

HUNTSWORTH

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Huntsworth PLC

22 February 2018

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Acquisition of AboveNation Media, LLC

Huntsworth plc (the **Company**), the international healthcare and communications group (**Huntsworth** or the **Group**), today announces the acquisition of 75% of AboveNation Media, LLC (**AboveNation Media**) from Steve Minichini and John Lee (together the **Sellers**) for an initial consideration of \$1.75m.

Transaction highlights

AboveNation Media is a New York-based full-service media strategy, planning and buying agency. AboveNation Media will provide integrated advertising technology solutions across Huntsworth's Evoke Group business.

AboveNation Media will continue to be led by its CEO, Steve Minichini and its President, John Lee and will report to Reid Connolly, CEO of Evoke Group.

The agreement to acquire 75% of AboveNation Media (the **Agreement**) provides for an initial consideration of \$1.75m (**Initial Consideration**) and two deferred payments due in 2019 and 2021, based on a multiple of the EBITDA for the preceding years (**Deferred Consideration**).

In addition, the Agreement provides for a put and call option over the remaining 25% of AboveNation Media exercisable by the Sellers or the Group from 1 January 2023. The consideration payable will be based on average EBITDA for the two calendar years immediately preceding.

The Initial Consideration will be financed through the Group's existing facilities. Both the Deferred Consideration and the put and call option consideration payable, may be satisfied either in cash and/or ordinary shares of the Company.

The maximum amount of total consideration payable is capped at \$25m.

AboveNation Media generated revenues of c. \$1.3m and EBITDA of c. \$0.5m in the year to 31 December 2017 and the Group expects the acquisition to be accretive to the Group's earnings in the current financial year. AboveNation Media's gross assets were \$4.2m as at 31 December 2017.

Commenting on the acquisition, Reid Connolly, CEO of Evoke Group, said:

"The convergence of media and technology has changed the way brands and companies connect with their customers. AboveNation Media is a perfect strategic fit within our group and strengthens our commitment to a culture of innovation and accountability. By integrating the emotional insights that fuel great creative with advanced media strategy and technology, we not only create a more nimble and agile offering but we're able to create smarter, harder working creative. Collectively we offer our clients the ability to engage and build more valuable relationships and to do so in the most advanced, efficient and, most importantly, transparent way possible."

The statement regarding earnings enhancement is not a profit forecast and should not be interpreted to mean that the Group's earnings per share will necessarily match or exceed the historic earnings of the Group.

Huntsworth plc - www.huntsworth.com

Evoke Group - www.evokegroup.com

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