

# Photo-Me

25 April 2019

**Photo-Me International plc**  
(“Photo-Me” or “the Group”)

## **Acquisition of SEMPA**

### ***Photo-Me enters the \$154 billion fresh fruit and vegetable juice market (\*)***

Photo-Me (PHTM.L), the instant-service equipment group, is pleased to announce that it has acquired 96% of the issued share capital of SEMPA Sarl (“Sempa”), a company incorporated in France which specialises in commercialised self-service fresh fruit juice equipment. The gross consideration payable for the acquisition is €20.64 million, funded by a new debt facility of €20.0 million.

Sempa is the leader in France for the commercialisation of self-service fresh fruit juice equipment. The business operates via a lease model, whereby Sempa sells equipment to customers via lease finance agreements. Sempa receives full payment upon sale of the equipment and the lease finance contracts are then subject to renewal every 12-months on average. Sempa’s customers include retail, office and work spaces, and small businesses.

Following the acquisition, the Group will leverage Photo-Me’s significant innovation expertise and Sempa’s industry experience to develop innovative self-service fresh fruit juice equipment.

This acquisition is in line with Photo-Me’s strategy to diversify its vending operations and will develop a new segment alongside its Identification, Laundry and Kiosk businesses. Photo-Me intends to become the global leader in self-service fresh fruit juice machines and, with this acquisition, will pursue a strategy to replicate the success Sempa has already seen in France, initially rolling out the equipment across its European network. Photo-Me will further benefit from the cross-sale of its instant-service offering by introducing photobooths, laundry units and kiosks to the retail sites where Sempa has already established a footprint.

The new estate will be supported by the Group’s existing network of regional field engineers as well as its sales team at a low incremental cost to the Group.

Sempa’s profit before tax for the year ended 31 December 2018 was €3.7 million, its net cash position as at 31 December 2018 was €7.7 million and the value of its gross assets was €11.6 million, all as derived from audited accounts of Sempa for the year ended 31 December 2018. Sempa’s net cash position upon acquisition is more than €9.0 million, and hence the effective consideration paid is approximately €11.6 million. The majority of Sempa’s revenue is based on recurring annual lease finance contracts.

This acquisition is expected to be earnings enhancing in the financial year ending 30 April 2020 and thereafter, and in the financial year ending 30 April 2020 is expected to contribute revenue of more than €10.0 million and approximately €3.7 million profit before tax.

Pascal Faucher, CEO of Sempa will remain with the acquired business in order to drive the growth of this important new segment of Photo-Me. Mr Faucher will receive three million share options in Photo-Me over a period of three years. These will be issued at the current market price prevailing at the time and, to the extent necessary, the Company will seek shareholder approval for this grant.

Commenting on the acquisition, Serge Crasnianski, Chief Executive Officer & Deputy Chairman of Photo-Me, said:

“We are excited to announce this acquisition which will mark Photo-Me’s entry into the \$154 billion fresh fruit and vegetable juice market. The growing importance people place on their health and wellbeing makes it an exciting time to enter this market, with the health benefits of juice driving its popularity and potential.

“We have the opportunity to become a leader in this industry based on our existing commercial relationships and expertise in instant vending equipment innovation. Sempa has been highly successful in the French market and we look forward to replicating this initially across our network in Europe. The acquisition represents part of our ongoing strategy to develop new and complementary products to drive the long-term growth of Photo-Me.”

(\*) source: Global Fruit and Vegetable Juice Market Research 2018-2025; Grand View Research.

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

#### **Enquiries:**

**Photo-Me International plc**  
Serge Crasnianski, CEO  
Stéphane Gibon, CFO

**+44 (0) 1372 453 399 / [ir@photo-me.co.uk](mailto:ir@photo-me.co.uk)**

**Hudson Sandler**  
Wendy Baker/ Emily Dillon/ Nick Moore

**+44 (0) 20 7796 4133**  
[photo-me@hudsonsandler.com](mailto:photo-me@hudsonsandler.com)

#### **NOTES TO EDITORS**

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

The Group operates approximately 47,000 vending units across 18 countries and its technological innovation is focused on three principal areas:

- Identification: photobooths and integrated biometric identification solutions
- Laundry: unattended laundry services, launderettes, B2B services
- Kiosks: high-quality digital printing

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

Whilst the Group both sells and services this equipment, the vast majority of units are operated and maintained by Photo-Me. Photo-Me pays the site owner a commission based on turnover, which varies depending on the country and location of the 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) and public transport venues. The equipment is maintained and serviced by an established network of 700 field engineers.

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