	**£41.2m**	£34.8m
- Revolution capex	**£12.0m**	£10.8m

[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.

Wash.ME is the Group's fastest growing business area by number of units and EBITDA. These services are popular amongst consumers as they are located in convenient and accessible locations, providing rapid washing and drying capabilities for up to 20kg of laundry. Our laundry operations benefit from established partnerships with high footfall site owners, industry-leading technology, long term investment and ongoing maintenance from our network of dedicated field engineers and, along with limited competition in the market, leaves our Wash.ME business well placed to continue growing.

Total Wash.ME revenue grew by 16.7% to £44.1 million (up 18.8% excluding FX impact), driven by strong demand and record expansion of Revolution laundry units. The total number of laundry units deployed increased by 17.3% to 7,317 units at 30 April 2024.

Total Laundry EBITDA increased by 15.3% to £21.1 million (H1 2023 £18.3 million). EBITDA margin for Laundry operations stood at 47.8% in H1, with the segment's EBITDA contribution representing 41.2% of Group EBITDA.

Revolution laundry operations

Vending revenue from Group-operated Revolution laundry machines increased by 18.4% to £41.2 million (up 20.4% excluding FX impact), which reflected both an increase in customer visits and the number of machines in operation. Revolution laundry operations represented 27.4% of total Group revenue, up 13.2% on H1 2023, reflecting the fact that this is a core growth driver for the business. We expect this trend will continue, with Revolution becoming a larger contributor to Group performance.

The average revenue per machine in H1 increased 1.0% to £7,171 (H1 2023: £7,106), up 2.7% excluding FX impact.

The number of Revolution units in operation grew by 18.0% to 5,957. In line with the Group's strategy, this business area once again increased as a proportion of the total estate and accounted for 12.4% of the Group's total estate by number of machines (H1 2023: 11.5%).

The Group further expanded across its established partnerships in high-footfall locations, such as supermarkets and petrol forecourts. A record 420 Revolution machines were installed across the UK, France and Ireland, an average of 70 machines per month in H1.

Revolution capex increased to £12.0 million (H1 2023: £10.8 million). This investment almost entirely relates to the purchase and installation cost associated with deploying Revolution machines.

The Group has a strong installation pipeline and plans to install new machines at a rate of 80-90 machines per month in H2 2024, which leaves us on track to deploy a record number of Revolution machines during FY 2024. Expected Revolution capital expenditure in H2 2024 is £14.0 million to £18.0 million.

The laundry services consumer App was launched in summer 2023, aimed at improving the consumer experience, including a 'Wash.ME store locator' function and rewarding loyalty through promotions. Since pushing the mobile app to consumers over the past few months, we have achieved over 21,000 downloads on Android and IOS platforms across Europe, with 75% conversion to registered users, of which 60% opted into our push notifications. We believe our consumer App will support active engagement with customers and allow the Group to push targeted marketing campaigns to drive repeat sales going forward.

Print.ME *High-quality digital printing service*

	Six months ended 30 April 2024	Six months ended 30 April 2023
Number of units in operation	**4,635**	4,740
Percentage of total group vending estate (number of units)	**9.7%**	10.8%
Vending revenue[1]	**£5.2m**	£5.8m
Capex	**£0.2m**	£1.3m
EBITDA	**£2.0m**	£2.0m

[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.

Print.ME is an ancillary business area with operations primarily in France and in the UK and Switzerland. The Group's strategy is to continue to replace old machines with the newest model, whilst we continue to deploy next-generation photobooths which also have high quality digital printing functionalities. The Group will also continue to enter into contracts that are similar to the FNAC partnership.

Vending revenue decreased by 10.3% to £5.2 million (H1 2023: £5.8 million), due to FX impact 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 FX impact, revenue was down 8.6%. Print.ME represented a small contribution of Group revenue at 3.5%

The average revenue per machine in H1 reduced 9.3% to £1,110 (H1 2023: £1,224). Excluding FX impact, it was down 7.5%. This is expected to catch up in the second half of the year thanks to the exchange of old models for new units (around 500), which is expected to drive performance improvements.

EBITDA was stable at £2.0 million and Print.ME contributed 3.9% of Group EBITDA (H1 2023: 4.3%). EBITDA margin improved to 38.5% (H1 2023: 34.5%).

Capex was lower at £0.2 million (H1 2023: £1.3 million). During H1, the Group installed 33 new machines, which is expected to increase significantly following the delivery of 500 new machines to be installed in

France in H2 2024 which will refresh the portfolio and customer experience. Capex for H2 2024 is expected to be in the region of £2.5 million. The next-generation photobooths will have similar functionalities to the Group’s digital printing kiosks, thereby expanding the availability of this service to consumers.

At 30 April 2024 the Group had 4,635 kiosks in operation, down 2.2% (H1 2023: 4,740). Print.ME kiosks accounted for 9.7% of the total number of vending units in operation. The Group’s key markets of operation are France, where most of the machines are situated, the UK and Switzerland.

Feed.ME *Vending equipment for the food service market*

Our food vending equipment operations are a small and profitable part of the Group. Total revenue in H1 2024 was £5.0 million (H1 2023: £6.4 million), which contributed 3.3% to Group revenue. While this business area remains attractive, it has developed more slowly post-pandemic than anticipated.

Consequently, the Board decided to sell its Sempa operations, which specialise in the sale of fresh juice equipment. The disposal completed on 20 May 2024 for a total cash consideration of €4.6 million. The sale proceeds will be invested in growing the Group’s core activities and business areas of photobooths and laundry operations, as well as continuing to invest in the operation of fresh juice machines. For further details refer to notes 13 and 15.

The Group continues to operate freshly squeezed orange juice machines in Japan and Australia, including fulfilment of oranges for the machines. A further 100 machines were installed in H1 2024, bringing the total to 475 machines in operation. Japan's freshly squeezed fruit juice vending market is significant, particularly in Tokyo, supporting the Group’s plans to expand operations further.

In addition, the Group sells pizza vending equipment in Continental Europe and the UK, albeit on a small scale. The Group expects this will remain a small financial contributor to the Group going forward.

Other vending equipment

As at 30 April 2024, the Group operated 6,114 other vending units (30 April 2023: 6,702) in addition to our four principal business areas. This included 2,383 children's rides (Amuse.ME), 3,385 photocopiers (Copy.ME) and 346 other miscellaneous machines.

The Group will continue to operate other vending units where profitable. These machines are typically located in high-footfall locations alongside the Group's principal activities, thereby benefitting from existing site owner relationships and operating synergies.

Other vending equipment accounted for 13.8% of the Group's total vending estate by number of units, down 1.5% compared with the previous year and represented 1.9% of the total Group revenue.

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 30 April 2024		At 30 April 2023		Year on Year
	Number of units	**% of total estate**	Number of units	% of total estate	**% Change in Number of units**
Continental Europe	**26,564**	**55.4%**	25,604	58.5%	**3.7%**
UK & Republic of Ireland	**6,357**	**13.3%**	6,586	15.0%	**(3.5)%**
Asia Pacific	**15,024**	**31.3%**	11,621	26.5%	**29.3%**
Total	**47,945**	**100%**	43,811	100%	**9.4%**

The total number of vending units in operation at 30 April 2024 increased by 9.4% to 47,945 compared with the prior year (H1 2023: 43,811), mainly driven by the photobooth acquisition in Japan and the ongoing expansion of laundry operations.

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.

	Six months ended 30 April 2024	Six months ended 30 April 2023
Continental Europe	**£21.0m**	£21.0m
UK & Republic of Ireland	**£7.2m**	£5.6m
Asia Pacific	**£3.3m**	£3.3m
Corporate costs	**£(1.2)m**	£(2.4)m
Total	**£30.3m**	£27.5m

Revenue by geographic region

	Six months ended 30 April 2024	Six months ended 30 April 2023
Continental Europe	**£98.3m**	£93.4m
UK & Republic of Ireland	**£25.7m**	£26.2m
Asia Pacific	**£26.4m**	£24.2m
Total	**£150.4m**	£143.8m

Analysis of Revenue by Geographic Region

Six months ended 30 April 2024	Continental Europe	United Kingdom & Ireland	Asia Pacific	**Total**
Photo.ME	£53.0m	£10.3m	£22.6m	**£85.9m**
Wash.ME	£27.6m	£14.0m	£0.1m	**£41.7m**
Print.ME	£5.1m	£0.1m	-	**£5.2m**
Feed.ME	-	-	£2.2m	**£2.2m**
Other Vending Equipment	£1.0m	£0.8m	£1.0m	**£2.8m**
Total Vending Revenue	**£86.7m**	**£25.2m**	**£25.9m**	**£137.8m**
Sales of equipment, spare parts, consumables	£11.6m	£0.5m	£0.5m	**£12.6m**
Total Revenue	**£98.3m**	**£25.7m**	**£26.4m**	**£150.4m**

Six months ended 30 April 2023	Continental Europe	United & Ireland	Asia Pacific	**Total**
Photo.ME	£52.0m	£11.9m	£20.0m	**£83.9m**
Wash.ME	£23.3m	£12.0m	£0.1m	**£35.4m**
Print.ME	£5.7m	£0.1m	-	**£5.8m**
Feed.ME	-	-	£1.8m	**£1.8m**
Other Vending Equipment	£2.5m	£1.2m	£2.2m	**£5.9m**
Total Vending Revenue	**£83.5m**	**£25.2m**	**£24.1m**	**£132.8m**
Sales of equipment, spare parts, consumables	£9.9m	£1.0m	£0.1m	**£11.0m**
Total Revenue	**£93.4m**	**£26.2m**	**£24.2m**	**£143.8m**

Operating profit by geographic region

	Six months ended 30 April 2024	Six months ended 30 April 2023
Continental Europe	**£21.0m**	£21.0m
UK & Republic of Ireland	**£7.2m**	£5.6m
Asia Pacific	**£3.3m**	£3.3m
Corporate costs	**£(1.2)m**	£(2.4)m
Total	**£30.3m**	£27.5m

Continental Europe

Revenue increased by 5.2% to £98.3 million and the region contributed 65.4% of total Group revenue. The value of the euro against the British pound sterling declined by 2.2% compared with H1 2023. Excluding FX impact, revenue in Continental Europe was up 7.3% compared with H1 2023.

Wash.ME performed particularly strongly with vending revenue up 18.5%, reflecting the ongoing expansion and demand for the service. The expansion of laundry operations has continued at pace, with a further 282 machines installed, bringing the total number in operation across Continental Europe to 4,492. The Group is working closely with its established partners and key customer accounts, which include major supermarket groups, to grow its vending estate across the region.

Photo.ME grew by 1.9%. Print.ME decreased by 10.5%, due in part to the redeployment of printing machines to the FNAC contract.

Operating profit was flat at £21.0million, due to a £2.3 million increase in depreciation resulting from the capital investment in new machines. Excluding FX impact operating profit was up 1.9%.

As at 30 April 2024, 26,564 units were in operation, which represented 55.4% of the Group's total vending estate.

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

UK & Republic of Ireland

Revenue decreased by 1.9% to £25.7 million (down 1.5% excluding FX impact on Irish operations), primarily driven by the Group’s exit from a contract in our photobooth business, however, this has had a limited impact on profit generation. This was partially offset by the expansion of Revolution laundry machines in operation and further photobooth installations. This region represented 17.1% of Group revenue.

Wash.ME performed strongly, with vending revenue up 16.7%, with 141 Revolution laundry units installed (mainly in the UK), bringing the total number of machines in operations in the region to 1,462, up 23.9% compared with H1 2023.

To support the Group’s growth strategy and its focus on building market share, it has entered into new partnerships with national retailers and strengthened existing ones.

Operating profit increased by 28.6% to £7.2 million, which reflected further growth and the Group’s focus on cost efficiencies.

As at 30 April 2024, there were 6,357 units in operation in the region, which represented 13.3% of the Group's total vending estate.

Asia Pacific

Revenue in the region increased by 9.1% to £26.4 million, which represented 17.6% of Group revenue. This performance was driven by Photo.ME vending revenue up 13.0%, due to the increased number of photobooths in operation following the Fuji acquisition. Vending revenue from other vending equipment and Feed.ME operations, which include fresh fruit juice vending machines, reduced by a 20.0%.

The reported financial performance was impacted by a 15.0% decrease in the value of the Japanese Yen against Pound Sterling compared with H1 2023. Excluding FX impact revenue increased by 24.8%.

The 3,611 photobooths previously acquired in Japan have now been fully integrated into the Group’s Japanese operations and expect to benefit from network optimisation in H2 2024.

The Group has expanded its freshly squeezed orange juice vending operations in Asia Pacific with 475 machines in operation (H1 2023: 396), operating across Japan (404 machines) and Australia (71 machines).

Operating profit was flat at £3.3 million, with benefits of the photobooth acquisition not yet realised. Excluding FX impact, operating profit was up £0.5 million to £3.8 million.

As at 30 April 2024, there were 15,024 units in operation in the region, an increase of 29.3%, representing 31.3% of the Group's total units in operation.

PRINCIPAL RISKS

Similar to 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	Economic growth has a major influence on consumer spending. A sustained period of economic recession and a period of high inflation could lead to a decrease in consumer expenditure in discretionary areas.	The Group focuses on maintaining the characteristics and affordability of its needs-driven products. 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. The Group has no exposure to the invasion of Ukraine by Russia and other conflict areas.
Volatility of foreign exchange rates	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. Current and imminent global events (including recent and upcoming elections in France, the UK and the US) could well cause currency volatility.	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.

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 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. Furthermore, the Group also ensures that its ID products remain affordable and of a high-quality.
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 and food businesses 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 heavily trialled before launch and the performance of operating machines is continually monitored.

Market

Nature of risk	Description and impact	Mitigation
Commercial relationships	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 represents more than 2% of Group turnover. To maintain its performance, the Group needs to have the ability to continue trading in good conditions in France and the UK, taking into account the situation in these two countries	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 of service. The Group continues to monitor the situation in both the French and the UK markets.

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.	Extensive research is conducted into quality and ethics before the Group procures products from any new country or supplier. The Group also 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.	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. Furthermore, the reputational risk is diluted as the Group also operates under a range of brands.
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..	The Group continues to invest in its existing estate, to ensure that it remains contemporary, and in constant product innovation to meet customer needs. The Group also has a programme in place to regularly train its technicians

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..	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.

Serge Crasnianski
Chief Executive Officer & Deputy Chairman

15 July 2024

GROUP STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 April 2024

	Notes	**Unaudited six months to 30 April 2024 £ '000**	Unaudited six months to 30 April 2023 £ '000	Audited 12 months to 31 October 2023 £ '000
Revenue	3	**150,355**	143,822	297,662
Cost of Sales		**(103,965)**	(100,301)	(195,017)
Gross Profit		**46,390**	43,521	102,645
Other Operating Income		**73**	123	194
Administrative Expenses		**(16,188)**	(16,180)	(35,351)
Share of Post-Tax Profits from Associates		**-**	-	14
Operating Profit	3	**30,275**	27,464	67,502
Non-operating income	4	**133**	191	701
Finance Income		**763**	580	1,401
Finance Cost		**(1,207)**	(1,050)	(2,537)
Profit before Tax		**29,964**	27,185	67,067
Total Tax Charge	5	**(7,339)**	(6,797)	(16,401)
Profit for the period		**22,625**	20,388	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		**(3,192)**	1,195	454
Total Items that are or may subsequently be classified to profit and loss		**(3,192)**	1,195	454
Items that will not be classified to profit and loss:				
Remeasurement losses in defined benefit obligations and other post-employment benefit obligations		**-**	-	(220)
Deferred tax on remeasurement gains		**-**	-	48
Total Items that will not be classified to profit and loss		**-**	-	(172)
Other comprehensive (expense) / income for the year net of tax		**(3,192)**	1,195	282
Total Comprehensive income for the period		**19,433**	21,583	50,948
Profit for the Period Attributable to:				
Owners of the Parent		**22,625**	20,388	50,666
Non-controlling interests		**-**	-	-
		22,625	20,388	50,666
Total comprehensive income attributable to:				
Owners of the Parent		**19,433**	21,583	50,948
Non-controlling interests		**-**	-	-
		19,433	21,583	50,948
Earnings per Share				
Basic Earnings per Share	7	**6.01p**	5.39p	13.40p
Diluted Earnings per Share	7	**5.97p**	5.34p	13.31p

All results derive from continuing operations.
The accompanying notes form an integral part of these condensed consolidated financial statements.

GROUP STATEMENT OF FINANCIAL POSITION
As at 30 April 2024

	Notes	**Unaudited 30 April 2024 £'000**	Unaudited 30 April 2023 (restated) £'000	Audited 31 October 2023 (restated) £'000
Assets				
Goodwill	9	**15,223**	16,420	18,888
Other intangible assets	9	**12,025**	20,219	17,822
Property, plant & equipment	9	**122,300**	104,780	118,124
Investment property	9	**-**	596	-
Investment in associates		**34**	21	35
Financial instruments held at FVTPL	10	**2,146**	5,437	5,886
Other receivables		**3,104**	3,013	3,005
Non-Current Assets		**154,832**	150,486	163,760
Inventories	11	**37,430**	33,595	32,501
Trade and other receivables		**11,830**	16,117	12,010
Current tax		**10,988**	3,227	7,962
Financial instruments held at FVTPL	10	**3,728**	-	-
Cash and cash equivalents	12	**82,656**	113,057	111,091
Current assets		**146,632**	165,996	163,564
Assets of the disposal group and non-current assets classified as held for sale	13	**12,511**	-	5,198
Total assets		**313,975**	316,482	332,522
Equity				
Share capital		**1,893**	1,890	1,891
Share premium		**11,311**	10,627	11,083
Treasury shares		**(3,394)**	-	(1,969)
Translation and other reserves		**9,069**	12,785	11,958
Retained earnings		**147,447**	119,533	136,025
Total Shareholders' funds		**166,326**	144,835	158,988
Liabilities				
Financial liabilities	12	**44,919**	67,726	58,447
Post-employment benefit obligations		**3,848**	3,884	4,063
Deferred tax liabilities		**5,507**	7,491	8,566
Non-current liabilities		**54,274**	79,101	71,076
Financial liabilities	12	**26,648**	34,140	32,063
Provisions		**1,196**	1,607	1,884
Current tax		**9,478**	4,727	10,590
Trade and other payables		**52,893**	52,072	57,921
Current liabilities		**90,215**	92,546	102,458
Liabilities of the disposal group classified as held for sale	13	**3,160**	-	-
Total equity and liabilities		**313,975**	316,482	332,522

The balance of capitalised development costs at 30 April 2023 has been restated by £4,650,000 to correct an error in the prior period interim financial statements. The adjustment represents the value of work in progress 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.

The balance of assets of the disposal group and non-current assets classified as held for sale at 31 October 2023 has been restated by £4,613,000 to correct an error in the prior period interim 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.

The accompanying notes form an integral part of these condensed consolidated financial statements.

GROUP CONDENSED STATEMENT OF CASH FLOWS
for the six months ended 30 April 2024

	Notes	**Unaudited Six months to 30 April 2024 £'000**	Unaudited Six months to 30 April 2023 £'000	Audited 12 months to 31 October 2023 £'000
Cash flow from operating activities				
Profit before tax		**29,964**	27,185	67,067
Finance costs		**545**	495	1,286
Interest of lease liabilities		**662**	555	1,251
Finance income		**(763)**	(580)	(1,401)
Non-operating income		**(133)**	(191)	(701)
Operating profit		**30,275**	27,464	67,502
Amortisation and impairment of intangible assets		**3,121**	2,309	6,586
Depreciation and impairments of property, plant and equipment		**17,757**	16,358	32,552
Loss on sale of property, plant and equipment and intangible assets		**47**	254	555
Exchange differences		**1,347**	(498)	(129)
Movements in provisions and post-employment benefit obligations		**(903)**	77	362
Other non cash items		**(34)**	(131)	(33)
Changes in working capital:				
Inventories		**(4,929)**	(8,104)	(7,010)
Trade and other receivables		**80**	(772)	(1,387)
Trade and other payables		**(5,027)**	(176)	5,673
Cash generated from operations		**41,734**	36,781	104,671
Interest paid		**(1,207)**	(1,051)	(1,136)
Taxation paid		**(11,892)**	(12,802)	(20,203)
Net cash generated from operating activities		**28,635**	22,928	83,332
Cash flows from investing activities				
Acquisition of subsidiaries		**-**	-	(4,790)
Deferred consideration for acquisition of subsidiaries		**(100)**	-	-
Proceeds from disposal of subsidiaries		**-**	209	209
Cash held by disposal group classified as held for sale		**(262)**	-	-
Purchase of intangible assets		**(967)**	(1,372)	(3,798)
Proceeds from sale of intangible assets		**-**	41	-
Purchase of property, plant and equipment (including additions to non-current assets held for sale)		**(25,607)**	(19,767)	(45,842)
Proceeds from sale of property, plant and equipment		**967**	1,079	1,539
Interest received		**763**	580	-
Net cash utilised in investing activities		**(25,206)**	(19,230)	(52,682)
Cash flows from financing activities				
Issue of ordinary shares to equity shareholders		**230**	1	458
Purchase of treasury shares		**(1,425)**	-	(1,969)
Repayment of principal of leases		**(2,741)**	(2,707)	(5,857)
Repayment of borrowings		**(14,850)**	(16,288)	(30,960)
New borrowings drawn		**638**	863	4,817
Dividends paid to owners of the Parent		**(11,203)**	(9,829)	(23,443)
Net cash utilised in financing activities		**(29,351)**	(27,960)	(56,954)

Net decrease in cash and cash equivalents		**(25,922)**	(24,262)	(26,304)
Cash and cash equivalents at beginning of year		**111,091**	135,200	136,185
Exchange (loss) / gain on cash and cash equivalents		**(2,513)**	2,119	1,210
Cash and cash equivalents at end of year	**12**	**82,656**	113,057	111,091

The accompanying notes form an integral part of these condensed consolidated financial statements.

GROUP CONDENSED STATEMENT OF CHANGES IN EQUITY
for the six months ended 30 April 2024

	Share capital £'000	Share premium £'000	Treasury shares £'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	-	-	-	-	-	20,388	20,388
Other comprehensive income:							
Exchange differences	-	-	-	-	1,195	-	1,195
Total other comprehensive income	-	-	-	-	1,195	-	1,195
Total comprehensive income	-	-	-	-	1,195	20,388	21,583
Transactions with owners of the Parent:							
Shares issued in the period	1	-	-	-	-	-	1
Share options (note 8)	-	-	-	431	-	-	431
Dividends (note 6)	-	-	-	-	-	(9,829)	(9,829)
Total transactions with owners of the Parent	1	-	-	431	-	(9,829)	(9,397)
At 30 April 2023	1,890	10,627	-	3,096	9,689	119,533	144,835

	Share capital £'000	Share premium £'000	Treasury shares £'000	Other reserves £'000	Translation reserve £'000	Retained earnings £'000	Total £'000
At 1 November 2023	**1,891**	**11,083**	**(1,969)**	**3,010**	**8,948**	**136,025**	**158,988**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**22,625**	**22,625**
Other comprehensive expense:							
Exchange differences	**-**	**-**	**-**	**-**	**(3,192)**	**-**	**(3,192)**
Total other comprehensive expense	**-**	**-**	**-**	**-**	**(3,192)**	**-**	**(3,192)**
Total comprehensive expense	**-**	**-**	**-**	**-**	**(3,192)**	**22,625**	**19,433**
Transactions with owners of the Parent:							
Shares issued in the period	**2**	**228**	**-**	**-**	**-**	**-**	**230**
Purchase of treasury shares	**-**	**-**	**(1,425)**	**-**	**-**	**-**	**(1,425)**
Share options (note 8)	**-**		**-**	**303**	**-**	**-**	**303**
Dividends (note 6)	**-**	**-**	**-**	**-**	**-**	**(11,203)**	**(11,203)**
Total transactions with owners of the Parent	**2**	**228**	**(1,425)**	**303**	**-**	**(11,203)**	**(12,095)**
At 30 April 2024	**1,893**	**11,311**	**(3,394)**	**3,313**	**5,756**	**147,447**	**166,326**

The accompanying notes form an integral part of these condensed consolidated financial statements.

NOTES

1. General information and authorization of the Interim Report

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 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.

The condensed consolidated interim financial statements of Me Group International plc (the "Company") for the six months ended 30 April 2024 ("the Interim Report") were approved and authorised for issue by the Board of Directors on 12 July 2024. These condensed consolidated interim financial statements comprise the Company and its subsidiaries (together the "Group") and are presented in pounds sterling, rounded to the nearest thousand.

2. Basis of preparation and accounting policies

The financial statements have been prepared in accordance with IAS 34. The accounting policies applied are consistent with those that were applied in the Company's consolidated financial statements for the 12 months ended 31 October 2023 and that are expected to be applied in its consolidated financial statements for the year ended 31 October 2024.

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.

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimate (Amendments to IAS 8)
- IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- IAS 12 Income Taxes (Amendment): International Tax Reform – Pillar Two Model Rules

Not yet adopted by the Group

Certain new accounting standards and interpretations have been published and adopted by the UK but 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
Non-current Liabilities with Covenants – Amendments to IAS 1 and Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

The condensed consolidated interim financial statements comprise the unaudited financial information for the six months ended 30 April 2024. They do not include all of the information and disclosures required for full annual financial statements and should be read in conjunction with the Group's financial statements for the period ended 31 October 2023. The condensed financial statements do not constitute statutory accounts within the meaning of section 434 of the UK Companies Act 2006.

The consolidated financial statements of the Group as at and for the period ended 31 October 2023 are available at www.me-group.com or upon request from the Company's registered office at Unit 3B, Blenheim Rd, Epsom, KT19 9AP, Surrey. Those accounts have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors (i) was unmodified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without modifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The Interim Report is unaudited but has been reviewed by the auditors and their report to the Company is included in the Interim Report.

Accounting policies and estimates

The accounting policies applied by the Group in this Interim Report are the same as those applied in the Group's financial statements for the 12 months period ended 31 October 2023.

Estimates and significant judgements

The preparation of the condensed consolidated financial information requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the date of the condensed consolidated financial information. Such estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable in the circumstances and constitute management's best judgement at the date of the financial statements. In future, actual experience may deviate from these estimates and assumptions, which could affect the financial statements as the original estimates and assumptions are modified, as appropriate, in the period in which the circumstances change.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were in the same areas as those that applied in the consolidated financial statements as at and for the period ended 31 October 2023.

Use of non-GAAP profit measures

The Group measures performance using earnings before interest, tax, depreciation and amortisation ("EBITDA"). EBITDA is a common measure used by a number of companies but is not defined in IFRS.

The Group measures cash on a net cash basis as explained in note 12.

Going Concern

The Annual Report for the period ended 31 October 2023 provided a full description of the Group's business activities, its financial position, cash flows, funding position and available facilities together with the factors likely to affect its future development, performance and position. It also detailed risks associated with the Group's business. This interim report provides updated information on these subjects for the six months to 30 April 2024.

The Group has at the date of this Interim Report, sufficient financing available for its estimated requirements for at least the next twelve months, together with the proven ability to generate cash from its trading performance. This provides the Directors with confidence that the Group is well placed to manage its business risks successfully in the context of the current financial conditions and the general outlook in the global economy.

After reviewing the Group's annual budgets, plans and financing arrangements, the Directors consider that the Group has adequate resources to continue operating for the foreseeable future. The board considers it appropriate to adopt the going concern basis of accounting in preparing the interim financial statements and has not identified any material uncertainties to the company’s ability to continue to do so over a period of at least twelve months from their date of approval.

3. 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. The Group reports its segments on a geographical basis: Asia Pacific, Continental Europe and United Kingdom & Ireland. The Group's Continental European operations are predominately based in Western Europe and, with the exception of the Swiss operations, use the Euro as their domestic currency. The Board, being the CODM, believe that the economic characteristics of the European operations, 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 one reporting segment.

Seasonality of operations
Historically, the second half of the financial year is seasonally the strongest for the Group in terms of profits.

Segmental results are reported before intra-group transfer pricing charges.

Six months to 30 April 2024	Asia Pacific £'000	Continental Europe £'000	United Kingdom & Ireland £'000	Corporate £'000	Total £'000
Revenue from external customers	**26,408**	**98,269**	**25,678**	**-**	**150,355**
EBITDA	**5,983**	**35,615**	**10,514**	**(932)**	**51,180**
Depreciation, amortisation and impairment	**(2,724)**	**(14,615)**	**(3,345)**	**(221)**	**(20,905)**
Operating profit / (loss)	**3,259**	**21,000**	**7,169**	**(1,153)**	**30,275**
Operating profit					**30,275**
Non-operating income					**133**
Finance income					**763**
Finance costs					**(1,207)**
Profit before tax					**29,964**
Tax					**(7,339)**
Profit for the period					**22,625**
Capital expenditure (excluding Right of Use assets)	1,289	19,484	5,420	381	**26,574**

Six months to 30 April 2023	Asia Pacific £'000	Continental Europe £'000	United Kingdom & Ireland £'000	Corporate £'000	Total £'000
Revenue from external customers	24,235	93,422	26,165	-	143,822
EBITDA	5,794	33,322	9,126	(2,112)	46,130
Depreciation, amortisation and impairment	(2,539)	(12,363)	(3,597)	(167)	(18,666)
Operating profit / (loss)	3,255	20,959	5,529	(2,279)	27,464
Operating profit					27,464
Non-operating income					191
Finance income					580
Finance costs					(1,050)
Profit before tax					27,185
Tax					(6,797)
Profit for the period					20,388
Capital expenditure (excluding Right of Use assets)	4,000	13,953	2,817	369	21,139

12 months to 31 October 2023	Asia Pacific £'000	Continental Europe £'000	United Kingdom & Ireland £'000	Corporate £'000	Total £'000
Revenue from external customers	44,332	205,157	48,173	-	297,662
EBITDA	9,475	90,109	18,545	(11,490)	106,639
Depreciation, amortisation and impairment	(5,163)	(27,474)	(6,146)	(355)	(39,138)
Operating profit / (loss)	4,312	62,635	12,399	(11,844)	67,502
Operating profit					67,502
Non-operating income					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)	8,846	37,494	7,380	733	54,453

Total revenue from external customers is analysed below:

	Six months to 30 April 2024 £'000	Six months to 30 April 2023 £'000	12 months to 31 October 2023 £'000
Total revenue from external customers:			
Sales of equipment, spare parts & consumables	**10,982**	9,524	18,724
Sales of services	**1,605**	1,546	3,615
	12,587	11,070	22,339
Vending revenue	**137,768**	132,752	275,323
Total revenue	**150,355**	143,822	297,662

There were no key customers in the period ended 30 April 2024 (2023: none).

4. Non-operating income

Non-operating income comprises of transactions relating to financial instruments held at FVTPL, other financial instruments and the disposal of subsidiaries. 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.

	Six months to 30 April 2024 £'000	Six months to 30 April 2023 £'000	12 months to 31 October 2023 £'000
Non-operating income			
Gain on disposal of subsidiary	**-**	57	57
Fair value gain on financial instrument held at FVTPL - level 1	**-**	-	356
Fair value gain on financial instrument held at FVTPL - level 3	**89**	111	230
Other non-operating income	**44**	23	58
	133	191	701

Six months to 30 April 2023

The Group generated a profit on disposal of £57,000 from the disposal of its Korean subsidiary Photo-Me Korea Company Limited, recognized in other gains in the income statement.

5. Taxation

	Six months to 30 April 2024 £'000	Six months to 30 April 2023 £'000	12 months to 31 October 2023 £'000
Profit before tax	**29,964**	27,185	67,067
Total taxation charge	**(7,339)**	(6,797)	(16,401)
Effective tax rate	**24.5%**	25.0%	24.5%

The tax charge in the Group Income Statement is based on management's best estimate of the full year effective tax rate based on expected 12 Months profits to 31 October 2024.

The UK main rate of corporation tax increased from 19% to 25% on 1 April 2023.

The Group undertakes business in multiple tax jurisdictions.

6. Dividends paid and proposed

	30 April 2024		31 October 2023	
	pence per share	**£'000**	**pence per share**	**£'000**
Dividends Paid				
Interim dividend				
2023 approved by the Board on 11 July 2023	**2.97**	**11,203**	**-**	**-**
Interim dividend				
2022 approved by the board on 18 July 2022	**-**	**-**	**2.60**	**9,829**
Special dividend				
2022 approved by the Board on 18 July 2022	**-**	**-**	**0.60**	**2,269**
Final dividend				
2022 approved at AGM held on 28 April 2023	**-**	**-**	**3.00**	**11,345**
	2.97	**11,203**	**6.20**	**23,443**
Dividends Proposed				
Final dividend				
2023 approved at AGM held on 28 April 2024	**4.42**	**16,640**	**-**	**-**
	4.42	**16,640**	**-**	**-**

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.

7. Earnings per share

Diluted earnings per share amounts are calculated by dividing the net earnings attributable to shareholders of the Parent 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 8.

The earnings and weighted average number of shares used in the calculation of earnings per share are set out in the table below:

	Six months to 30 April 2024	Six months to 30 April 2023	12 months to 31 October 2023
Basic earnings per share	**6.01**	5.39	13.40
Diluted earnings per share	**5.97**	5.34	13.31
Earnings available to shareholders (£'000)	**22,625**	20,388	50,666
Weighted average number of shares in issue in the period			
- Basic ('000)	**376,583**	378,152	378,110
- Including dilutive share options ('000)	**379,066**	381,795	380,600

8. Share based payments

The Group grants share options to senior staff, including directors, allowing them to purchase Ordinary shares of 0.5p each. As at 30 April 2024, the total number of options granted and within their vesting period or available to exercise was 6,198,973.

All options can be exercised, in normal circumstances, within a period of four years from the vesting 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 Company'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.

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 Company has used the Black-Scholes option pricing model. This model takes into account the terms and conditions under which the options were granted.

The charge for share-based payments in the six months to 30 April 2024 was £303,000 (Six months to 30 April 2023: £431,000).

9. Non-current assets: Goodwill, other intangibles, property, plant and equipment and investment property

	Goodwill	Other intangible assets	Property, plant & equipment	Investment property
	£'000	£'000	£'000	£'000
Net book value at 1 November 2022	**16,320**	**20,218**	**101,090**	**592**
Exchange adjustment	1	(176)	628	9
Additions - photobooths & vending machines	-	-	39,122	-
Additions - other assets	-	3,798	6,720	-
Additions - right of use assets	-	-	3,516	-
Additions - new subsidiaries	3,268	49	1,496	-
Transfers	-	(121)	121	-
Transfers to non-current assets held for sale	-	-	-	(585)
Amortisation / Depreciation	-	(4,440)	(33,889)	(16)
(Impairment) / Reversal of impairment	(701)	(1,445)	1,353	-
Disposals at net book value	-	(61)	(2,033)	-
Net book value at 31 October 2023	**18,888**	**17,822**	**118,124**	**-**
Exchange adjustment	(414)	(491)	(2,594)	-
Additions - acquisition deferred consideration	100	-	-	-
Additions - capitalised development costs	-	460	-	-
Additions -software and other intangible assets	-	507	-	-
Additions - photobooths & vending machines	-	-	22,564	-
Additions - plant, machinery and vehicles	-	-	3,043	-
Transferred to non-current assets held for sale (Sempa SAS)	(3,351)	(3,097)	(120)	
Amortisation / Depreciation	-	(3,121)	(17,757)	-
Disposals at net book value	-	(55)	(960)	-
Net book value at 30 April 2024	**15,223**	**12,025**	**122,300**	**-**

10. Fair values of financial instruments by class

There is no difference between the fair values and the carrying values of financial assets and financial liabilities held in the Group's statement of financial position.

Financial instruments held at fair value – Level 1
The Group holds an investment in Max Sight Group Holdings Ltd, which as 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 0.099 HKD per share as at 30 April 2024, giving a value at that date of £1,145,118.
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 or Company.

Financial instruments held at fair value – Level 3
The Group holds 400,000 convertible bonds in Energy Observer Developments SAS, a privately held company. 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 30 April 2024, the convertible bonds are valued at £3,728,140.

This financial instrument is valued at the reporting date using discounted cashflow analysis of the bond cashflows. The key unobservable input to the valuation calculation is the discount rate of 5%. A 1% increase in the discount rate used to value the convertible bond would result in a decrease in valuation of £16,000

The Group also holds 125 B shares in Energy Observer Developments SAS, 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 30 April 2024, the shares are valued at £1,000,992.

This financial instrument is 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. A 20% decrease in the equity value of Energy Observer Developments SAS would result in a decrease in valuation of £205,000.

Movement in level 3 financial instruments fair value

	Convertible Bond	**Unlisted Equities**	**Total**
	£'000	£'000	£'000
Fair Value at 1 November 2022	4,450	-	4,450
Fair value gain recognised in non-operating income	226	-	226
Foreign exchange movement recognised in other comphrensive income	65	-	65
Fair Value at 31 October 2023	4,741	-	4,741
Conversion of bonds to shares	(1,022)	1,022	-
Fair value gain recognised in non-operating income	89	-	89
Foreign exchange movement recognised in other comphrensive income	(80)	(21)	(101)
Fair Value at 30 April 2024	3,728	1,001	4,729

Financial instruments by category

The tables below show financial instruments by category held by the Group.

At 30 April 2024	Loans and receivables	Fair Value Through Profit & Loss	Total
	£'000	£'000	£'000
Assets per statement of financial position			
Financial instruments held at FVTPL	-	5,874	5,874
Financial assets – held at amortised cost:			
Trade and other receivables (excluding prepayments)	10,994	-	10,994
Cash and cash equivalents	82,656	-	82,656
	93,650	5,874	99,524

	Other financial liabilities at amortised cost	Total
	£'000	£'000
Liabilities per statement of financial position		
Borrowings	60,970	60,970
Leases	10,597	10,597
Trade and other payables	52,893	52,893
	124,460	124,460

At 30 April 2023	Loans and receivables £'000	Fair Value Through Profit & Loss £'000	Total £'000
Assets per statement of financial position			
Financial instruments held at FVTPL	-	5,437	5,437
Financial assets – held at amortised cost:			
Trade and other receivables (excluding prepayments)	11,924	-	11,924
Cash and cash equivalents	113,057	-	113,057
	124,981	5,437	130,418

	Other financial liabilities at amortised cost £'000	Total £'000
Liabilities per statement of financial position		
Borrowings	88,649	88,649
Leases	13,217	13,217
Trade and other payables	52,072	52,072
	153,938	153,938

At 31 October 2023	Loans and receivables £'000	Fair Value Through Profit & Loss £'000	Total £'000
Financial instruments held at FVTPL	-	5,886	5,886
Financial assets – held at amortised cost:			
Trade and other receivables (excluding prepayments)	11,286	-	11,286
Cash and cash equivalents	111,091	-	111,091
	122,377	5,886	128,263

	Other financial liabilities at amortised cost £'000	Total £'000
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

11. Inventories

	Unaudited 30 April 2024 £'000	Unaudited 30 April 2023 £'000	Audited 31 October 2023 £'000
Raw materials and consumables	**26,229**	24,884	25,484
Finished goods	**11,201**	8,711	7,017
	37,430	33,595	32,501

12. Net cash

	Unaudited 30 April 2024 £'000	Unaudited 30 April 2023 £'000	Audited 31 October 2023 £'000
Cash and cash equivalents per statement of financial position	**82,656**	113,057	111,091
Non-current borrowings	**(38,341)**	(59,836)	(50,137)
Current borrowings	**(22,629)**	(28,813)	(27,037)
Net cash	**21,686**	24,408	33,917

Cash and cash equivalents per the cash flow comprise cash at bank and in hand and short-term deposit accounts with an original maturity of less than three months, less bank overdrafts.

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 includes in net cash: cash and cash equivalents and certain financial assets (mainly deposits), less instalments on loans and other borrowings.

The table above, which is not currently required by IFRS, reconcile the Group's net cash to the Group's statement of cash flows. Management believes the presentation of the tables will be of assistance to shareholders.

13. Assets and liabilities of the disposal group and non-current assets classified as held for sale

Assets of the disposal group and non-current assets classified as held for sale

	Property	Assets of disposal group	Total
	£'000	£'000	£'000
Net Book Value			
At 1 November 2022	-	-	-
Transferred from investment property	585	-	585
At 31 October 2023	585	-	585
Correction of error - reclassification	4,613		4,613
At 1 November 2023 (restated)	5,198	-	5,198
Exchange differences	(110)	-	(110)
Transfer of disposal group assets	-	7,423	7,423
At 30 April 2024	**5,088**	**7,423**	**12,511**

The balance of property held for sale at 31 October 2023 has been restated by £4,613,000 to correct an error in the prior period interim 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.

Liabilities of the disposal group classified as held for sale

	Liabilities of disposal group
	£'000
Net Book Value	
At 1 November 2022 and 2023	-
Transfer of disposal group liabilities	3,160
At 30 April 2024	**3,160**

Property held for sale

The non-current asset classified as held for sale is an office building located in Grenoble, France. Management are fully committed to the sale of the property, have been actively marketing it for sale and expect to complete the disposal within 12 months of the reporting date.

Prior to its reclassification to held for sale, it was the Group's intention to occupy the office. In preparation for this the Group invested £4,515,000 in capital works. However, following a detailed review, management concluded that occupying the office was not the best strategic option and decided to sell the property.

Upon reclassification to assets held for sale, the £4,515,000 of capital works was not included in the initial value transferred because it was not clear whether the value could be recovered through a sale. The Group has since found a buyer and entered a binding sale agreement to sell the property for €8,000,000.

This ensures that the additional capital spend will be recovered through the sale proceeds. Therefore, the £4,515,000 has been transferred from prepayments to the asset held for sale balance.

It is expected that the sale will complete by the Group's financial year end, 31 October 2024.

The property classified as held for sale is included in the Continental Europe operating segment.

Subsidiary held for sale

Following a review of the Group's operations, management committed to disposing of its subsidiary Sempa SAS, which specialises in the sale of fresh juice equipment. After the reporting date, on 20th May 2024 the Group completed its disposal of Sempa SAS for €4,600,000 (please refer to note 15 for further details).

As management was committed to the sale, had identified a buyer and expected the sale to complete within 12 months of the reporting date, Sempa SAS is classified as held for sale at the reporting date. This is a disposal of a group of assets and their associated liabilities, as opposed to the sale of a single asset, so Sempa SAS is designated as a disposal group held for sale.

Sempa SAS's assets have been reclassified as disposal group assets held for sale and its liabilities have been reclassified as disposal group liabilities held for sale. These amounts are disclosed separately in the Group's statement of financial position. The details of the assets and liabilities of the disposal group classified as held for sale are shown in the table below.

Details of the disposal group assets and liabilities – Sempa SAS

	£'000
Goodwill	3,351
Other intangible assets	3,097
Property, plant & equipment	120
Inventories	462
Trade and other receivables	131
Cash and cash equivalents	262
Total assets of the disposal group	**7,423**
Deferred tax liabilities	(2,644)
Provisions	(385)
Trade and other payables	(131)
Total liabilities of the disposal group	**(3,160)**
Net assets of the disposal group	**4,263**

The disposal group classified as held for sale is included in the Continental Europe operating segment.

14. IFRS 3 Business Combinations

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 an initial consideration of JPY 905,961,000 (£4,971,000), obtaining control of the business on that date.

Fujifilm is a Japanese photobooth owner and operator and the acquisition of its photobooths division added an initial 3,548 photobooth units to the Group's existing operations in Asia Pacific. This acquisition was in line with the Group's strategy to expand the number of units in operation.

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 3,548 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 of JPY 946,000,000 (£5,191,000).

The six-month window for the transfer of further units closed on 31 March 2024. The final number of units acquired was 3,611, resulting in a deferred consideration payment of JPY 59,794,000 (£320,000).

The additional deferred consideration, in excess of management's estimate previously accrued (£100,000), has been added to the goodwill balance in the Group's Statement of Financial Position.

Acquired assets and liabilities

The purchase price allocation, including determination of the fair value of intangible assets recognised on consolidation, has not been finalised, but is in progress. Purchase price allocation will be completed by 30 September 2024. Goodwill has been calculated using the provisional fair values of the assets and liabilities acquired, with a value of £3,368,000 recognised in the Group's Statement of Financial Position.

Pending receipt of the final valuations of the assets acquired, in accordance with IFRS 3, the accounts will be adjusted retrospectively within the measurement period of no more than one year from the acquisition date.

The initial accounting is incomplete for the following statement of financial position items: Goodwill, intangible assets and deferred tax liabilities.

15. Events after statement of financial position date

Disposal of Sempa SAS

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 £334,000 which will be recognised in other net gains/losses in the income statement in the Group's full year results.

Pascal Faucher, formerly a director of ME Group subsidiaries KIS SAS and Sempa SAS, has a 24% interest in the equity of the acquiring company. Therefore, this transaction is a smaller related-party transaction under LR 11.1.10R of the FCA Handbook.

Cancellation of Treasury Shares

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. These shares held in treasury were purchased via the previously announced buyback at an average price of 133.17 pence per ordinary share.

Following such cancellation, the total issued share capital comprises 376,586,253 ordinary shares of 0.5p each and the total number of voting rights is 376,586,253.

RESPONSIBILITY STATEMENT OF THE DIRECTORS IN RESPECT OF THE HALF-YEARLY FINANCIAL REPORT

The Directors of the Company each confirms that to the best of his or her knowledge:

- The condensed set of financial statements has been prepared in accordance with UK-adopted IAS 34 'Interim Financial Reporting';

- The Interim Management Report includes a fair review of the information required by:

  (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period and any changes in the related party transactions described in the last annual report that could do so.

The Directors of the Company and their respective functions are set out on page 71 of the Company's Annual Report 2023.

By order of the Board

Sir John Lewis OBE (Non-executive Chairman)

Serge Crasnianski (Chief Executive Officer and Deputy Chairman)

12 July 2024

INDEPENDENT REVIEW REPORT

We have been engaged by Me Group International PLC ("the Company") to review the financial information for the six months ended 30th April 2024 which comprises the Group Condensed Statement of Comprehensive Income, the Group Condensed Statement of Financial Position, the Group Condensed Statement of Cash Flows and the Group Condensed Statement of Changes in Equity and the related explanatory notes. We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

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

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK and Ireland) 2410 issued by the Auditing Practices Board and our Engagement Letter dated 11th June 2024. Our work has been undertaken so that we might state to the Company those matters we are required to state to them in an independent review 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, for our review work, for this report, or for the conclusions we have formed.

Responsibilities of directors

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with International Accounting Standard 34, 'Interim Financial Reporting', in accordance with Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority which requires that the interim report must be prepared and presented in a form consistent with that which will be adopted in the company's annual accounts having regard to the accounting standards applicable to such annual accounts.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Responsibilities of auditors

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed financial information in the interim report does not give a true and fair view of the financial position of the Company as at 30th April 2024 and of its financial performance and its cash flows for the six months then ended, in accordance with International Accounting Standard 34, ‘Interim Financial Reporting and Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Signed:

Forvis Mazars LLP
Chartered Accountants
30 Old Bailey
London
EC4M 7AU

Date: