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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATION (EU NO. 596/2014).**

**7 February 2020**

**Midwich Group plc  
("Midwich" or the "Group")**

**Result of Accelerated Book Build**

Midwich (AIM: MIDW), a specialist audio visual distributor to the trade market, is pleased to announce the successful completion of the placing announced earlier today raising gross proceeds of approximately £39.7m.

Capitalised terms used in this announcement have the meanings given to them in the Placing Announcement, unless the context provides otherwise.

A total of 7,944,800 Placing Shares, representing approximately 9.9 per cent. of the existing issued share capital of the Company, have been placed by Investec and Berenberg at a price of 500 pence per share. The Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing issued Ordinary Shares.

Application has been made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM ("**Admission**"). It is expected that Admission will take place at 8.00 a.m. on 11 February 2020 (or such date as may be agreed between the Company and the Joint Bookrunners).

The Placing is conditional upon, amongst other things, Admission becoming effective. The Placing is also conditional on the Placing Agreement not being terminated in accordance with its terms.

**Total voting rights**

Following Admission, the Company will have 87,918,212 Ordinary Shares in issue. There are no Ordinary Shares held in treasury. Therefore, the Company hereby confirms that the total number of voting rights in the Company will, following Admission, be 87,918,212. This figure may be used by shareholders 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 FCA's Disclosure Guidance and Transparency Rules.

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#### **IMPORTANT NOTICES**

The information contained in this Announcement is for information purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this Announcement or its accuracy, fairness or completeness. The information in this Announcement is subject to change.

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This Announcement does not constitute a prospectus or offering memorandum or an offer in respect of any securities and is not intended to provide the basis for any decision in respect of the Company or other evaluation of any securities of the Company or any other entity and should not be considered

as a recommendation that any investor should subscribe for, purchase, otherwise acquire, sell or otherwise dispose of any such securities.

Recipients of this Announcement who are considering acquiring Placing Shares pursuant to the Placing are reminded that they 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 are 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 is for information purposes only and is directed only at: (a) persons in Member States of the European Economic Area and the United Kingdom who are qualified investors within the meaning of article 2(e) of the Prospectus Regulation (EU) 2017/1129, as amended from time to time, and includes any relevant implementing measure in any member state and the United Kingdom (the "**Prospectus Regulation**") ("**Qualified Investors**"); and (b) in the United Kingdom, Qualified Investors who are persons who (i) have professional experience in matters relating to investments falling within the definition of "investments professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (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 activity to which this Announcement relates is available only to, and will be engaged in only with, Relevant Persons. This Announcement must not be acted on or relied on by persons who are not Relevant Persons.

This Announcement is not being distributed by, nor has it been approved for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended ("**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 Regulation) to be published. Persons needing advice should consult an independent financial adviser.

Persons (including without limitation, nominees and trustees) who have a contractual right or other legal obligations to forward a copy of this Announcement should seek appropriate advice before taking any action.

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Investec, which is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated in the United Kingdom by the FCA and the PRA, is acting solely for the Company and no-one else in connection with the transactions and arrangements described in this Announcement and will not regard any other person (whether or not a recipient of this Announcement) as a client in relation to the transactions and arrangements described in this Announcement. Investec is not responsible to anyone other than the Company for providing the protections afforded to clients of Investec or for providing advice in connection with the contents of this Announcement or the transactions and arrangements described herein.

Berenberg, which is authorised and regulated by the German Federal Financial Supervisory Authority and subject to limited regulation in the United Kingdom by the FCA, is acting solely for the Company and no-one else in connection with the transactions and arrangements described in this Announcement and will not regard any other person (whether or not a recipient of this Announcement) as a client in relation to the transactions and arrangements described in this Announcement. Berenberg is not responsible to anyone other than the Company for providing the protections afforded to clients of Berenberg or for providing advice in connection with the contents of this Announcement or the transactions and arrangements described herein.

Investec's responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person.

The distribution of this Announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, Investec and/or Berenberg that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement comes are required by the Company, Investec and Berenberg to inform themselves about, and to observe, such restrictions.

In connection with the Placing, each of the Joint Bookrunners 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 or otherwise deal for their own account in 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 Joint Bookrunners and any of their affiliates acting in such capacity. In addition, the Joint Bookrunners and any of their affiliates may enter into financing arrangements (including swaps) with investors in connection with which the Joint Bookrunners and any of their respective affiliates may from time to time acquire, hold or dispose of shares. The Joint Bookrunners 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.

No statement in this Announcement is intended to be a profit forecast or estimate, and no statement in this Announcement should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company.

#### **Cautionary statements**

This Announcement may contain and the Company may make verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made in this Announcement by or on behalf of the Company speak only as of the date they are made. These forward-looking statements reflect the Company's judgment at the date of this Announcement and are not intended to give any assurance as to future results and cautions that its actual results of operations and financial condition, and the development of the industry in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this Announcement and/or information incorporated by reference into this Announcement. The information contained in this Announcement is subject to change without notice and except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates, supplements or revisions to any forward-looking statements contained in this Announcement to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statements are based, except where required to do so under applicable law.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into or forms part of this Announcement.

This Announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 ("**MAR**"). Upon publication of this announcement, the inside information is now considered to be in the public domain for the purposes of MAR. The person responsible for arranging release of this information on behalf of the Company is Stephen Lamb.

### **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 MiFID II 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 Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing 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 Joint Bookrunners 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.