

Northamber PLC
(“Northamber” or the “Company” or the “Group”)
Interim Report for the Six months to 31 December 2025

Chairman’s Statement

Results

It is pleasing to share a return to positive, unadjusted EBITDA following the actions taken during FY25 as Northamber continues to develop into a more scalable, value-add technology distribution platform with broader geographic reach and a more disciplined economic model.

Against a challenging market backdrop, Group revenue for the half increased by 22% year on year to £39.4m, gross profit increased by 14% to £5.9m and the Group returned to positive, unadjusted EBITDA of £210k.

The 14% increase in gross profits compares to an 8% increase in overall costs year on year, reflecting the benefits of our strategy to drive overhead dilution through targeted acquisitions (including the initial contribution from NUC Distribution) and the early benefits of the operational cost changes made in FY25. While statutory results continue to reflect a degree of transition and integration activity, the Board believes the Group is now operating from a materially stronger financial and strategic position than a year ago.

Since the start of the second half of the year trading has been in line with the Board’s expectations, and the third quarter has shown a return to operating profitability.

Performance Overview

Our deliberate shift towards higher-value audio visual, unified communications, cyber security and network infrastructure solutions continued, with these technologies accounting for well over 80% of Group revenues. These categories continue to offer attractive long-term growth opportunities, particularly where supported by sales of our in-house services and recurring revenue streams.

All trading entities owned during the period again delivered a positive contribution after direct costs, defined as gross profit less directly attributable trading expenses. As a listed group operating across multiple jurisdictions, Northamber carries a level of central corporate and governance costs that are largely fixed in nature. At smaller scale, these costs weigh disproportionately on reported profitability despite positive contribution at operating level. Whilst we continue to look at measures to drive efficiency and reduce costs, the Group’s strategy to build scale also supports absorbing these costs more effectively and improve underlying returns.

Working capital discipline has remained a central focus throughout the first half. Cash increased from £2.6m to £2.8m year on year. Excluding inventory acquired with NUC Distribution and Epatra, underlying stock levels reduced from £9.9m to £8.8m. The NUC acquisition added a significant stock holding late in the half.

Reported results reflects improving underlying trading performance despite continued caution in the UK market and continue to include non-recurring acquisition and integration costs.

Strategic Progress

A key theme of the period has been the continued evolution of Northamber from a predominantly UK-focused distributor into a more geographically diversified European technical distributor of audio visual, unified communications and cyber security solutions.

Approximately one-third of Group sales are now generated outside the UK, reflecting the strategic expansion into Ireland and the Benelux, up from approximately 20% in the prior year. This materially improves the balance of the Group’s revenue profile and reduces reliance on any single market. The Board

has been encouraged by the performance of the international businesses, with strong sustained growth in both Epatra and Renaissance, demonstrating the benefits of the Group's broader footprint and its ability to support vendors and partners across multiple territories.

Alongside geographic diversification, the Group has continued to invest in higher-quality and more recurring revenue streams. The cloud marketplace initiative is supporting subscription based and recurring models, particularly in cyber security, while the services business continues to grow and strengthen the Group's value-add proposition through professional services, technical design, deployment and support. These capabilities are strategically important because they deepen partner relationships, enhance margin quality and reduce reliance on purely transactional distribution.

Acquisition Strategy

The most significant strategic development in FY 26 has been the December 2025 acquisition of NUC Distribution, a specialist unified communications distributor with approximately £29m of annual revenue and an 11% gross margin, following a hive-down from Nuvias UC.

The transaction materially enhances the Group's scale in unified communications and has been structured conservatively, with deferred consideration and payment terms spread over 25 months. Importantly, the acquisition adds a business with meaningful contribution at gross profit level while leaving behind a significant proportion of legacy cost, thereby improving the Group's risk profile and overhead absorption as scale increases. The structure of the acquisition and the trading from the acquired company both support cash generation while enabling Northamber to build scale efficiently and with disciplined downside protection.

The combination of NUC and Tempura creates a significantly stronger unified communications platform for the Group. Tempura brings deep technical incubation expertise, services capability and long-standing vendor relationships, while NUC adds meaningful scale, breadth of customer reach and operational leverage. Together, this combination provides partners with a highly capable UC offering spanning specialist technical expertise, services enablement and volume distribution, underpinned by scale and resilience.

The Board's approach to acquisitions remains disciplined and performance-aligned, balancing growth ambition with appropriate downside protection for shareholders.

Board and Leadership

During the period, the Group has continued to strengthen its leadership team to support the next phase of development. The refreshed structure, together with increased depth in leadership, is improving execution, financial discipline and oversight as the Group scales.

During the half, Ian Kilpatrick was appointed as a Non-Executive Director, bringing deep cyber security distribution knowledge and experience to the Board. The Board continues to keep its composition under review to ensure it remains appropriate for the Group's strategy and stage of development.

Financial Position

The Group continues to benefit from a strong balance sheet, significant asset backing and a conservative financial profile. At the FY26 half year, the Group had total assets of £50.5m, net assets of £17.7m, cash of £2.8m supported by significant property backing and modest leverage.

The property portfolio remains an important source of financial resilience. The Board continues to review the estate to improve capital efficiency and, where appropriate, release additional working capital. In line with this approach, the Group is currently marketing two of its office buildings for sale as our physical space requirements evolve.

Dividend

As in previous years, your Board has had regard to the strength of our balance sheet and is proposing the interim dividend be 0.3p, at a total cost of £81,340. The dividend will be paid on 23 April 2026 to shareholders on the register as at 10 April 2026.

People

I would like to thank colleagues across the Group for their professionalism and commitment. Their efforts have been central to the progress made in strengthening the Group's platform and improving its execution.

Outlook

While trading conditions in the UK remain mixed, it is pleasing to share that current trading is in line with the Board's expectations, and the third quarter is showing a return to operating profitability, reflecting the benefit of the actions taken during FY25, the contribution from NUC and continued progress across the Group's international businesses.

The Board continues to expect a materially stronger second half, supported by the full-period contribution from NUC, the annualised benefit of FY25 cost actions, continued progress in services and recurring revenue, and improved operating leverage across the enlarged Group.

Looking further ahead, the Board continues to see positive long-term prospects for the Group into FY26/27 and beyond, reflecting the strategic actions taken, improved scale, geographic diversification and the attractive markets in which the Group now operates.

While we remain cautious given uncertainty in the market and broader economy, the Board believes current FY26 trading demonstrates that Northamber's turnaround and scale strategy is gaining traction and that the foundations are in place for strong and sustainable returns over time.

Alexander Phillips
Chairman

20 March 2026

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Interim Report for the Six months to 31 December 2025

Consolidated Statement of Comprehensive Income
6 months to 31 December 2025

	6 months Ended 31.12.25 £'000 Unaudited	6 months Ended 31.12.24 £'000 Unaudited	Year Ended 30.06.25 £'000 Audited
Revenue	39,411	32,182	63,306
Cost of sales	(33,489)	(27,073)	(54,306)
Gross Profit	<u>5,922</u>	<u>5,109</u>	<u>9,000</u>
Distribution costs	(3,424)	(2,853)	(5,228)
Administrative costs	(2,724)	(2,742)	(7,491)
Operating Loss	<u>(226)</u>	<u>(486)</u>	<u>(3,719)</u>
Finance income	1	2	5
Finance cost	(153)	(114)	(312)
Loss before Tax	<u>(378)</u>	<u>(598)</u>	<u>(4,026)</u>
Tax expense	-	-	(2)
Loss for the period and total comprehensive income	<u>(378)</u>	<u>(598)</u>	<u>(4,028)</u>
Attributable to the owners	<u>(378)</u>	<u>(598)</u>	<u>(4,028)</u>
Basic and diluted loss per ordinary share	(1.38p)	(2.18) p	(14.69) p

**Consolidated Statement of Financial Position
As At 31 December 2025**

	6 months Ended 31.12.25 £'000 Unaudited	6 months Ended 31.12.24 £'000 Unaudited	Year Ended 30.06.25 £'000 Audited
Non -current assets			
Property, plant and equipment	5,729	5,748	5,882
Intangible assets	5,753	4,128	4,123
	<u>11,482</u>	<u>9,876</u>	<u>10,005</u>
Current assets			
Inventories	19,294	9,893	9,767
Trade and other receivables	18,673	12,808	13,643
Cash and cash equivalents	2,788	2,640	4,576
	<u>40,755</u>	<u>25,341</u>	<u>27,986</u>
Total assets	<u>52,237</u>	<u>35,217</u>	<u>37,991</u>
Current liabilities			
Trade and other payables	(34,052)	(12,875)	(19,411)
Corporation tax payable	-	-	-
Non-current liabilities			
Deferred tax liability	(514)	(456)	(551)
Total liabilities	<u>(34,566)</u>	<u>(13,331)</u>	<u>(19,929)</u>
Net assets	<u>17,671</u>	<u>21,886</u>	<u>18,029</u>
Equity			
Share capital	179	274	271
Share premium account	5,829	5,832	5,736
Treasury Shares	3	-	3
Capital redemption reserve	1,514	1,514	1,514
Retained earnings	10,126	14,265	10,505
Foreign Currency Translation Reserve	20		
Equity shareholders' funds attributable to the owners of the parent	<u>17,671</u>	<u>21,886</u>	<u>18,029</u>

Consolidated Statement of Changes in Equity
As at 31 December 2025

	Share capital	Share premium account	Capital redemption reserve	Treasury Shares	Retained earnings	Foreign Currency Translation Reserve	Total Equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Period to 31 December 2024							
Unaudited							
Balance at 1 July 2024	274	5,832	1,514	-	14,865	-	22,485
Dividends	-	-	-	-	-	-	-
Loss and total comprehensive income for the period	-	-	-	-	(598)	-	(598)
Balance at 31 December 2024	274	5,832	1,514	0	14,267	-	21,887
Period to 31 December 2025							
Unaudited							
Balance at 1 July 2025	271	5,736	1,514	3	10,505	-	18,029
Dividends	-	-	-	-	-	-	0
Loss and total comprehensive Income for the period	-	-	-	-	(379)	20	(358)
Balance at 31 December 2025	271	5,736	1,514	3	10,126	20	17,671
Year to 30 June 2025							
Audited							
Balance at 1 July 2024	274	5,832	1,514	-	14,697	-	22,317
Purchase of shares	(3)	(96)	-	3	-	-	(96)
Dividends	-	-	-	-	(164)	-	(164)
Transactions with owners	(3)	(96)	-	3	(164)	-	(260)
Loss and total comprehensive Income for the period	-	-	-	-	(4,028)	-	(4,028)
Balance at 30 June 2025	271	5,736	1,514	3	10,505	-	18,029

Consolidated Statement of Cash Flows
6 months to 31 December 2025

	6 months Ended 31.12.25 £'000 Unaudited	6 months Ended 31.12.24 £'000 Unaudited	Year Ended 30.06.25 £'000 Audited
Cash flows from operating activities			
Operating loss from			
continuing operations	(226)	(600)	(3,719)
Depreciation of property, plant and equipment	284	301	486
Amortisation of intangible assets	151	247	448
Gain on bargain purchase	-	-	(441)
Impairment on investments	169		
Profit on disposal of property, plant and equipment	19		24
Operating loss before changes in working capital	396	(52)	(3,202)
Decrease/(Increase) in inventories	(9,526)	1,946	3,417
Decrease/(increase) in trade and other receivables	(5,027)	(702)	681
(Decrease)/increase in trade and other payables	12,943	(2,584)	(97)
Cash generated/(used) from operations	(1,214)	(1,392)	799
Income taxes paid	-	-	12
Net cash from operating activities	(1,214)	(1,392)	787
Cash flows from investing activities			
Interest received	1	2	5
Purchase of subsidiaries (net of cash acquired)	-	(382)	(86)
Purchase of software	-	-	(7)
Effect of exchange rate changes on cash and cash equivalents	20		
Purchase of property, plant and Equipment	(441)	(161)	(237)
Net cash from investing activities	(420)	(541)	(3,25)
Cash flows from financing activities			
Dividends paid to equity shareholders	-	-	(164)
Interest paid	(153)	(114)	(312)
Purchase of treasury shares	-	-	(96)
Net cash used in financing activities	(153)	(114)	(572)
Net increase/(decrease) in cash and cash equivalents	(1,788)	(2,046)	(111)
Cash and cash equivalents at beginning of period	4,576	4,687	4,687
Cash and cash equivalents at end of period	2,788	2,640	4,576

Notes to the financial statements

1. Corporate Information

The financial information for the half year ended 31 December 2025 set out in this interim report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The auditor's report on the financial statements for the year ended 30 June 2025 was unqualified and did not contain statements under Sections 498(2) and 498(3) of the Companies Act 2006. The interim results are unaudited. Northamber Plc is a public limited company incorporated and domiciled in England and Wales. The Company's shares are publicly traded on the London Stock Exchange's AIM market.

2. Basis of preparation

These interim consolidated financial statements are for the six months ended 31 December 2025. They have been prepared in accordance with IAS34 Interim Financial Reporting. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the group for the year ended 30 June 2025.

These interim consolidated financial statements (the interim financial statements) have been prepared in accordance with accounting policies adopted in the last annual financial statements for the year to 30 June 2025 except for the adoption of IAS1 Presentation of Financial Statements (Revised 2007).

The adoption of IAS1 (Revised 2007) does not affect the financial position or profits of the group but gives rise to additional disclosures. The measurement and recognition of the group's assets, liabilities, income and expenses is unchanged. A separate 'Statement of changes in equity' is now presented.

The accounting policies have been applied consistently throughout the group for the purposes of preparation of these interim consolidated financial statements.

3. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of Northamber plc and entities controlled by Northamber plc. Control is achieved if all three of the following are achieved: power over the investee, exposure to variable returns for the investee, and the ability of the investor to use its power to affect those variable returns.

The results of subsidiaries are included in the consolidated statement of comprehensive income and consolidated statement of financial position.

The results of entities acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, the accounts of the subsidiaries are adjusted to conform to the group's accounting policies. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

4. Segmental Reporting

Although the sales of the group are predominantly to the UK there are sales to other countries and the following schedule sets out the split of the sales for the period. Revenue is attributable to individual countries based on the location of the customer. All non-current assets are located in the country of domicile.

	UK	Other	Total
	£'000	£'000	£'000
6 months to December 2025			
Total Segment revenue	21,094	18,317	39,411
Year to 30 June 2025			
Total Segment revenue	48,822	14,484	63,306

No customer accounted for more than 10% of the Group's revenue during the period.

5. Taxation

No tax charge has been provided in the interim consolidated financial statements due to the availability of carried forward losses.

6. Earnings per Share

The calculation of earnings per share is based on the Loss after tax for the six months to 31 December 2025 of £378,000 (2024: Loss £598,000) and a weighted average of 27,413,404 (2024: 27,413,404) ordinary shares in issue.

7. Risks and Uncertainties

The principal risks and uncertainties affecting the business activities of the group are detailed in the strategic report which can be found on pages 13 to 14 of the Annual Report and Accounts for the year ended 30 June 2025 (the Annual Report). A copy of the Annual Report is available on the company's web site at www.northamber.com.

The risks affecting the business remain the same as in the Annual Report. In summary these include: -

- Market risk particularly those relating to the suppliers of products to the group
- Financial risks including exchange rate risk, liquidity risk, interest rate risk and credit risk
- Inflationary risk

In the opinion of the directors, these will remain the principal risks for the remainder of the year, however, the directors have reviewed the company's risk analysis and are of the opinion that steps have been taken to minimise the potential impact of such risks.

9. Related Party Transactions

Mr A M Phillips is the ultimate controlling party of the Company.

During the six months period, the company paid £150,000 (2024: £150,000) rent to Anitass Limited, a wholly owned subsidiary. At 31 December 2025 Northamber plc owed Anitass Ltd £7,690,791 (2024: £9,372,796).

During the six months period, the company received £12,000 (2024: £12,000) rent and £33,000 (2024: £33,000) management charge from Audio Visual Material Limited "AVM", a wholly owned subsidiary.

During the six months period, AVM purchased £257,035 (2024: £292,707) worth of goods from Northamber Plc and Northamber Plc purchased £111,769 (2024: £219,766) worth of goods from AVM. AVM owed £14,729 (2024: £623,027) to Northamber at 31 December 2025.

During the six months period Tempura Communication Limited, purchased £432,172 (2024: £38,745) worth of goods from Northamber Plc and Northamber Plc purchased £152,414 (2024: £204,060) worth of goods from Tempura Communication Limited. Tempura Communication Limited owed £201,538 (2024: £120,121) to Northamber at 31 December 2025.

During the six months period, Renaissance Contingency Ltd purchased £1,896 (2024: £0) worth of goods from Northamber Plc and Northamber Plc purchased £0 (2024: £0) worth of goods from Renaissance Contingency Ltd. Renaissance Contingency Ltd owed £255,009 (2024: £623,027) to Northamber at 31 December 2025.

10. Directors' Confirmation

The Directors confirm that to the best of their knowledge these condensed consolidated half year financial statements have been prepared in accordance with IAS 34 and that the interim management report herein includes a fair review of the information required by DTR 4.2.7R, an indication of important events during the first 6 months and descriptions of principal risks and uncertainties for the remaining six months of the year, and DTR 4.2.8R the disclosure of related party transactions and changes therein.