For Release
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discoverIE Group plc

Year End Trading Update

discoverIE Group plc (LSE: DSCV, "discoverIE" or the "Group"), a leading international designer, manufacturer and supplier of customised electronics to industry, today issues a trading update for the year ending 31 March 2020.

Following strong momentum through the year, during the fourth quarter the Group has experienced some isolated disruption to the business as a result of the outbreak of the COVID-19 virus.

In China, the Group operates two manufacturing facilities in Guangdong province, and also has a number of Chinese suppliers and customers. Following an extended shut down after the Chinese New Year, the facilities are again operational, with production returning to planned levels. Similarly, our Chinese suppliers have recommenced operations and sales to our customers are returning to normal levels, with demand recovering quickly.

The Group's Design & Manufacturing division operates a diversified and flexible manufacturing footprint with additional facilities in India, Sri Lanka, Thailand, South Korea, Poland, Slovakia, the Netherlands, Belgium, UK, Germany, the Nordic region, Mexico, US and Canada, all of which are currently operating without major disruption. With the wellbeing of our employees being a priority and following local regulatory guidance, discoverIE's diversified businesses all have detailed business continuity plans and are maintaining operational continuity.

Aside from the Chinese disruption described above, trading elsewhere in the Group during the fourth quarter has been in line with our expectations, against a strong comparative period in the prior year, as we continue to benefit from the focus on our target markets. As a result, the disruption during the fourth quarter is expected to have a modest impact on our earnings for the year to 31 March 2020.

The Group benefits from a strong and diversified customer base, and demand remains robust with good new order intake in March. Whilst the Group is well prepared to respond quickly and effectively to mitigate any further disruption from the spread of COVID-19, the wider potential impacts entering the new financial year are difficult to predict. The Group remains well funded, with a strong balance sheet, good cash liquidity, over £100m of headroom against its debt facilities and gearing[1] of 1.5x.

We are confident that our clear strategy focusing on the target markets of renewable energy, medical, transportation and industrial & connectivity to create sustainable organic growth will enable us to continue to outperform wider industrial markets and generate significant stakeholder value.

For further information, please contact:

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

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Mark Garraway
James Gray

Notes

1. Gearing defined as net debt divided by underlying EBITDA, annualised for acquisitions.

2. This trading update is based upon unaudited management accounts and has been prepared solely to provide additional information on trading to the shareholders of discoverIE Group plc. It should not be relied on by any other party for other purposes. Certain statements made in this update are forward looking statements. Such statements have been made by the Directors in good faith using information available up until the date that they approved this update. Forward looking statements should be regarded with caution because of the inherent uncertainties in economic trends and business risks.

3. The information contained within this announcement is deemed by the Group to constitute inside information as stipulated under the Market Abuse Regulation, Article 7 of EU Regulation 596/2014. Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

Notes to Editors:

About discoverIE Group plc

discoverIE Group plc is an international group of businesses that designs, manufactures and supplies innovative components for electronic applications.

The Group provides application-specific components to original equipment manufacturers ("OEMs") internationally. By designing components that meet customers' unique requirements, which are then manufactured and supplied throughout the life of their production, a high level of repeating revenue is generated with long term customer relationships.

By focusing on key markets driven by structural growth and increasing electronic content, namely renewable energy, transportation, medical and industrial & connectivity, the Group aims to achieve organic growth that is well ahead of GDP and to supplement that with targeted complementary acquisitions.

The Group employs c.4,500 people and its principal operating units are located in Continental Europe, the UK, China, Sri Lanka, India and North America.

The Group is listed on the Main Market of the London Stock Exchange and is in the top quartile of the FTSE Small Cap Index, classified within the Electrical Components and Equipment subsector, and has revenues of over £400m. Over the last five years, revenue and underlying earnings per share have both more than doubled.