

January 31, 2020



News Release

Company name: GLORY LTD.  
Representative: Motozumi Miwa, President  
Headquarters: 3-1, Shimoteno 1-chome, Himeji,  
Hyogo, JAPAN  
Securities Code: 6457  
Stock Exchange: Tokyo (1st Section)  
Accounting Term: March

### **Notice concerning Acquisition of Shares of Acrelec Group S.A.S.**

GLORY LTD. (the “Company”) hereby announces that, at its Board of Directors meeting held on January 31, 2020, a resolution was made to conclude a share purchase agreement through its overseas subsidiary, Glory Global Solutions (International) Ltd. (headquartered in Basingstoke, UK) to acquire 80% of the outstanding shares of Acrelec Group S.A.S. headquartered in Saint-Thibault-des Vignes, France (“Acrelec”), a provider of self-service kiosks, digital menu boards and other restaurant and retail store solutions\* (the “Investment”). Under the agreement, the founders of Acrelec will retain a 20% of share capital.

\* Self-service is defined as the capacity for consumers to serve themselves without assistance from a staff member. Kiosks and digital menu boards are multimedia systems used to provide information or execute a transaction, using customer interaction software. Customer experience solutions use a combination of automated systems and staff to create an experience for customers that creates confidence, and a larger buying relationship.

#### **1. Purpose of the Investment**

We have been promoting the 2020 Medium-Term Management Plan as the first step to realize the Long-Term Vision 2028: “We enable a confident world”. Under the Plan, we are actively investing management resources toward further development of the overseas business, which we position as an important growth strategy, and expansion beyond provision of cash technology solutions, to diversify the Company group (the “Group”).

Acrelec has been servicing major brands including many of the largest quick service restaurant and retailing brands in the world for over 15 years and has direct presence in 19 countries, mainly in Europe. It provides a suite of integrated solutions including design, manufacturing, consulting, customization/integration and maintenance services.

The Investment is intended to promote the Group businesses in societal automation, in this case focused on the rapidly growing markets for self-service kiosks, mobile ordering and collection, and personalized customer experiences when visiting retailers, restaurants, and entertainment venues. Acrelec is a leader in this marketplace, and following multiple years of investment in software and artificial intelligence capabilities, it is poised to become a major player in the emerging “smart store” market.

In addition to the Group's current base of our overseas business such as financial institutions and retail business, by teaming-up with Acrelec, the Company aims for further business expansion by increasing our self-service offerings and adding significant software capabilities, including use of artificial intelligence to guide and improve customer experiences and increase point of sale profitability.

The Company expects synergies from the Investment, including expansion of sales of each company's products through both businesses' sales channels, strengthening of Acrelec's global service capabilities by utilizing the Group's global service network. This partnership will also enable Acrelec to reinforce its presence in the world, where the Group already has a strong foothold, and to leverage the Group's sales organization to accelerate growth in retailers, restaurants, and entertainment venues, where it is already one of the market leaders.

Under the proposed agreement, the founders of Acrelec, Jacques Mangeot and Jalel Souissi, will retain 20% of the shares in Acrelec and will continue leading the company, as executive management, and will continue to direct Acrelec business strategy. It is intended that Acrelec will continue to operate as an independent entity within the Group under the general supervision of the Company's management, and the entire existing management team will remain in place for the foreseeable future.

The Investment is subject to consultation with staff representatives, the approval of Acrelec's shareholders, the conclusion of the share purchase agreement, and approval under relevant laws and regulations.

## 2. Outline of Glory Global Solutions (International) Ltd.

(1) Company name	Glory Global Solutions (International) Ltd.
(2) Address of Headquarters	Infinity View, 1 Hazelwood, Lime Tree Way, Chineham, Basingstoke, Hampshire RG24 8WZ, U.K.
(3) Representative	CEO Akihiro Harada
(4) Principal business	Management of sales and maintenance businesses of the Company's products in overseas
(5) Paid-in capital	US\$ 239 million

## 3. Outline of Acrelec

(1) Company name	Acrelec Group S.A.S.
(2) Address of Headquarters	L'Esplanade 3 rue Louis de Broglie Zac 77400 Saint Thibault des Vignes, France
(3) Representative	CEO Jacques Mangeot, CEO Jalel Souissi
(4) Principal business	Manufacture, Sales, and Service of self-service kiosks, drive-through kiosks, digital menu boards, customer interaction software. Provision of customer experience solutions to restaurants and retail stores.
(5) Paid-in capital	€ 84,937,538.70
(6) Year and Month established	June 21 2016
(7) Total number of shares issued	Ordinary Shares: 94,375,043
(8) Major shareholders and percentage of total share held	Acrelux S.A.R.L. 36.76% Aksolux S.A.R.L. 36.76% Brie Picardie Expansion 6.36% IDIA Participations 6.36% Venator SCA 5.94% HAT Group 4.64% SOCADIF 3.18%
(9) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship: Minor (less than 1% of the consolidated net sales of the Company) Related party or not: No

(10) Consolidated financial condition and results of operations of Acrelec for the last three years (For each cell, upper figures in thousands of euro and lower figures in millions of yen )			
	December 31, 2016	December 31, 2017	December 31, 2018
Net assets	14,978 1,797	17,102 2,052	19,154 2,298
Total assets	79,485 9,538	80,307 9,636	93,727 11,247
Net assets per share	€ 0.16 ¥ 19.2	€ 0.18 ¥ 21.6	€ 0.20 ¥ 24.0
Revenue	98,658 11,838	118,804 14,256	126,212 15,145
Operating profit	3,987 478	5,860 703	5,048 605
Profit before tax	3,197 383	4,384 526	3,953 474
Net income	1,875 225	2,538 304	2,005 240
Net income per share	€ 0.04 ¥ 4.8	€ 0.03 ¥ 3.6	€ 0.02 ¥ 2.4
Dividend per share	€ 0 ¥ 0	€ 0 ¥ 0	€ 0 ¥ 0

\* For the purpose of this Notice, exchange rate of €1=120 is used.

#### 4. Outline of the entity from which the shares are to be acquired

(1) Company name	Acrelux S.A.R.L.
(2) Head office	10, boulevard Royal – L-2449 Luxembourg
(3) Jurisdiction of establishment	Luxembourg
(4) Purpose of establishment	Holding Company
(5) Established date	December 2011
(6) Amount of capital	€ 23,500,000
(7) Investors	Mr. Jacques Mangeot
(8) General partner	None
(9) Representative in Japan	None
(10) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship : None “Related party” or not: No

(1) Company name	Aksolux S.A.R.L.
(2) Head office	10, boulevard Royal – L-2449 Luxembourg
(3) Jurisdiction of establishment	Luxembourg
(4) Purpose of establishment	Holding Company
(5) Established date	December 14, 2011
(6) Amount of capital	€ 23,500,000
(7) Investors	Mr. Jalel Souissi
(8) General partner	None
(9) Representative in Japan	None
(10) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship: None “Related party” or not: No

(1) Company name	Brie Picardie Expansion
(2) Head office	500, rue Saint Fuscien – 80090 Amiens, France
(3) Jurisdiction of establishment	France
(4) Purpose of establishment	Investment Company

(5) Established date	September 4 1980
(6) Amount of capital	€ 70,000,000
(7) Investors	Information not available
(8) General partner	None
(9) Representative in Japan	None
(10) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship: None “Related party” or not: No

(1) Company name	IDIA Participations
(2) Head office	12, place des Etats-Unis – 92120 Montrouge, France
(3) Jurisdiction of establishment	France
(4) Purpose of establishment	Investment Company
(5) Established date	June 26 2001
(6) Amount of capital	€ 165,164,800
(7) Investors	Information not available
(8) General partner	None
(9) Representative in Japan	None
(10) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship: None “Related party” or not: No

(1) Company name	Venator SCA
(2) Head office	10, boulevard Royal – L-2449 Luxembourg
(3) Jurisdiction of establishment	Luxembourg
(4) Purpose of establishment	Investment and Management Company
(5) Established date	December 11, 2013
(6) Amount of capital	€ 655,579
(7) Investors	Information not available
(8) General partner	None
(9) Representative in Japan	None
(10) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship: None “Related party” or not: No

(1) Company name	HAT Aksor Holdings LLC
(2) Head office	1313 N. Market St., Suite 5100, Wilmington, Delaware 19801, U.S.
(3) Jurisdiction of establishment	Delaware
(4) Purpose of establishment	Holding Company
(5) Established date	April 27, 2016
(6) Amount of capital	US \$4,563,778
(7) Investors	Information not available
(8) General partner	None
(9) Representative in Japan	None
(10) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship: None “Related party” or not: No

(1) Company name	SOCADIF
(2) Head office	26, quai de la Rapée – 75012 Paris, France
(3) Jurisdiction of establishment	France
(4) Purpose of establishment	Investment Company

(5) Established date	April 12 1990
(6) Amount of capital	€ 18,499,184
(7) Investors	Information not available
(8) General partner	None
(9) Representative in Japan	None
(10) Relationship with the Company	Capital relationship: None Personal relationship: None Transaction relationship: None “Related party” or not: No

#### 5. Number of shares to be acquired, acquisition price and number of shares before and after acquisition

(1) Number of shares before the acquisition	0 shares (Shareholding ratio: 0%)
(2) Number of shares to be acquired	Ordinary Shares: 75,500,034 (80% of the outstanding shares)
(3) Total acquisition price	Total acquisition price                      € 200 million (about ¥ 24.0 billion) Advisory fees, etc.                      Approx. € 2 million (about ¥ 0.2 billion) Total (estimated amount)              Approx. € 202 million (about ¥ 24.2 billion) The acquisition price includes net debt amount in addition to equity value. The acquisition price may change according to a price adjustment provided under the share purchase agreement.  The acquisition will be funded by a part of 20 billion yen raised by issuance of corporate bonds in December 2018, and the Company’s own resources.
(4) Number of shares after the acquisition	Ordinary Shares: 75,500,034 (80% of the outstanding shares)

\* The total acquisition price has been determined in consideration of the calculation results of the shares value conducted by a third-party valuation institution to ensure the fairness and appropriateness of the price.

#### 6. Schedule

(1) Approval by board of directors of the Company	January 31, 2020
(2) Execution of share purchase agreement	Not yet determined (after completion of relevant statutory procedures)
(3) Date of Transfer of shares	Not yet determined (subject to all regulatory clearances under the applicable laws in any relevant jurisdiction)

#### 7. Financial Impact

The financial impact of the acquisition to the Group’s consolidated accounts is now being investigated. We will promptly announce if an event which is required to be disclosed occurs.

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**About GLORY LTD.**

GLORY LTD., headquartered in Himeji, Japan, is a pioneer in the development and manufacture of money handling machines and systems. GLORY provides a variety of products such as money handling machines, cash management systems, vending machines, automatic service equipment, and cash management solutions that are built on its leading-edge recognition/identification and mechatronics technology. Committed to meet society's wide-ranging needs, GLORY serves the financial, retail, vending machine, amusement and gaming industries in over 100 countries around the world. GLORY employs approximately 9,000 people worldwide. For more information about GLORY, please visit GLORY Group website at <https://www.glory-global.com/>

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