



## USA Technologies Acquires VendScreen Assets

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*Expands USAT's Capability with Interactive Media and Content Delivery*

MALVERN, Pa.--(BUSINESS WIRE)-- [USA Technologies, Inc.](#) (NASDAQ:USAT) ("USAT"), a premier payment technology service provider of integrated cashless and mobile transactions in the self-service retail market, today announced it has acquired the cloud-based content delivery platform, device platform and products, customer base, and intellectual property of VendScreen, Inc. of Portland, Ore., a leading developer of vending industry cashless payment technology. In addition to new technology and services, the acquisition adds a West Coast operational footprint for USAT, with a talented and experienced team, providing greater efficiencies in operational performance, expanded customer services, sales and technical support to USAT's increasing base of over 10,000 customers.

"If 2015 was the year of mobile payments, 2016 is going to be the year of consumer engagement. As consumers and retailers become more accustomed to cashless and mobile payments, companies want to leverage information provided through a cashless and mobile payments environment to engage with the consumer at point-of-sale," said Stephen P. Herbert, chairman and chief executive officer, USA Technologies. "Whether it's vending operators, retail, brand or technology partners, corporations are looking for ways to move beyond a simple transaction. Our acquisition of VendScreen's technology further connects our partners and customers directly to the consumer at point-of-sale, and the possibilities are limitless. Whether it be through advertising, research, or loyalty, this technology will meet the demand of an increasingly customized retail experience and, we believe it will offer opportunities to engage with a consumer in ways that drives revenues. And we're only just scratching the surface."

USA Technologies acquired the assets for approximately \$5.6 million, in cash, on January 15, 2016. USAT used approximately \$2.6 million in cash on hand, with the balance funded by converting \$3 million drawn from its line-of-credit into a term loan. VendScreen has more than 120 customers with approximately 4,200 active connections as of November 2015. Its devices have been certified, integrated and operable with USAT's ePort® Service for approximately the past year.

VendScreen has developed what USAT considers to be the industry's most advanced interactive media, content delivery system, and touchscreens for the self-service retail market. This includes a vending application that provides enhanced vendor management system (VMS) integration and consumer product information, including nutritional data, provided by the server side capabilities. The technology is NFC enabled and compatible with mobile wallets including Apple Pay and Android Pay, and supports instant refunds, couponing, advertising and real-time consumer feedback to the owner and operator. In addition, we believe the acquired technology has the potential to help grow customer loyalty, create return customers and drive recurring sales, via USAT's MORE™ and Premier Services programs, which are helping the company shift the paradigm through new customer engagement services. This transaction provides USAT's customers with access to a greater breadth of payment technology capabilities and consumer engagement services.

"We are excited to join forces with USA Technologies, as both companies share the vision of advancing payments technology for vending and unattended markets," said David Grano, president and chief executive officer, VendScreen, Inc. "This acquisition will bring even greater resources to the marketplace, and will enable partners and customers to stay ahead of the technology curve. I am confident that this enhances USA Technologies' leadership as one of the world's most innovative payments technology companies."

### **About USA Technologies**

USA Technologies, Inc. is a premier payment technology service provider of integrated cashless and mobile transactions in the self-service retail market. The company also provides a broad line of cashless acceptance technologies including its NFC- ready ePort® G-series, ePort Mobile™ for customers on the go, and QuickConnect, an API Web service for developers. USA Technologies has been granted 87 patents; and has agreements with Verizon, Visa, Chase Paymentech and customers such as Compass, AMI Entertainment and others. Visit the website at [www.usatech.com](http://www.usatech.com).

### **About VendScreen Inc.**

Based in Portland, Oregon, and a graduate of the Wieden + Kennedy Portland Incubator Experiment, VendScreen Inc. is the industry's leading manufacturer of retrofit touchscreen devices for vending machines. VendScreen devices are powered by a proprietary cloud-based computing platform that enables cashless transactions, dynamic product and nutrition information, on-screen promotions, and centralized remote monitoring. For more information, please visit [www.facebook.com/VendScreen](http://www.facebook.com/VendScreen), or follow us on Twitter at [@VendScreen](https://twitter.com/VendScreen).

### **Forward-looking Statements:**

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: All statements other than statements of historical fact included in this release are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to USAT or its management, identify forward looking statements. Such forward-looking statements are based on the beliefs of USAT's management, as well as assumptions made by and information currently available to USAT's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, the ability of management to predict or forecast future financial results, including earnings resulting from the acquisition of VendScreen's assets; the ability of USAT to predict customer demand for, and the impact to customers from the installation of, VendScreen devices; whether, and the extent to which, VendScreen's devices will drive revenues for our customers; whether any patents or other intellectual property assigned to USAT will provide USAT with any competitive advantages or adequate protection for its products, or would be challenged, invalidated or circumvented by others; the ability of USAT to operate without infringing the intellectual property rights of others; and whether USAT's existing or anticipated customers purchase, rent or utilize ePort devices or our other products or services in the future at levels currently anticipated by USAT. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release.

Unless required by law, USAT does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

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