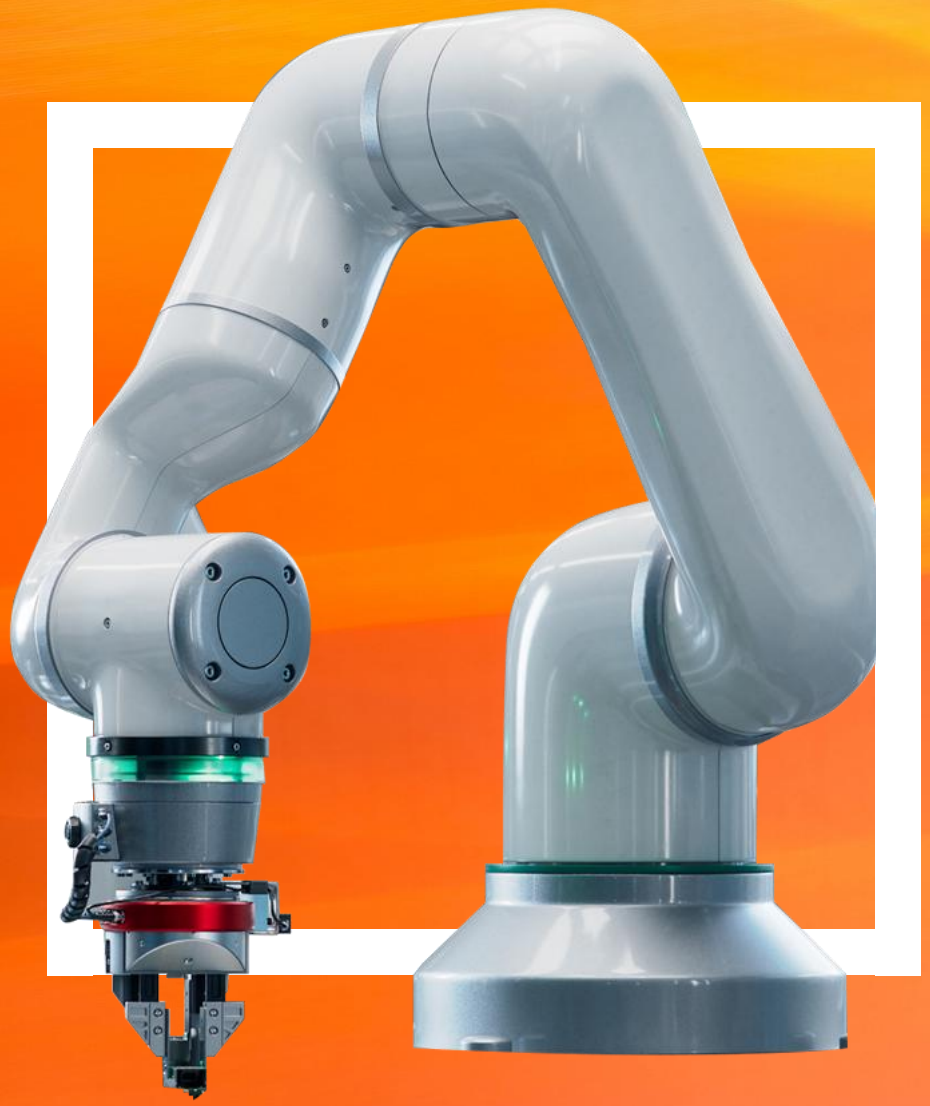
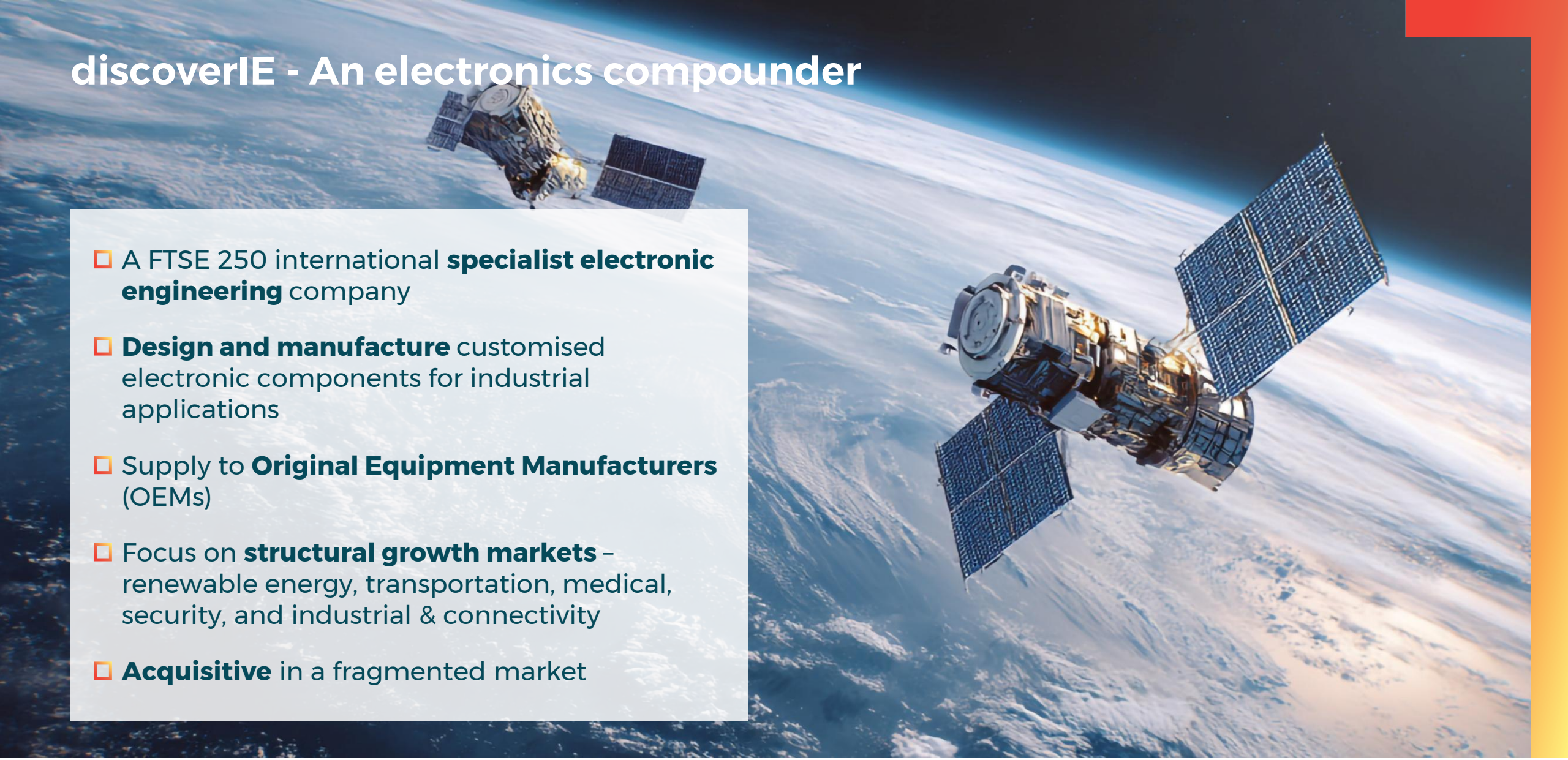
Investor Presentation

JUNE 2026



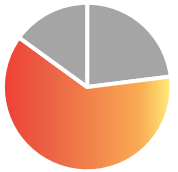
discoverIE - An electronics compounder



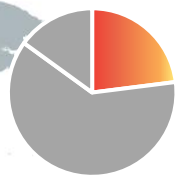
- A FTSE 250 international **specialist electronic engineering** company
- **Design and manufacture** customised electronic components for industrial applications
- Supply to **Original Equipment Manufacturers** (OEMs)
- Focus on **structural growth markets** – renewable energy, transportation, medical, security, and industrial & connectivity
- **Acquisitive** in a fragmented market

Group overview

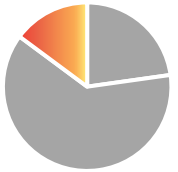




Europe
62%
Group revenue
1,750
Employees



North America
23%
Group revenue
500
Employees



Asia
15%
Group revenue
2,350
Employees

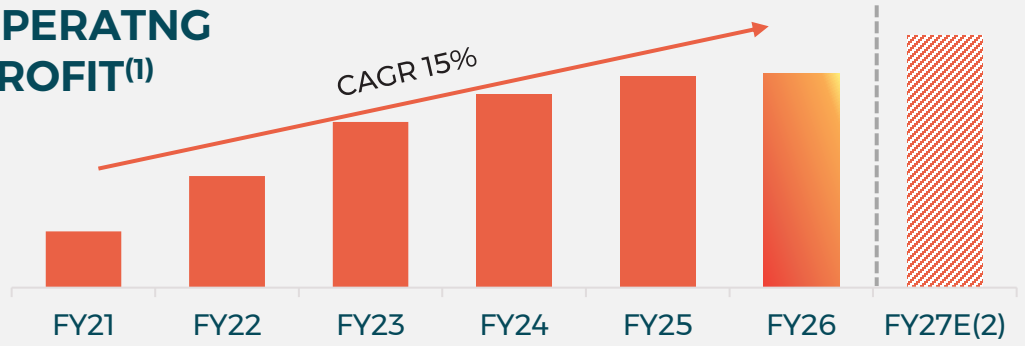
discoverIE is a leading international specialist electronic engineering group. We design and manufacture customised, application-specific electronic components and solutions for industrial OEMs.

41 Manufacturing sites	**31** Operating businesses[1]	**c.4,600** Employees globally
>70 Countries into which our products sold	**21** Countries in which we operate	**£443m** Sales (FY2026)

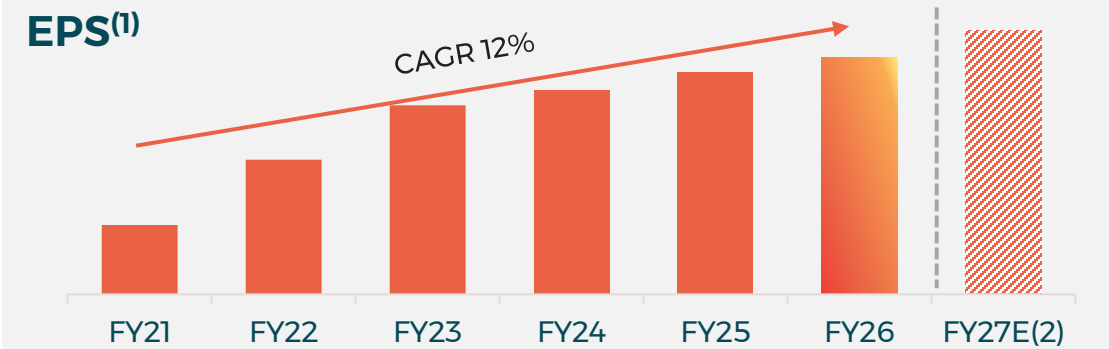
(1) 31 operating businesses, 30 of which were acquired over the last 15 years.
(2) Group revenue breakdown is based on FY26 performance ended 31 March 2026.

Key financial track record

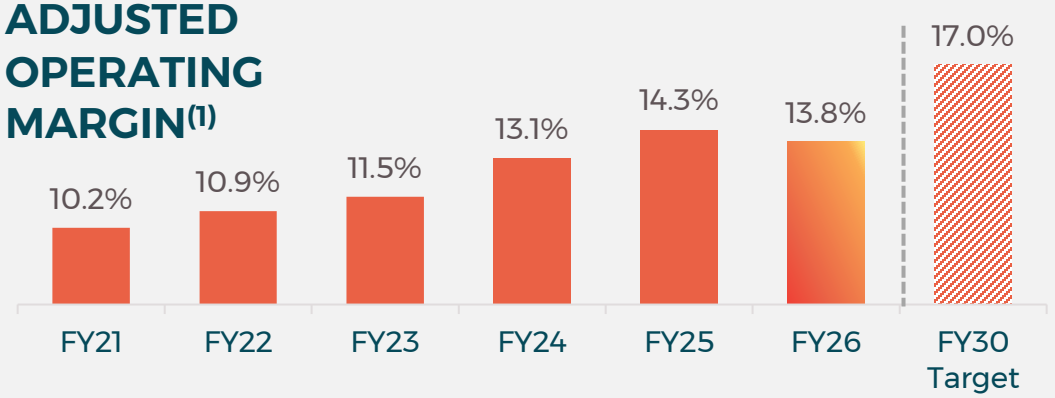
ADJUSTED OPERATNG PROFIT(1)



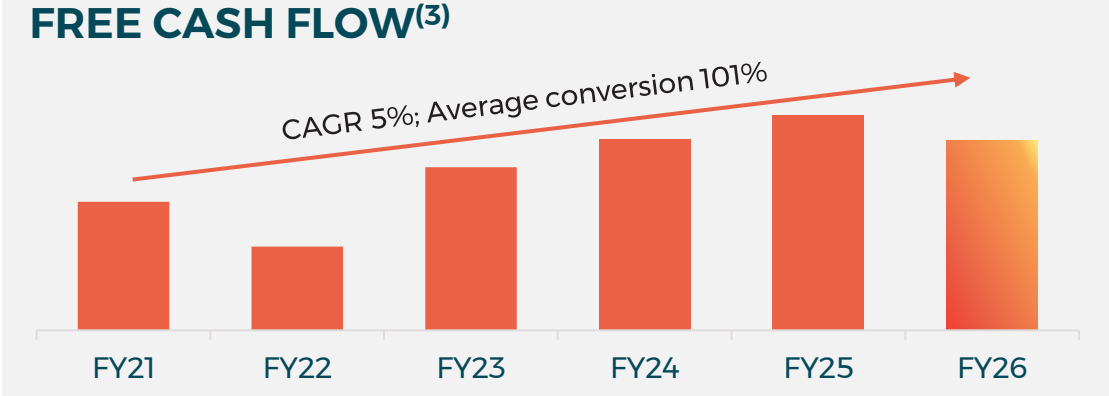
ADJUSTED EPS(1)



ADJUSTED OPERATING MARGIN(1)



FREE CASH FLOW(3)



(1) Adjusted operating profit, adjusted operating margin and adjusted EPS have been restated to exclude discontinued operations.
(2) Consensus estimates at 26 May of 12 analysts.
(3) Free cash is defined as net cash flow before dividends, the cost of acquisitions and proceeds from disposals. Free cash flow conversion is free cash flow divided by adjusted profit after tax.

Divisional overview

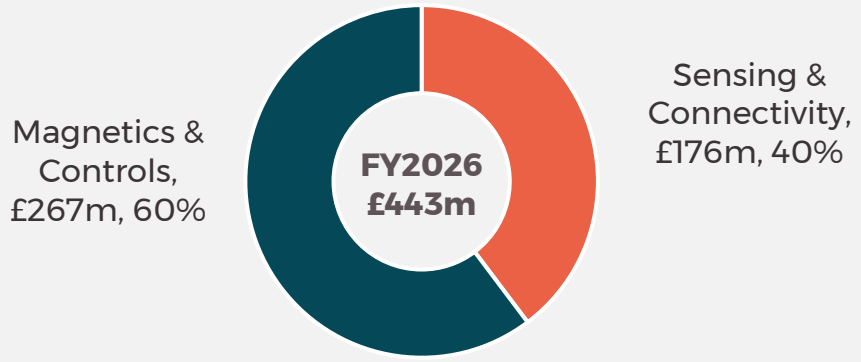
Magnetics & Controls

- Power magnetics
- Interface controls, embedded computing systems, X-ray detection & imaging
- 3 technology clusters and 2 standalone businesses across 16 countries with 23 manufacturing sites
- 11 acquisitions – 4 in last 5 yrs. Revenue growth +13% CAGR[1] FY15-26

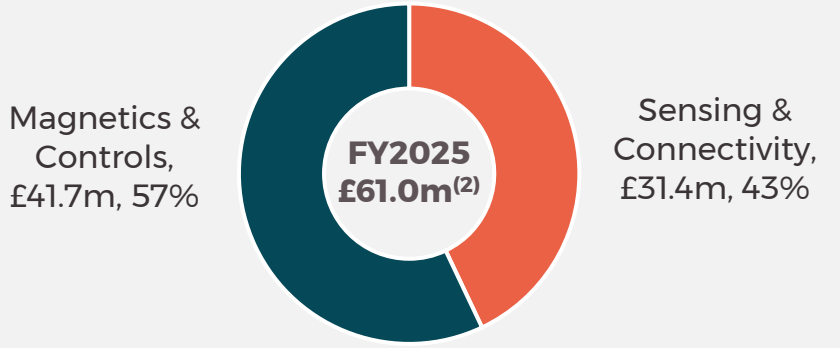
Sensing & Connectivity

- Sensors & switches
- Signal transmission, wireless and cable connection, and electromagnetic shielding
- 4 technology clusters and 4 standalone businesses across 10 countries with 18 manufacturing sites
- 18 acquisitions – 10 in last 5 yrs. Revenue growth +29% CAGR[1] FY15-26

Sales



Operating profit



(1) At constant exchange rate. Including acquisitions.

(2) Group adjusted operating profit includes £12.1m central cost. Adjusted operating profit excludes acquisition-related costs, i.e. amortisation of acquired intangibles and transaction costs.

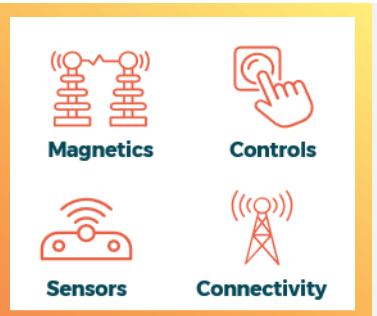
Why invest in discoverIE



discoverIE's strategy & value proposition

Value proposition

Designing & manufacturing **mission-critical**, **custom electronic** components, essential to our customers' end products



Clear compounding growth strategy

- **Markets with structural long-term growth**
  - Sales growth >> GDP thru' cycle
- **Acquire highly differentiated businesses**
  - Higher margins, create platforms
  - Fragmented market - consolidation opportunity
- **Enhance operating margin – 17% by FY30**
  - Through efficiencies and acquisitions
- **Highly cash generative, capital light model**
  - FCF conversion >85%
- **Minimise environmental impact**

Our products are:

- Unique & essential and hard to replace
- Our design IP
- Enabling our customers' innovation
- Flexible international production
- A small part of system cost
- Long term, repeating revenues

High quality, low customer concentration

- Top 10 = 20% of Group sales

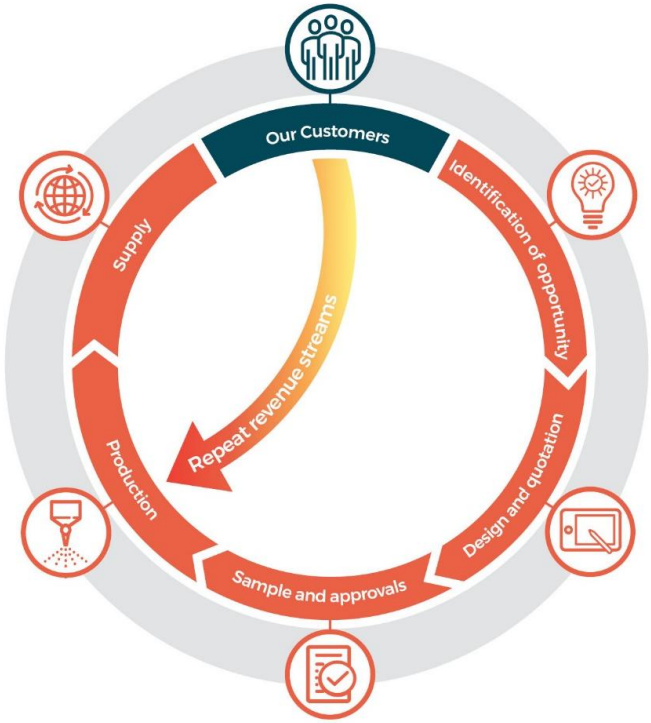
Focus on long-term growth markets

Customer End Market	Sub Market	Megatrend	Medium Term Outlook	UN SDGs
Renewable energy	Wind Tidal Hydrogen	Electrification & diversification	■■■■■□□□	
Transportation	Rail Marine Aviation Specialist vehicles	Electrification & urbanisation	■■■■■■■□	
Medical	Clinical/surgical Diagnostics & biotech Healthcare Other medical	Digitalisation & automation	■■■■■■□□	
Industrial & Connectivity	Automation Communication Harsh environment Environmental & monitoring	Digitalisation & automation	■■■■■■■□	
Security	Space & defence Detection systems Surveillance systems Access controls	Urbanisation & defence modernisation	■■■■■■■■	

Differentiated products
Underpinned by sustained innovation

Engineering-led sales model

- Detailed **technical knowledge** of applications and design
- Unique **understanding of customers' needs**
- **Custom designed solution** or standard products engineered to meet customers' specific needs
- **Mission critical** components



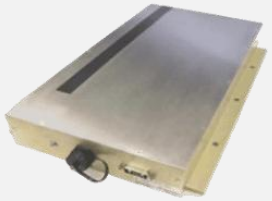
Innovation in action

SENS TECH

Linear X-ray detection sensor

- X-Ray detector head and signal processor for material detection
- High speed, high-definition data acquisition and read-out
- Fully customised





Primary market:
Airport security, food processing

Other markets:
Waste management


Bio-fuel sorting


Waste sorting


Mineral & ore detection

Strong long term track record

Delivering against targets through the economic cycle

	Organic sales growth	Operating margin	EPS growth	Operating Cash conversion	ROCE	Carbon reduction
Targets	**>>GDP** thru' cycle	**17%** By FY30	**>10%** p.a.	**>85%**	**>15%**	**Net Zero** By CY30(1)
Results FY15-25	**+5.5%** CAGR	**+8.2ppts**	**+14%**(2) CAGR	**c.100%**	**15.8%**(2) +4.2ppts	**59%**(3) Since CY21
FY26 Results	**+2%**	**13.8%** -0.4ppts CER	**+4%**	**91%**	**15.2%** -0.6ppt	**68%** Since CY21

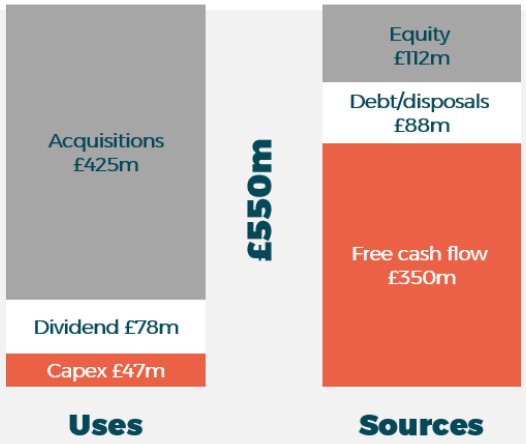
(1) Scope 1 & 2 only; -65% by CY25
(2) Growth from FY16 to FY25
(3) FY25 results

Disciplined capital allocation

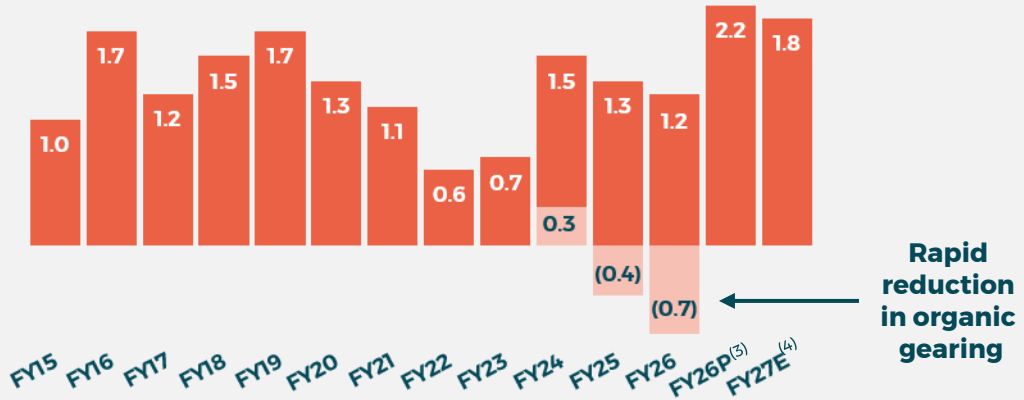
£350m free cash flow[1] since FY18

- **c.78% into growth investments**
  - Capacity & production growth projects (typical payback terms 2-4yrs)
  - Acquisitions – technology platforms (9-12x multiple) or cluster bolt-ons (4-8x multiple) to drive growth & margin expansion
- **c.22% to shareholders via progressive div policy**
- **Ongoing portfolio discipline**
  - Sales of lower-margin distribution business (FY22) & solar unit (FY24)
- **Share buybacks**
  - Only considered if holding surplus cash & acquisition multiples unattractive

Capital allocation (FY18-26)



Gearing[2]



(1) Free cash flow above is quoted before capex.
(2) Net debt divided by adjusted EBITDA (pre IFRS16) as annualised for acquisitions. Bank covenant increased from 3.0x to 3.5x in FY26.
(3) Proforma FY26 gearing includes Trival completed April 2026 and 3G announced in May 2026.
(4) Gearing is expected to reduce to 1.8x by March 2027.

Outlook

Q1 trading started well – strong growth in orders & good sales growth

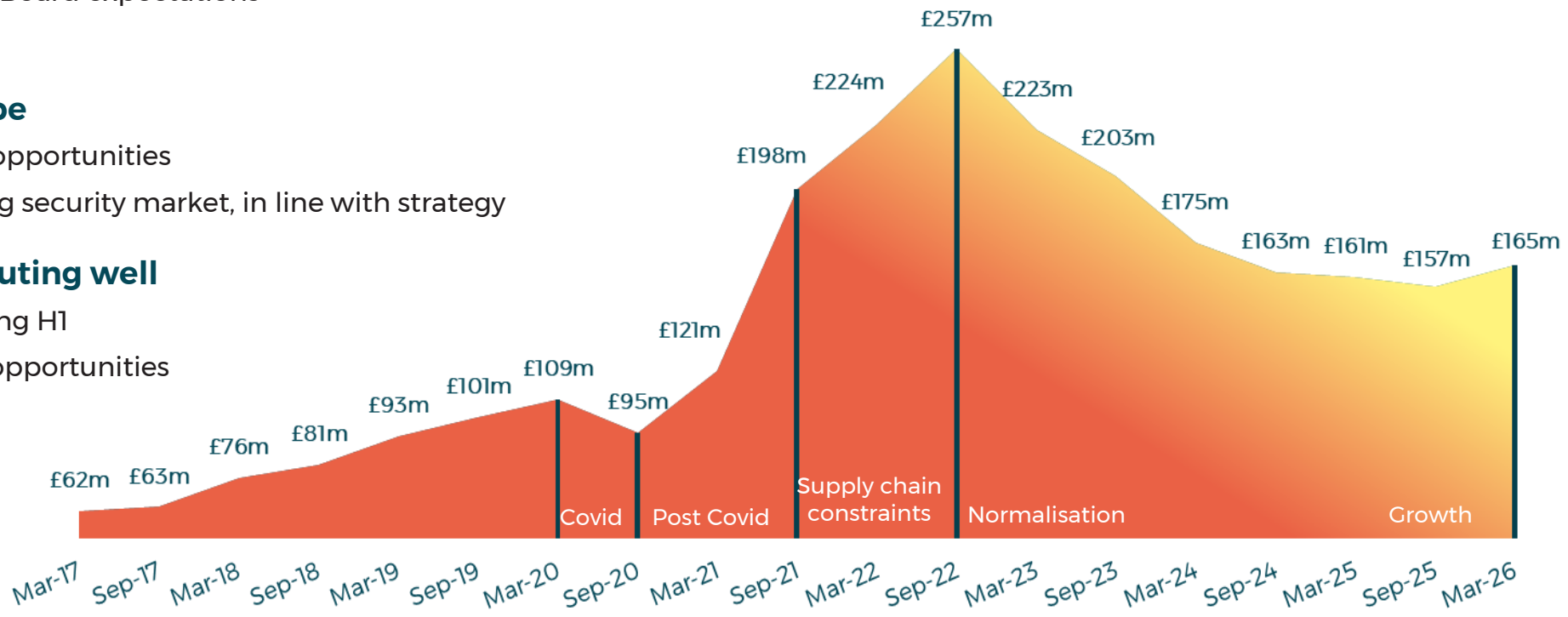
- Orders well ahead of sales with growing order book
- Positive FY27 outlook
- Adjusted earnings in line with Board expectations
- Our usual H1/H2 split

Growth drivers in good shape

- Strong bank of design wins & opportunities
- Increasing exposure to growing security market, in line with strategy

Recent acquisitions contributing well

- 3G expected to complete during H1
- Active pipeline of acquisition opportunities



Sustainability



discoverIE

A responsible business

discoverIE commits to reach net-zero GHG emissions across the value chain by 2040, with near-term science-based targets to:

- Reduce absolute Scope 1 & 2 GHG emissions by 90% by 2030 from a 2021 base year
- Increase active annual sourcing of renewable electricity to 100% by 2030
- Reduce absolute Scope 3 GHG emissions by 42% by 2030 from a 2023 base year

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

THE NET ZERO STANDARD
APPROVED NET-ZERO TARGETS

Climate CDP 2025 B

Water CDP 2025 C

MSCI ESG RATINGS BBB
CCC | B | BB | BBB | A | AA | AAA

SUSTAINALYTICS
a Morningstar company

Negligible Risk
NEGL (0-10) | LOW (10-20) | MED (20-30) | HIGH (30-40) | SEVERE (40+)

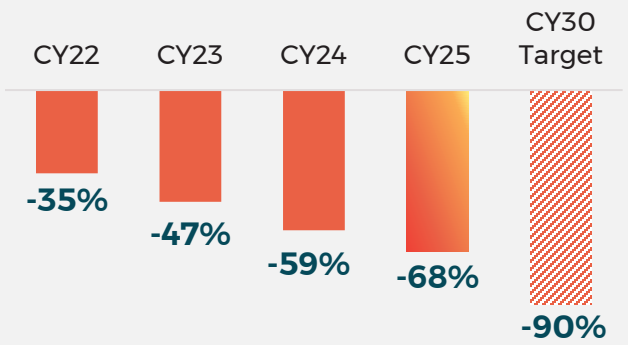
ESG progress

Our Planet
Supporting the shift to a low carbon economy

Our People
Creating a diverse workforce and safe environment

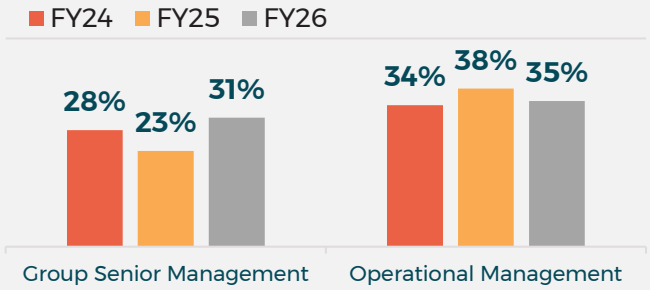
Our Products
Ensuring product quality, reliability and sustainability

Carbon reduction[1]



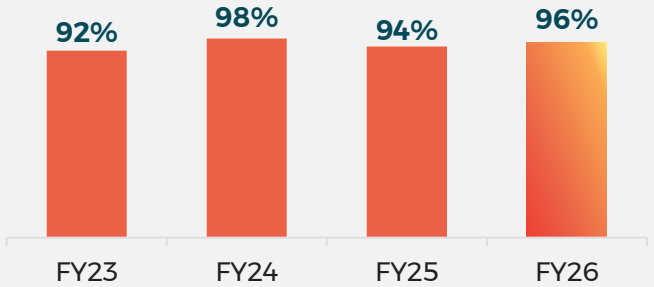
- **68% absolute reduction in Scope 1 & 2 emissions vs CY21 baseline, ahead of CY25 65% target and on track to meet net zero target by CY30**
- Energy intensity[1] was 27% lower than CY21, with 85% of our electricity from zero emissions sources (CY24: 83%), on track to meet CY30 net zero target
- 58% of company cars now electric or hybrid (FY25: 50%)

Gender diversity



- **Female representation in the combined senior management and Group operational management of 34% (FY25: 33%)**
- 72% of the workforce work in operations with ISO 45001 certification in line with last yr
- Voluntary staff turnover 12% (FY25: 18%)
- Lost time incident frequency rate decreased to 0.16 (FY25: 0.25)[2]

ISO 9001 accreditation



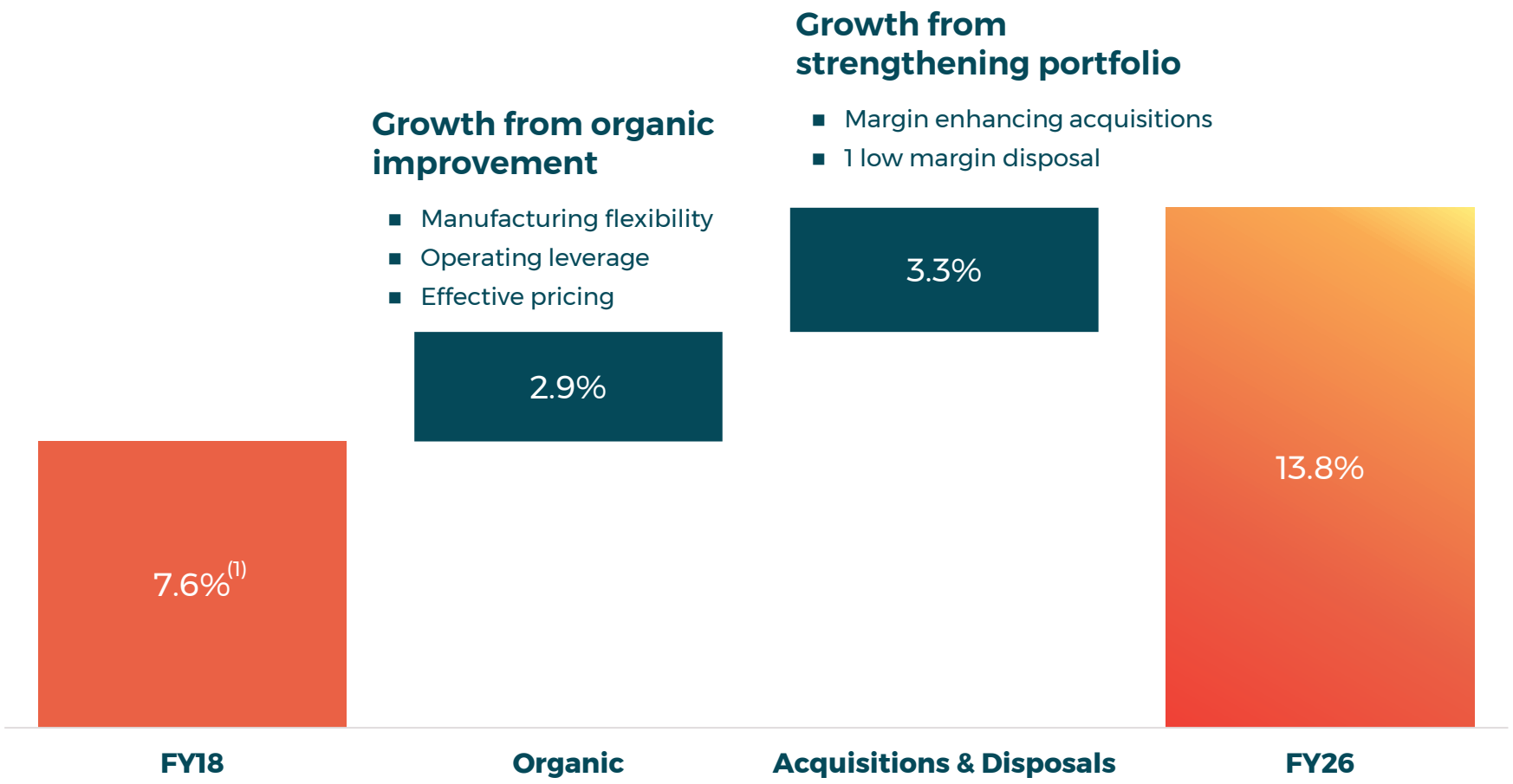
- **96% of Group products manufactured under ISO 9001 (FY25: 94%)**
- One more sites achieved ISO 14001 accreditation; 53% of our sites and 70% of Group sales (FY25: 74%) are now ISO 14001 certified

(1) Energy intensity – kWh/£m revenue.
(2) In FY25, we tightened our definition of a Lost Time Incident to be an incident resulting in a loss of ≥1 workday from previously ≥5 workdays.

Appendices



Adjusted operating margin improvements FY18-FY26



(1) On a continuing revenue basis, i.e. excluding Acal BFi which was disposed of in FY2021/22.

Well positioned in fast growing defence market

discoverIE designs and manufactures electronic components and subsystems for UAV, UAS[1] and counter-UAS platforms in demanding environments

CPI
- Thermal switches for fire detection drone engines

foss
- Fibre optic towed line for drones to prevent detection and jamming

TRIVAL antene
- Light and fast deployable VHF/UHF antennas for tactical drone operations

Cursor Controls NSi
- Rugged keyboards and input controls for UAV ground solutions

HECTRONIC
- Bespoke embedded computers for UAS controls

Silvertel
- DC/DC convertors and PoE interfaces for drone docking stations



mtc
- Thermal management solutions for drones including microwave absorbers and thermally conductive products

2J antenova
- Embedded and external Antennas for high precision navigation, remote control and data or video transmission

PHOENIX AMERICA
- Multipole magnets measuring the speed of drone motors

EUROSENSOR[2]
- Position sensors (rotary and linear)
- Inclinometers for stabilisation systems
- Load & force for payload monitoring

beacon EmbeddedWorks
- Custom embedded computing modules with high performance, small form-factor and low power use for communications

(1) UAV – Unmanned Aerial Vehicle. UAS – Unmanned Aircraft System.
(2) Eurosensor is the trading name of one of the Variohm companies

Creating products for a sustainable world



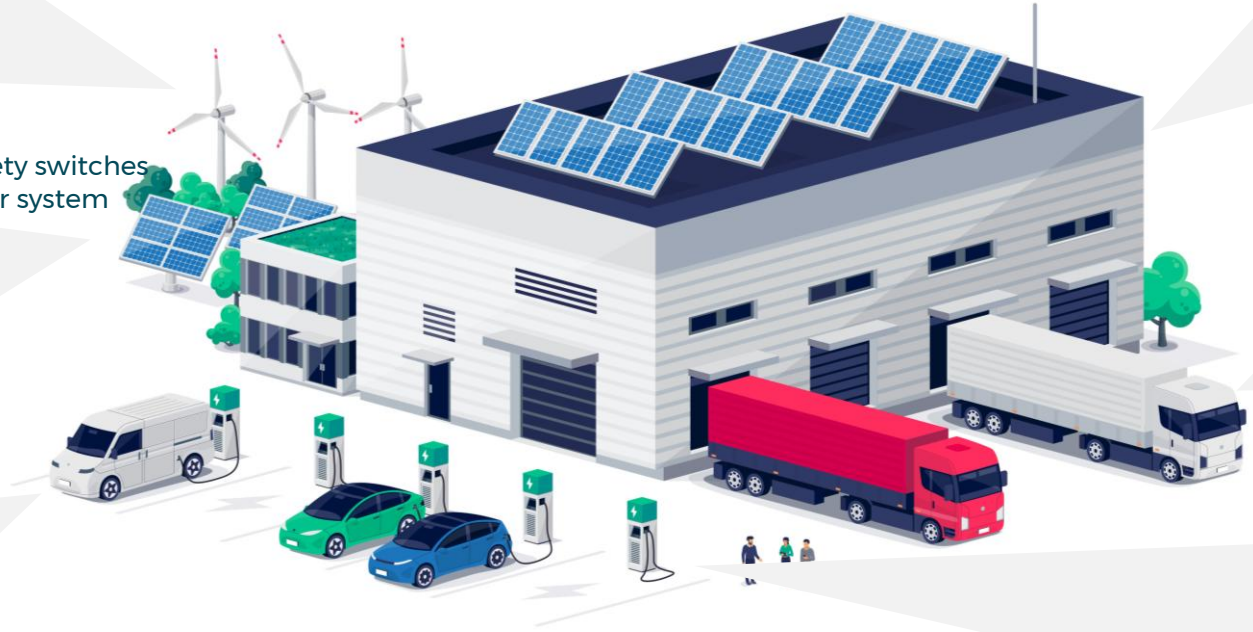
Liquid-cooled transformers to reduce harmonics, which increases wind system efficiencies



DC safety switches for solar system



Temperature sensors for monitoring electric motor in e-trucks to prevent over heating





Antennas, sensors, PoE modules and fibre optic & cable connections for modern warehouse management



Microcomputer for temperature-controlled food and drug delivery trucks



Nanocrystalline cores and magnetics enabling fast charging for hyperchargers

Board of Directors



Bruce Thompson – Non-Executive Chairman

Bruce joined the Board as a Non-Executive Director in February 2018. He is also Chairman of Avon Protection plc. He retired in 2018 as Chief Executive Officer of Diploma plc after 22 years. Bruce brings a wide range of strategic and leadership expertise to the Board with proven experience of growing international industrial businesses. Bruce is also a Non-Executive Director and Chairman of Avon Technologies plc.



Nick Jefferies – Group Chief Executive

Nick was appointed Group Chief Executive in January 2009. His experience of electronics and the components industry comes from holding senior positions for over 15 years with leading international distributors of electronic components and computer products, such as Electrocomponents plc and Arrow Electronics. Nick originally trained as an Electronics Design Engineer with Racal Defence (now part of Thales plc).



Simon Gibbins – Group Finance Director

Simon was appointed as Group Finance Director in July 2010. A Chartered Accountant, he was previously Global Head of Finance and Deputy CFO at Shire plc. Prior to joining Shire in 2000, he spent 6 years with ICI plc in various senior finance roles, both in the UK and overseas. His earlier career was spent with Coopers & Lybrand in London.



Celia Baxter – Non-Executive Director

Celia joined the Board on 1 June 2023. She has years of executive and board experience, including 13 years as Group HR Director at Bunzl plc, and a good understanding of decentralised, acquisitive international businesses. Celia is a Non-Executive Director of Volution Group plc and Genus plc. She was also a Senior Independent Director and Remuneration Committee Chair at Dowlais plc before it was delisted.



Rosalind Kainyah MBE - Non-Executive Director

Rosalind was appointed as a Non-Executive Director in November 2021, with effect from 1 January 2022. She has extensive experience in sustainability matters and currently runs Kina Advisory, an ESG consultancy. Previously, she was VP, External Affairs & Corporate Social Responsibility at Tullow Oil and held various roles at De Beers SA, latterly as President of De Beers Inc. in the US. Rosalind is also a Non-Executive Director at GEM Diamond Ltd, WE Soda Limited and EnQuest plc.



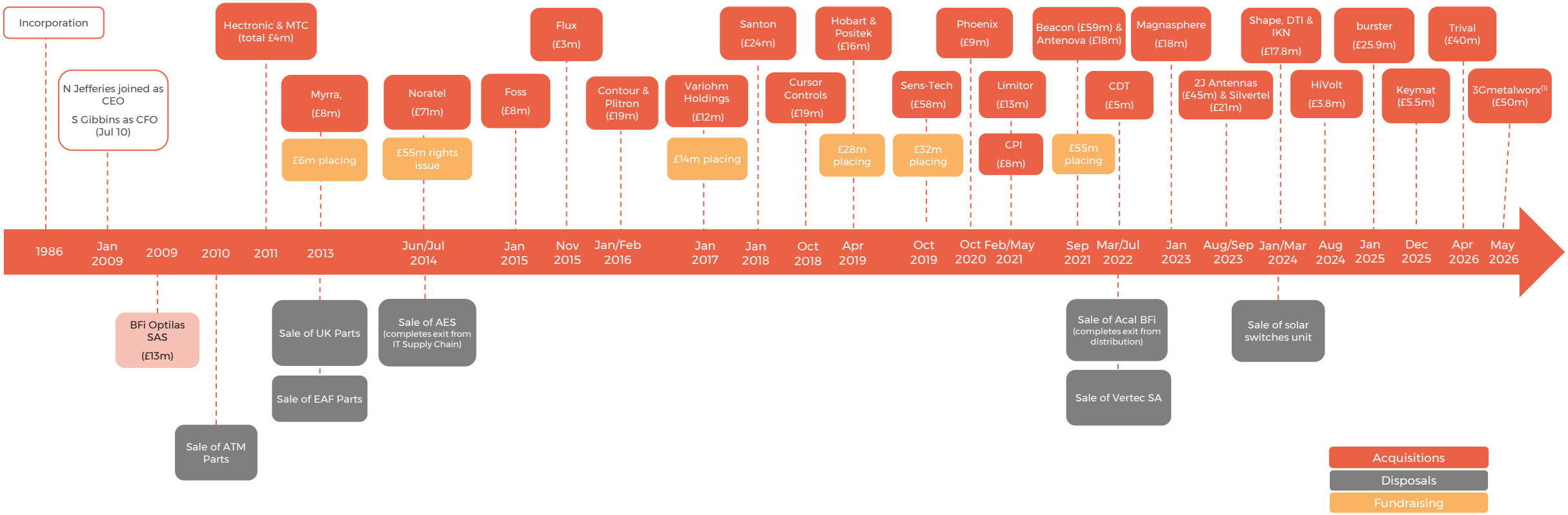
Clive Watson - Non-Executive Director

Clive, a Chartered Accountant, became a Non-Executive Director and Chair of the Audit & Risk Committee in September 2019. He is also a Non-Executive Director at Breedon Group plc, Kier Group plc and Trifast plc and was Non-Executive Director and Chair of the Audit Committee at Spirax-Sarco Engineering plc for 9 years. During his executive career he was Group Finance Director of Spectris plc for 13 years until 2019.

History since incorporation

Transformed from a regional distributor to a designer and manufacturer of niche electronic engineering group in 15 years with

- 30 design & manufacture acquisitions for c.£580m
- 7 disposals



(1) £50m consideration for 90% of 3G MetalWorx. The acquisition is subject to regulatory approvals.

Acquisition case study – Foss

Building a successful fibre optics cluster

	FY16	FY26
Revenue growth	6% CAGR	
Op profit growth	10% CAGR	
Operating margin	12%	18%
ROCE	19%	53%
ROI	19%	40%
Sales into Security	0%	13%
Sales outside Norway	15%	26%

Acquired: January 2015

Products: Fibre optics with production in Norway and Slovakia

Division: Sensing & Connectivity

Developments since acquisition:

- Developed long term strategic plan
- Shifted market focus from “Fibre for The Home” to strong growth markets like defence & commercial space
- Broadened focus beyond Norway to Europe and US
- 2 small bolt-on acquisitions (MPS and IKN)
- New top team - MD and Finance Director
- Developed finance and sales teams
- Upgraded IT systems
- Integrated Group risk, control & ESG policies

Acquisition case study – Variohm

Building a successful sensing cluster

	FY17	FY26
Revenue growth	18% CAGR	
Op profit growth	29% CAGR	
Operating margin	11%	21%
Organic ROCE	21%	24%
ROCE	21%	18%
ROI	16%	21%
Working capital/ sales ratio	16.1%	17.5%
US/Asia sales	9%	45%



Acquired: January 2017

Products: Sensors & switches

Division: Sensing & Connectivity

Developments since acquisition:

- Developed long term strategic plan
- Organic growth in target markets
- 6 bolt-on acquisitions
- Cross-selling into European & US markets
- Inter-business production in Germany, Hungary & US
- Internationalised with 3 North American acquisitions and 3 European
- Upscaled top team – new Finance Director, Sales Director & Marketing Director
- Upscaled finance and sales teams
- Upgraded ERP system
- Integrated Group risk, control & ESG policies

Group structure

discoverIE

Cluster

Magnetics & Controls

Magnetic components for use in power conversion, signal conditioning and switching

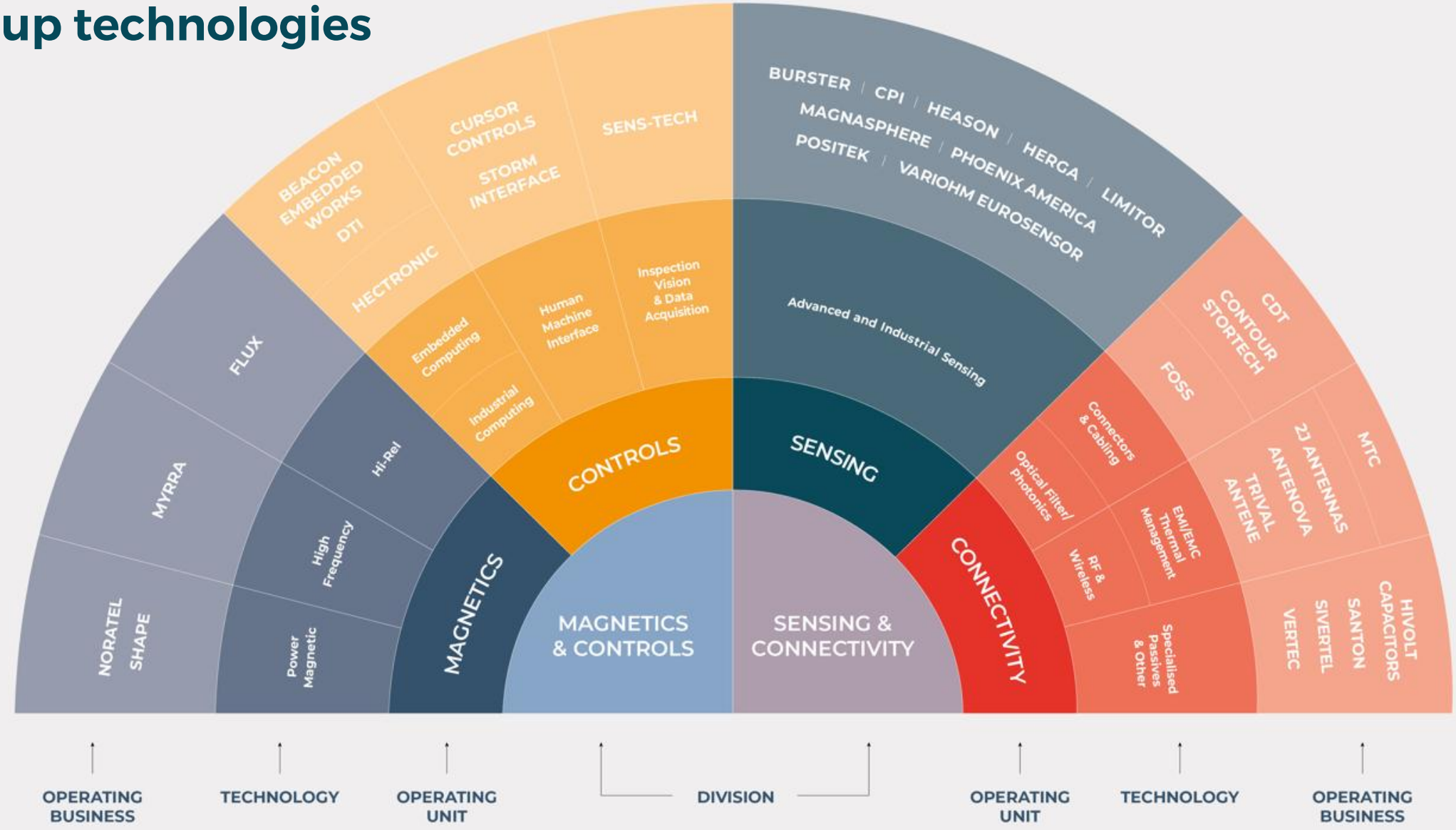
Controls components for use in remote control, monitoring, communication and interface control

Sensing & Connectivity

Sensing components for sensing, measuring and controlling temperature, movement, pressure, force, position, load, weight and incline, x-ray detection and imaging

Connectivity components for switching, transmitting & receiving wirelessly, fibre optic components, electromagnetic shielding, cable connection

Group technologies



Our customers

Low customer concentration: top 10 = 22%



& the European 'Mittelstand'

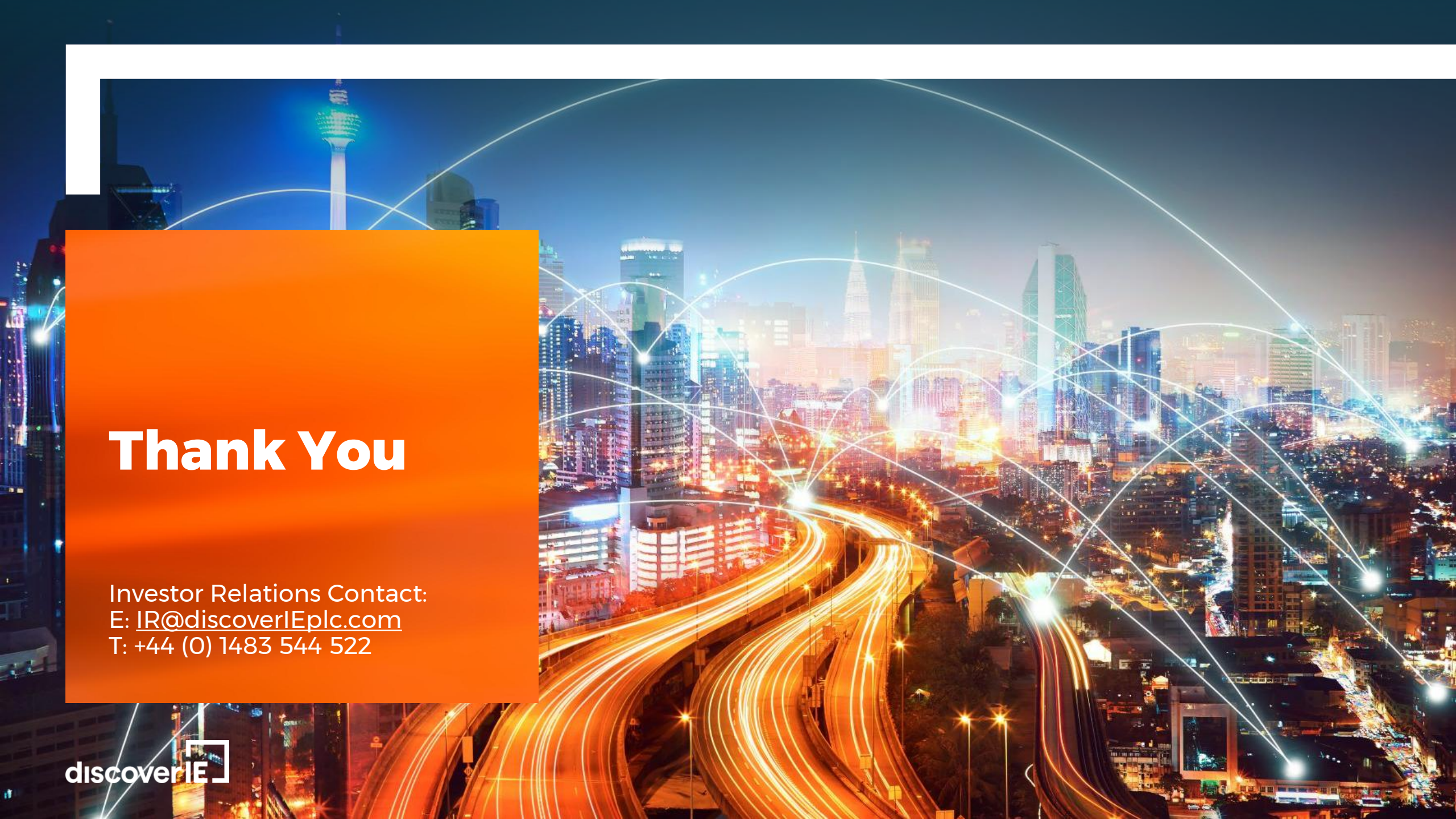
Share and shareholder information

Share information as of 26 May 2026	
Ticker	DSCV
Exchange	London Stock Exchange
Index	FTSE 250
Industry	Industrials
Sector	Electronics & Electrical Equipment
Total shares in issue	97.4m
Market cap	£710m
Dividend (FY2024/25)	12.5p (FY2025/26 interim 4.05p)
Next reporting date	3 June – Full Year Results
MSCI ESG rating	BBB
Sustainalytics rating	Regional Top Rated (Europe)
CDP	B (climate change)

Top 10 shareholders	Country	% of shares issued*
Van Lanschot Kempen	The Netherlands	10.9%
BlackRock	UK/US	8.1%
Swedbank Robur	Sweden	3.9%
NFU Mutual	UK	3.5%
Columbia Threadneedle	UK	3.3%
ClearBridge Investments (formerly Martin Currie)	UK	3.1%
Charles Stanley	UK	2.8%
Montanaro Asset Management	UK	2.7%
Hosking Partners	UK	2.5%
Danske Bank Asset Management	Denmark	2.3%

- Top 10 holders represent 43%
- Next 15 (23%) – Impax, Long Path Partners, Aberdeen, BNP Paribas AM, L&G, Artemis, Dimensional Fund, Jupiter, Vanguard, Canaccord Genuity Wealth, Invesco, TIAA Investments, Financiere de l'Echiquier, SSGA, JM Finn
- 37% non-UK holding (12% N. America, 25% Europe)
- Directors/management ownership: 4%

*as of 13 May 2026



Thank You

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T: +44 (0) 1483 544 522

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