

6 February 2025

Northamber PLC
("Northamber" or the "Company")

Acquisition of Epatra

Further expansion into Europe

Northamber (AIM:NAR), a leading value-add Audio Visual & IT distributor, is pleased to announce that its wholly owned subsidiary, Northamber NL B.V. has acquired, from PreHold B.V. and Lumen Vera B.V. (the "**Sellers**"), EPATRA B.V. (incorporated in The Netherlands) and Epatra B.V. (incorporated in Belgium), (collectively "**EPATRA**") pursuant to a share purchase agreement (the "**SPA**") that was exchanged and completed earlier today (the "**Acquisition**").

EPATRA is a prominent distributor of professional Audio Visual solutions, focussed on Smart Offices. Established in 2003 EPATRA is headquartered in The Netherlands and has its warehouse and a further sales office there as well as a sales office in Belgium. The business has several direct distribution contracts with partners including Sony, LG, GoBright, Biamp, Sennheiser, and others.

The total amount payable by Northamber for the Epatra Acquisition is up to approximately €2 million in cash (£1.67 million; £1: €1.201, as at 5 February 2025), compared to tangible net assets of approximately €1.9 million (£1.58 million) as at completion. The amounts paid will be funded from the Company's existing available resources.

Highlights

- EPATRA is an established Audio Visual Smart office distributor, providing tailored advice and solutions to a diverse base of over 1,000 trading reseller customers within the Benelux states.
- EPATRA advises and sells a wide range of audiovisual products, from individual displays to software for Room & Desk Management, including complete Unified Communications sets.
- It has a strong online presence and has excellent logistics capabilities, distributing from a 12,000 square foot warehouse in Alblasserdam, Netherlands, which will allow for continued European growth for Northamber.
- During 2024, EPATRA focussed on improving its underlying business performance to drive increases in gross margin and gross profits. Further similar improvement is expected in the current year.
- The board of directors of Northamber (the "**Board**") believe that EPATRA has potential for strong growth and can be used as a platform to drive Northamber's ambitions for European growth.
- The Acquisition will further broaden Northamber's reach outside of the UK and into growth markets in Europe.
- In line with the strategy of building on Northamber's core technology pillars of AV, UC&C, Cyber Security & Infrastructure Solutions, including outside the UK, through organic growth and via strategic acquisitions.

Strategic Rationale

The Directors believe the Acquisition will:

- further extend Northamber's European expansion, building on the acquisition of Tempura Communications and their Netherlands business in April 2024 and the acquisition of Renaissance Contingency Services in Ireland in July 2024, to provide a complementary growth platform with strong cross selling opportunities in Europe with an enhanced offering in audio-visual, unified communications, and cyber solutions and services;
- offer an opportunity to consolidate existing operations in Benelux and benefit from logistics and distribution synergies;
- EPATRA brings a broad, long standing client base, which provide opportunities for sustained growth; and be value enhancing in the first full year of ownership (FY26).

Alex Phillips, Executive Chairman of Northamber, commented:

"We are delighted to welcome Epatra into the Northamber group. There is a strong synergy in strategic focus with existing Northamber business and we look forward to working together with the Epatra team to drive strategic value for all.

We are excited to continue to invest in driving profitable growth and broadening our customer base into international markets.

The Board believes that there remain significant opportunity for further suitable acquisitions in the sector, which should generate additional value for Northamber's shareholders in the medium term."

Arjan Dekker, Director of Epatra Benelux, said:

"We are proud and excited to announce that Epatra Nederland is now part of the Northamber Group. This strategic step strengthens our position in the BeNeLux market and opens the door to new growth opportunities, both nationally and internationally.

Together with Northamber, we are joining forces to serve our customers and partners even better. Through targeted investments and synergies, we continue to innovate, strengthen our market position, and drive sustainable growth.

This collaboration marks a new chapter in which we remain committed to delivering high-quality audiovisual solutions and exceptional service. We look forward to a future filled with innovation, growth, and new opportunities."

About EPATRA

Based on unaudited management accounts for the year ended 31 December 2024, EPATRA had combined revenues of €16.7 million (£13.9 million), EBITDA loss of €0.6 million (£0.5 million) and loss before tax of €0.6 million (£0.5 million).

Acquisition terms

The total amount payable is up to approximately €2 million. Northamber is paying €1 for the issued share capital of each of EPATRA B.V. and Epatra B.V. The Company is assuming responsibility for a loan of approximately €1.22 million (£1.02 million), which is owed by Epatra and is to be repaid to the Sellers in three equal tranches, the first being on completion and then within 60 days and 180 days following completion. Additional payments of up to €0.85 million (£0.71 million) may be due to the Sellers, that will be determined by reference to, inter alia, gross profits and other trading results of EPATRA, in the 3 year and 5 year periods following completion.

The SPA contains certain customary warranties and tax indemnities given by the Seller in relation to EPATRA and its business, subject to agreed limitations.

Following the Acquisition, the EPATRA businesses will become wholly owned subsidiaries of the Company.

Epatra has entered into a transitional services agreement with Lumen Vera B.V. and Prehold B.V. , pursuant to which the Sellers have agreed to provide certain transitional services to Epatra for a period of up to 36 months following Completion.

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