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REGULATION**

13 March 2025

Restore plc
("Restore" or the "Group" or the "Company")

Acquisition of Synertec (Holdings) Ltd

Restore plc (AIM: RST), the UK's leading provider of secure and sustainable business services for data, information, communications and assets, today announces the acquisition of Synertec (Holdings) Ltd ("Synertec"), a document management business, for an initial cash consideration of £22m plus deferred cash consideration based on Synertec's future profits.

Synertec was founded in 1999 and is a UK market leader in document solutions and processes, sending communications both electronically and physically on behalf of major public sector and commercial organisations, including around 75% of NHS Trusts. It has a long-established customer base with predictable and recurring revenues, and typically wins contracts through the outsourcing of operations previously performed in-house. In the last year, it processed c76m physical communications (print/mail) and c52m electronic communications for its customers.

Synertec's proprietary software platform captures data, transforms it into the required format, and delivers it to the end recipient either electronically or through the more traditional medium of print and mail. The company operates from four sites in the UK: leasehold print facilities in Bristol, Milton Keynes and Warrington, and a freehold site near Taunton.

Synertec's business is a highly complementary addition to Restore's Information Management division and supports the Group's growth strategy in broadening its offering to existing customers and facilitating the cross-selling of Restore services to Synertec customers. The large number of public sector and commercial bodies who still manage their communications in-house also provides the opportunity for significant growth. The Synertec management team were majority shareholders prior to the acquisition and will remain with the business.

Synertec has been acquired for an initial cash consideration of £22m, together with an existing £11m of debt, plus deferred cash consideration based on Synertec's future profits. The deferred cash consideration is payable, subject to Synertec achieving minimum profit levels, in 2028 and 2029 and is equal to its profits for each of the years ending 31 March 2028 and 2029. The initial cash consideration has been funded from the Group's existing borrowing facilities.

Synertec expects revenue for the twelve months ended 31 March 2025 of c£70m, of which around 60% relates to postage costs for physical communications which are passed on to its customers. Adjusted operating profit for the same period is expected to be c£5.5m. Excluding the pass-through of postage costs, operating margins are expected to be c20%. As at last audited balance sheet date, 31 March 2024, Synertec had gross assets of £29.6m.

The acquisition is expected to be immediately earnings enhancing.

Charles Skinner, CEO, commented:

"Synertec is a highly complementary addition to Restore and will broaden our service offering to existing customers and provide an attractive opportunity to accelerate growth, both for Synertec and the Group. We look forward to bringing the businesses together and creating value for all our stakeholders."

Tom Baldock, Synertec Managing Director, commented:

"I am proud of what our teams have achieved over the last 25 years. We have a strong platform for growth and an exciting new phase in the company's development to look forward to. Finding the right fit was an important consideration for us and Restore's common values will benefit both our staff and customers"

Cautionary Statement: This announcement contains certain statements, statistics and projections that are or may be forward-looking. The accuracy and completeness of all such statements, including, without limitation, statements regarding the future financial position, strategy, projected costs, plans and objectives for the management of future operations of Restore and its subsidiaries is not warranted or guaranteed. These statements typically contain words such as 'intends', 'expects', 'anticipated', 'estimates' and words of similar import. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Although Restore believes that the expectations will prove to be correct. There are a number of factors, many of which are beyond the control of Restore, which could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

**The person responsible for arranging for the release of this announcement on behalf of the Company is Chris Fussell,
Company Secretary.**

For further information please contact:

Restore plc
Charles Skinner, CEO
Dan Baker, CFO
Chris Fussell, Company Secretary

www.restoreplc.com
+44 (0) 207 409 2420

Investec (Nominated Adviser and Joint Broker)
Carlton Nelson
James Rudd

www.investec.com
+44 (0) 207 597 5970

Canaccord Genuity (Joint Broker)
Max Hartley

www.canaccordgenuity.com
+44 (0) 207 523 8000

FTI Consulting
Alex Ayleen

+44 (0) 203 727 1340

FTI Consulting (PR Enquiries)
Nick Hasell
Alex Le May

www.fticonsulting.com/uk
+44 (0) 203 727 1340

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