

*The information contained within this announcement (the "Announcement") is deemed by Dods Group plc to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014. Upon the publication of this Announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.*

**11 June 2019**

**Dods Group plc  
("Dods" or "the Group" or "the Company")**

**Acquisition of Meritgroup**

Dods announces the conditional acquisition of Meritgroup Limited ("Merit") for a total consideration of £22.4 million on a debt free basis, payable in a mixture of cash and new ordinary shares in the Company (the "Acquisition").

In order to part fund the cash element of the consideration payable on completion of the Acquisition, the Company is currently concluding an equity fundraising process (the "Fundraise"). As part of the Fundraise, the Company expects to provide an open offer to enable existing shareholders the opportunity to participate in the Fundraise. In addition, the Company proposes to enter into a new debt facility, the primary purpose of which is to part fund the Acquisition.

The completion of the Acquisition is conditional on, *inter-alia*, the successful completion of the Fundraise and the approval by Shareholders at a general meeting of the Company, which shall be convened following the announcement of the completion of the Fundraise. The Board is confident in a successful outcome of the Fundraise and Lord Ashcroft, a 44 per cent. shareholder, is fully supportive of the Acquisition.

A further announcement will be made in due course.

***Information on Merit***

Merit is a provider of data services and software code, established in 2004 in the UK and India. The Directors believe that the Acquisition will be a transformational deal for the Group and will enable it, amongst other things, to diversify its service offering into faster growing, higher margin activities.

Merit has evolved to become a specialist in the automated harvesting and transformation of data and the development of extensive software code to drive this activity. Today Merit collects several million data points daily from around 3,000 sources across multiple industries including Maritime, Construction, Fashion, Oil & Gas, Retail and Metals. It provides an efficient cost effective solution for its clients and Merit does this by using client specific software to quickly scale and organise data, audiences and operations.

Merit deploys Artificial Intelligence (AI) and Machine Learning (ML) technologies, so it can efficiently categorise, and enhance high volume and high frequency data including unstructured data. The company can also offer effective, automated marketing campaign services with highly bespoke marketing datasets. Merit's data is supplied to many leading information businesses, including Informa, Ascential, Dow Jones and Wilmington.

Merit has achieved compound annual growth of over 20 per cent. over the last three years and has been profitable for the past seven years. In the financial year ended 31 December 2018, Merit generated revenue of approximately £9.2 million (2017: £8.6 million), adjusted EBITDA of approximately £1.9 million (2017: £1.4 million) and profit before tax of approximately £1.2 million (2017: £1.1 million). As at 31 December 2017, Merit had gross assets of approximately £8.9 million (2017: £7.9 million).\*

*\*Sources: Merit's unaudited management accounts for year ended 31 December 2018 and Merit's audited accounts for the year ended 31 December 2017*

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