Results of Placing

Released : 16 Apr 2019

RNS Number : 3655W
discoverIE Group plc
16 April 2019

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN IS RESTRICTED AND IS NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATES OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA), CANADA, AUSTRALIA, JAPAN OR THE REPUBLIC OF SOUTH AFRICA OR IN OR INTO ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION, DISTRIBUTION OR RELEASE WOULD BE PROHIBITED BY ANY APPLICABLE LAW ("RESTRICTED JURISDICTIONS"). PLEASE SEE THE IMPORTANT NOTICE AT THE END OF THIS ANNOUNCEMENT.

16 April 2019

discoverIE Group plc ("discoverIE", the "Company")

Results of Placing

discoverIE is pleased to announce the successful completion of the placing announced earlier today by the Company (the "**Placing**").

Peel Hunt LLP ("**Peel Hunt**") and FinnCap Ltd ("**FinnCap**") (together, the "**Banks**") have placed a total of 7,309,867 new ordinary shares of five pence each in the share capital of the Company (the "**Placing Shares**") at a price of 400 pence per Placing Share (the "**Placing Price**"), raising gross proceeds of approximately £29m. The Placing Price represents a discount of 3.85 per cent. to the closing price on 15 April 2019. The Placing Shares being issued represent approximately 9.96 per cent. of the issued share capital of the Company prior to the Placing.

Applications have been made for admission of the Placing Shares to the premium listing segment of the Official List of the Financial Conduct Authority (the "**FCA**") and to trading on the main market of the London Stock Exchange (together "**Admission**"). It is expected that Admission will take place at 8.00 a.m. on 18 April 2019 at which time dealings in the Placing Shares will commence.

The Placing Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the existing ordinary shares of five pence each in the share capital of the Company, including the right to receive all dividends and other distributions declared, made or paid after the date of issue of the Placing Shares.

The Placing is conditional upon, amongst other things, Admission becoming effective by 8.00 a.m. on 18 April 2019 (or such later time and/or date as Peel Hunt may agree with the Company) and the placing agreement entered into by the Company and the Banks having not been terminated in accordance with its terms before that time.

Total voting rights

Following Admission becoming effective, the Company's issued share capital will consist of 80,668,714 ordinary shares with voting rights. Therefore, the total number of voting rights in the Company will be 80,668,714. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the disclosure guidance issued by the FCA and the transparency rules made by the FCA under section 89A(1) of the Financial Services and Markets Act 2000, as amended ("**FSMA**") (together, the "**Disclosure Guidance and Transparency Rules**").

Director participation

Certain Directors of discoverIE have subscribed, in aggregate, for 18,000 Placing Shares at the Placing Price. The related party transactions involving each of the Directors are exempt small transactions pursuant to paragraph 1 of Annex 1 to Chapter 11 of the Listing Rules. The interests of the Directors who have participated in the Placing in the issued share capital of the Company, as enlarged by the Placing and immediately following Admission, are set out below:

Director	No. of Ordinary Shares currently held	Placing Shares subscribed for	Holding following Admission	% of enlarged issued share capital after

			Placing	
Simon Gibbins	257,670	5,000	262,670	0.33
Bruce Thompson	8,000	8,000	16,000	0.02
Malcolm Diamond	19,907	5,000	24,907	0.03

Contacts

For further information please contact:

discoverIE 01483 544 500
Nick Jefferies, Group Chief Executive
Simon Gibbins, Group Finance Director

Peel Hunt (Broker and bookrunner) 020 7418 8900
Jock Maxwell Macdonald
Mike Bell
Ed Allsopp

FinnCap (Lead manager) 020 7220 0500
Tim Redfern
Julian Blunt
Richard Chambers

Instinctif (Financial PR) 020 7457 2020
Mark Garraway
James Gray

IMPORTANT NOTICE:

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which these materials are released, published, distributed or forwarded should inform themselves about and observe such restrictions. The information contained herein is not for release, publication, distribution or forwarding, directly or indirectly, in or into the any Restricted Jurisdictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdiction.

This announcement does not contain or constitute an offer to sell or the solicitation of an offer to purchase securities to any person with a registered address in, or who is resident in, any Restricted Jurisdiction or in any jurisdiction in which such an offer or solicitation is unlawful. None of the securities referred to herein have been or will be registered under the relevant laws of any state, province or territory of any Restricted Jurisdiction. Subject to certain limited exceptions, none of these materials will be released, published, distributed or forwarded in or into any Restricted Jurisdiction.

This announcement does not contain or constitute an offer for sale or the solicitation of an offer to purchase securities in the United States. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or jurisdiction of the United States, and may not be offered or sold in the United States absent registration under the Securities Act or an available exemption from, or transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of the securities in the United States. None of the Placing Shares, this announcement or any other document connected with the Placing has been or will be approved or disapproved by the United States Securities and Exchange Commission or by the securities commissions of any state or other jurisdiction of the United States or any other regulatory authority, and none of the foregoing authorities or any securities commission has passed upon or endorsed the merits of the offering of the Placing Shares or the accuracy or adequacy of this announcement or any other document connected with the Placing. Any representation to the contrary is a criminal offence in the United States.

Peel Hunt and FinnCap are each regulated in the United Kingdom by the FCA. Each of the Banks is acting exclusively for the Company and no one else in connection with the Placing and will not regard any other person (whether or not a recipient of this announcement) as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in relation to the Placing or any matters, transactions or arrangements referred to in this announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks under FSMA or the regulatory regime established thereunder, none of the Banks accepts any responsibility whatsoever or make any representation or warranty, express or implied, for the contents of this announcement including its accuracy, completeness or verification or for any statement made or purported to be made by it, or on its behalf, in connection with the Company, the Placing Shares or the Placing and nothing in this announcement shall be read as a promise or representation in this respect whether as to the past or future. The Banks accordingly disclaim all and any liability whatsoever arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this announcement or any such statement.

Recipients of this announcement should conduct their own investigation, evaluation and analysis of the business, data and property described in this announcement. This announcement does not constitute a recommendation concerning any investor's options with respect to the Placing. The price and value of securities can go down as well as up. Past performance is not a guide to future

performance. The contents of this announcement should not to be construed as legal, business, financial or tax advice. Each shareholder or prospective investor should consult with his or her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

Members of the public are not eligible to take part in the Placing. This announcement and the information contained herein are for information purposes only and are directed only at (a) persons in member states of the European Economic Area ("**EEA**") who are qualified investors as defined in section 86(7) of FSMA ("**Qualified Investors**") being persons falling with the meaning of Article 2(1)(e) of the EU Prospectus Directive (which means Directive 2003/71/EC and includes any relevant implementing directive measure in any member state) (the "**Prospectus Directive**"); (b) in the United Kingdom, to Qualified Investors who are persons who (i) have professional experience in matters relating to investments falling within Article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order; or (iii) are persons to whom it may otherwise be lawfully communicated (all such persons together being referred to as "**Relevant Persons**"). Any investment or investment activity in connection with the Placing will be available to, and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this announcement or any of its contents.

This announcement is not being distributed by, nor has it been approved for the purposes of section 21 of FSMA by, a person authorised under FSMA. This announcement is being distributed and communicated to persons in the United Kingdom only in circumstances in which section 21(1) of FSMA does not apply.

No prospectus will be made available in connection with the matters contained in this announcement and no such prospectus is required (in accordance with the Prospectus Directive) to be published. Persons needing advice should consult an independent financial adviser.

This announcement has not been issued by the Banks and is the sole responsibility of discoverIE. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its accuracy or completeness. The information in this announcement is subject to change.

Neither the contents of discoverIE's website nor any website accessible by hyperlinks on discoverIE's website is incorporated in, or forms part of, this announcement.

This announcement should not be considered a recommendation by the Banks or any of their respective directors, officers, employees, advisers or affiliates in relation to any purchase of or subscription for securities. None of the Banks, nor any of their respective directors, officers, employees, advisers or affiliates accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to this announcement, including the truth, accuracy, fairness, sufficiency or completeness of the information or the opinions or beliefs contained in this announcement (or any part hereof). None of the information in this announcement has been independently verified or approved by the Banks or any of their respective directors, officers, employees, advisers or affiliates. Save in the case of fraud, no liability is accepted by the Banks or any of their respective directors, officers, employees, advisers or affiliates for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this announcement or its contents or otherwise in connection with this announcement. No person has been authorised to give any information or to make any representations other than those contained in this announcement and, if given or made, such announcements must not be relied on as having been authorised by the Company or either of the Banks. Subject to the Listing Rules, the Disclosure Guidance and Transparency Rules and Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse ("**MAR**"), the issue of this announcement and any subsequent announcement shall not, in any circumstances, create any implication that there has been no change in the affairs of DiscoverIE or its subsidiaries (the "**Group**") since the date of this announcement or that the information contained in it is correct as at any subsequent date.

This announcement contains "forward-looking statements" which includes all statements other than statements of historical fact, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would, "could" or similar expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this announcement. None of the Company, the Banks nor their respective directors, officers, employees, agents, affiliates and advisers, or any other party undertakes or is under any duty to update this announcement or to correct any inaccuracies in any such information which may become apparent or to provide you with any additional information, other than any requirements that the Company may have under applicable law or the Listing Rules, the Disclosure Guidance and Transparency Rules or MAR. To the fullest extent permissible by law, such persons disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this announcement. The information in this announcement is subject to change without notice.

The Placing Shares will not be admitted to trading on any stock exchange other than the London Stock Exchange.

In connection with the Placing, each of the Banks and any of their affiliates, acting as investors for their own account, may take up a portion of the shares in the Placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for the own accounts such shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references to Placing Shares being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, the Banks and any of their affiliates acting in such capacity. In addition, the Banks and any of their affiliates may enter into financing arrangements (including swaps) with investors in connection with which the Banks and any of their respective affiliates may from time to time acquire, hold or dispose of shares. The Banks do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Company's ordinary shares may decline and investors could lose all or part of their investment; the Company's ordinary shares offer no guaranteed income and no capital protection; and an investment in the Company's ordinary shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Banks will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

END

ROIEAELKFAXNEFF