

30 July 2021

Exeed Group Acquisition

The Directors of Dicker Data Limited (**ASX: DDR**) (Company), are pleased to announce that the Company has entered into a binding Sale and Purchase Agreement (SPA) to acquire the Exeed Group (Exeed) business operating across Australia and New Zealand. This transaction will propel Dicker Data NZ to become the second largest IT distributor in New Zealand with estimated revenue of over NZD \$500m for the combined entities.

Established in 2002, and headquartered in Auckland, Exeed is the second largest IT distributor in the New Zealand market and holds dominant market share across a number of the vendors they represent. The acquisition of Exeed will provide Dicker Data NZ with the platform to rival the largest distributor in the NZ market using a mixture of unique local market knowledge and access to an increased range of world leading brands.

With operations expanded into Australia in 2016, the Exeed business represents combined revenues of approx. NZD \$380m, with FY21 full year normalised EBITDA earnings expected to be approx. \$15m. In addition to NZD \$310m of revenue in the NZ market, this acquisition also gives us access to NZD \$70m revenue in Australia, across a vendor base that has no overlap with existing Australian vendors.

Exeed is a leading distributor of key technology brands including Apple, HP, Hewlett Packard Enterprise and Microsoft, with a focus on both the commercial and retail sectors. Exeed carries a number of exclusive distributorships in New Zealand including Motorola, Ruckus and Webroot. The business employs a total of 119 staff, with 95 based in New Zealand and 24 in Australia. Justin Tye, current CEO of Exeed will head up the combined entity in New Zealand in the newly created NZ Country Manager role.

Chairman and CEO, David Dicker, Dicker Data Limited said "After many attempts, over more years than I can count, we have finally got a deal done to acquire Exeed. This transaction will put us a very strong number 2 in NZ, with a platform for number 1. The combined companies are highly synergistic. The deal done will be all cash. A very satisfying outcome."

As a locally owned and operated distributor in New Zealand, Exeed shares many cultural similarities with Dicker Data. Their ability to outpace all foreign rivals in their local market is testament to the strength of the business and the team being acquired. The competitive advantage a local distributor brings is deeply engrained in Dicker Data's DNA, and every reseller partner who works with either business today should be reassured that the seamless continuity of their business is the utmost priority as Exeed is integrated into Dicker Data.



These cultural alignments provide a strong foundation for the integration of the Exeed Group into Dicker Data Limited. The opportunity provides a solid customer base of nearly 1,200 resellers, growth in market share and revenue, plus immediate gain of skilled and specialist experts and a cultural synergy between the two companies. The scale of the combined entity will enhance Dicker Data's value proposition to New Zealand resellers and provides the local market with access to every major technology brand under the one banner.

The purchase price is \$68m on a cash free, debt free basis, other than existing working capital debt which will be assumed by Dicker Data as part of the working capital balance at completion. The acquisition funding is supported by a cash advance facility from Westpac. There are a number of conditions to be satisfied for completion, however Dicker Data expects to complete the transaction before the end of August 2021. The Company expects the transaction to be earnings accretive for the FY21 financial year.

Authorised for release by the board of Dicker Data Ltd.



David Dicker
Chairman & CEO

ABOUT DICKER DATA

Dicker Data (ASX: DDR) is an Australian-owned and operated, ASX-listed technology hardware, software, and [cloud](#) distributor with over 42 years of experience. Our sales and [presales](#) teams are experienced product specialists who are dedicated to helping you tailor solutions to suit your client's needs.

As a distributor, we sell exclusively to our valued partner base of over 6,900 resellers across ANZ. We pride ourselves on developing strong long-term relationships with our customers, and [helping them grow](#). This customer-first approach means we are proactive in engaging with our resellers and allows us to dynamically shift with changing market conditions, in turn helping to [increase profitability](#).

Dicker Data distributes a [wide portfolio of products](#) from the world's leading technology vendors, including [Cisco](#), [Citrix](#), [Dell Technologies](#), [Hewlett Packard Enterprise](#), [HP](#), [Lenovo](#), [Microsoft](#), and other Tier 1 global brands. As the leading Australian distributor for many of these vendors, Dicker Data is dedicated to helping our partners deliver industry-leading [solutions](#) built on the world's best technologies. <https://www.dickerdata.com.au/>