MEGP XLON ME Group International PLC

Year-end Trading Update · RNS 1956D · 16 November 2026

ME Group guides to at least £66m profit as laundry growth offsets photobooth weakness

Share price	102.6p
Market cap	£384m
52-week range	98.5p - 169.8p
Shares in issue	374.6m
12-month change	-34.6%

Ticker Data API, as at 13 Nov 2026, 16:29

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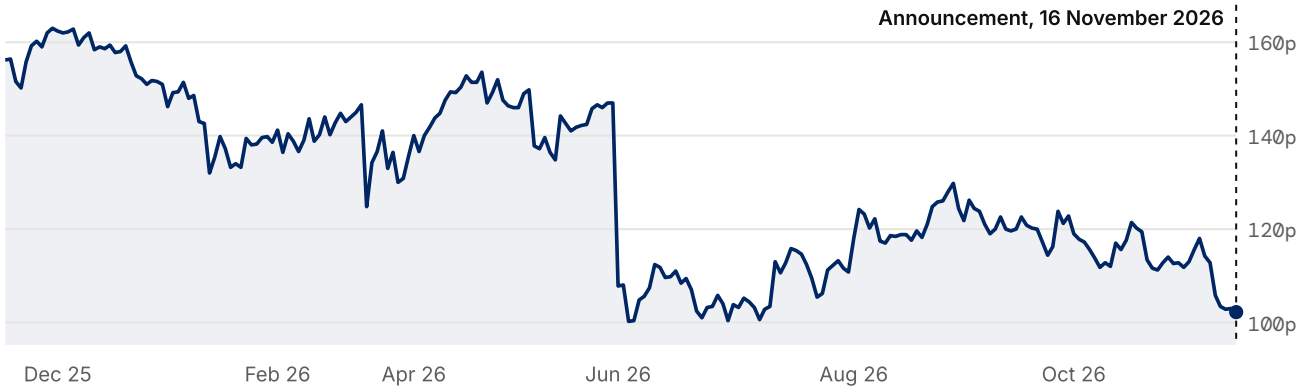

SUMMARY

ME Group's year-end trading update today put adjusted pre-tax profit for the year to 31 October 2026 at not less than approximately £66m, below the £69m–£74m range reiterated in July. Revenue of not less than approximately £309m compares with £315m in FY2025. Wash.ME laundry revenue is expected to rise c.14% after 1,224 net machine installations, while Photo.ME revenue falls about 4% as ID-photo rule changes in Japan and Germany weigh on demand. The group returned £37m to shareholders but gave no year-end cash, capital spending or net debt figures, and net cash stood at £7.5m at the end of April. Annual results at the end of February 2027 will show whether cash generation and laundry returns support that payout.

KEY FIGURES

FIGURE	VALUE	PERIOD	CHANGE
FY2026 revenue (expected)	not less than approximately £309 million	12 months to 31 October 2026	FY2025 revenue was £315m
FY2026 adjusted profit before tax (expected)	not less than approximately £66 million	12 months to 31 October 2026	July guidance was £69m–£74m; FY2025 pre-tax profit was £78.2m
Net new laundry machines installed	1,224	FY2026	c.16% increase in machines in operation; July target was c.1,300
Wash.ME revenue growth (expected)	c.14%	FY2026 vs FY2025	c.+12% at constant currency
Photo.ME revenue change (expected)	down approximately 4%	FY2026 vs FY2025	down c.4% at constant currency
Returned to shareholders	£37 million	FY2026	
Net cash	£7.50m	30 April 2026	prior £27.6m
Operating cash flow and capex	£90.8m and £62.1m	FY2025	
Interim dividend	3.60p	H1 FY2026	6.5% decrease from 3.85p

Sources: Year-end Trading Update RNS, 16 Nov 2026; 2026 Interim Results, 13 Jul 2026; Cash flow (tagged accounts), 2025-10-31

THE ANNOUNCEMENT

- The Board expects FY2026 revenue of not less than £309m and adjusted profit before tax of not less than £66m. Adjusted profit is defined as reported profit before tax minus any impairment adjustments.
- Wash.ME installed 1,224 net new laundry machines, a c.16% rise in machines in operation, and expects revenue up c.14% (c.12% at constant currency) despite a hot, dry European summer that cut demand for drying.
- Photo.ME revenue is expected to fall c.4% at both reported and constant currency. Japan and Germany remained difficult because of regulatory changes to official photo ID, and travel uncertainty and the Middle East conflict softened demand elsewhere.
- ME Group agreed a strategic partnership with ASDA, with an overall ambition to target up to 700 Wash.ME machines across ASDA sites in the UK.
- £37m was returned to shareholders through dividends and share buybacks during the year. Annual results are due at the end of February 2027.

AGAINST GUIDANCE

On 13 July ME Group reiterated a revised FY2026 profit before tax range of £69m–£74m, itself set after a profit warning on 1 June. Today's floor of not less than £66m sits below that range. A floor is not a final result, but the financial year had already closed when it was published, so it carries little forecast risk. Laundry installations of 1,224 also fell short of the c.1,300 machines the group said in July it was on track to install. Revenue of not less than £309m is below FY2025's £315m.

BULL CASE

- Wash.ME is growing through a poor summer for its most weather-sensitive service: revenue up c.14% (c.12% at constant currency) after a c.16% expansion of the machine estate. If drying demand normalises, the newer machines have room to earn more.
- The ASDA partnership, targeting up to 700 machines, opens a large UK supermarket channel for laundry and could be repeated with other site owners across the group's 16 countries.
- Profit has converted well into cash: FY2025 operating cash flow of £90.8m against after-tax profit of £56.6m. With a £384m market value and the shares at 102.60p in today's trading, close to the 98.50p 52-week low, the price already reflects a weak year.

BEAR CASE

- Guidance has slipped twice in under six months, and the new profit floor misses the July range. ID-photo regulatory changes in Japan and Germany look structural, which threatens the photobooth business that funds the laundry roll-out.
- Laundry is capital-hungry. FY2025 capex of £62.1m left £28.7m of operating cash flow, slightly less than the £29.8m of dividends paid, and net cash fell to £7.5m by April 2026 before a £37m return to shareholders in FY2026.
- The update gives no year-end cash, debt or capex figures, and the CFO has been on medical leave since 21 October, with an interim CFO overseeing the year-end close. The dividend policy pays more than 55% of profit after tax, so lower profit feeds directly into a lower payout, as the 6.5% cut to the interim already showed.

WHAT TO WATCH

- Annual results at the end of February 2027: the gap between statutory and adjusted profit, which would reveal any impairments of photobooth assets in Japan or Germany.
- The FY2026 cash bridge in those results: operating cash flow, maintenance versus expansion capex and year-end net cash or debt, set against the £37m returned and the size of the final dividend.
- Wash.ME revenue per machine and the pace of ASDA installations, since this year the estate grew faster than laundry revenue.
- The return of CFO Stéphane Gibon and whether FY2027 guidance is given with figures that the group then meets.

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