NEWS RELEASE

Acquisition of Burster

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discoverIE Group plc (LSE: DSCV, "discoverIE" or the "Group"), a leading international designer and manufacturer of customised electronics to industry, today announces the acquisition of the Burster Group ("Burster"), a German-based designer and manufacturer of specialist sensors, for an initial cash consideration of €30.6m (£25.9m) on a debt free, cash free basis, before expenses, which will be funded from the Group's existing debt facilities. In addition, an earn-out of up to €12.4m (£10.5m) will be payable subject to Burster achieving certain financial performance conditions in its year ending 31 December 2025.

Founded in 1961, Burster produces specialist sensors including precision load cells, torque sensors, displacement and pressure sensors, and electronic measurement instruments for markets closely aligned with the Group's target markets. It benefits from a low customer concentration and sells into c.60 countries. International markets make up c.40% of sales, notably the rest of Europe, Asia and North America.

Burster, under its existing ongoing management, will join the Group's Sensing cluster within the Sensing & Connectivity division. Retaining its distinct brand identity, the business will benefit from access to the Group's broad customer base and the cluster's specialist international sensor sales, production and engineering capabilities, with a view to expanding both international and domestic sales. The Sensing cluster, which includes six other businesses, is a leading platform in the long-term growth, high performance, custom sensing market,

which is driven by application areas such as the Industrial Internet of Things (IIoT), medical equipment, robotics and artificial intelligence (AI).

Burster has a strong track record, with unaudited revenues for the year ended 31 December 2024 of c.€18m (£15m), and an underlying operating profit margin that is above discoverIE's medium-term target of 15%.

This acquisition will be accretive to underlying earnings and underlying operating margin from 1 April 2025. Following this acquisition, the Group's consensus gearing[1] at 31 March 2025 increases from 1.25x to 1.6x, well within the Group's target range of 1.5x to 2x. The pipeline of acquisition opportunities in development remains strong.

Nick Jefferies, Group Chief Executive of discoverIE plc, said:

"The Group entered the second half with c.£70m of capacity for acquisitions and the acquisition of Burster continues our strategy of building a differentiated, international, growth-focused electronics group with stronger operating margins. The transaction brings another high-quality business into discoverIE with strong alignment to our target markets, which is accretive to both underlying earnings and Group margin.

Burster has an excellent portfolio that is highly complementary to our existing product suite and is a great addition to our sensor cluster. We warmly welcome the Burster team into the discoverIE Group and look forward to working with them."

Matthias Burster, Managing Director of Burster, said:

"Burster is excited to join the discoverIE Group to lead the business into the future while building on its strong heritage and reputation in the marketplace. Our commitment to customers and the delivery of cutting-edge sensor technology, automation measuring electronics and over 60 years of experience in the field of precision measuring and calibration equipment under the Burster brand remains unchanged. discoverIE's sensor cluster opens up many new opportunities for international growth. discoverIE's dedication to its portfolio companies is exceptional, and we look forward to our next chapter."

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Notes

1. Gearing ratio is defined as net debt divided by underlying EBITDA (annualised for acquisitions, excluding IFRS16). Gearing reported at 30 September 2024 was 1.45x with consensus gearing at 31 March 2025 of 1.25x.

2. 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 design and manufacture innovative electronic components for industrial applications.

The Group provides application-specific components to original equipment manufacturers ("OEMs") internationally through its two divisions, Magnetics & Controls, and Sensing & Connectivity. 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, high quality customer relationships.

With a focus on key markets driven by structural growth, increasing electronic content and sustainability, namely medical, electrification of transportation, renewable energy, security and industrial automation & connectivity, the Group aims to achieve organic growth that is well ahead of GDP and to supplement that with complementary acquisitions. The Group is committed to reducing the impact of its operations on the environment in order to reach net zero. With its key markets aligned with a sustainable future, the Group has been awarded an ESG "AA" rating by MSCI and is Regional (Europe) Top Rated by Sustainalytics.

The Group employs c.4,500 people across 20 countries with its principal operating units located in Continental Europe, the UK, China, Sri Lanka, India and North America.

discoverIE is listed on the Main Market of the London Stock Exchange and is a member of the FTSE 250, classified within the Electrical Components and Equipment subsector.

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