**Donegal Investment Group plc**

**(“Donegal” or the “Company”)**

**16 May 2018**

**AGM Statement and Results of AGM and EGM**

**AGM Statement and Results**

Donegal Investment Group Plc held its AGM today.

The Chairman Mr. Geoffrey Vance stated that the Group had delivered a very satisfactory performance for the financial year ending 31 August 2017.

Turnover from continuing operations was €77.1m with the group delivering adjusted earnings per share of 35.5c. The produce division returned to more normal levels of profit delivering a segmental result of €2.2m. Mr. Vance also commented on the continued progress being made by the food-agri division which delivered a segmental result of €2.4m.

Mr. Vance noted the Interim Results of the group to 28 February 2018 which were released on 19 April 2018.

Mr. Vance was pleased to report on the progress which had been made over the previous 12 months in realising the group’s non-core assets which had generated €62.5m in sale proceeds. This had led to significant changes to the Group’s portfolio of assets.

Mr. Vance discussed the planned return of capital to shareholders which if passed at the EGM (scheduled to take place following the AGM) would lead to the return of approx. €45m in capital to shareholders. Together with ongoing share purchases by the Company over the past month this would lead to €51m of capital being returned to shareholders since the beginning of 2018.

Mr. Ian Ireland, Managing Director, provided some guidance for the remainder of the year with all business on plan with the exception of the group seed potato operation in Brazil. Mr. Ireland noted that a corporate finance adviser had been appointed to Nomadic Dairy Limited, with a process ongoing which may or may not lead to the sale of this business.

Regarding the Group’s remaining assets Mr Ireland stated that the board has commenced a strategic review to assess all suitable options for the purpose of maximising long term shareholder value. The Group will update shareholders in due course and as appropriate.

Mr. Vance thanked all stakeholders for their contribution in the last year.

Each of the resolutions proposed at its Annual General Meeting today were approved by shareholders. The full text of each resolution was set out in the Notice of Annual General Meeting circulated to shareholders and available on the Company’s website.

**Results of EGM – Return of Capital**

The board of Donegal is pleased to announce that the resolutions proposed to shareholders at today’s EGM pertaining to the Company’s proposed Return of Capital, as announced in our 2018 Preliminary Results Announcement of 19 April and as fully described in the EGM Circular of 23 April, were also duly passed. The full text of each resolution was set out in the Notice of Extraordinary General Meeting and the EGM Circular, each of which were circulated to shareholders and are available on the Company’s website. All capitalised terms and definitions pertaining to the Return of Capital contained in this Announcement shall have the meaning ascribed thereto in the EGM Circular.

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| Resolution | Total Votes Validly Cast | % of Ordinary Shares Outstanding | For (% of Ordinary Shares Outstanding) | Against (% of Ordinary Shares Outstanding) | Votes withheld |
| 1. To convert certain existing Ordinary Shares into Redeemable Ordinary Shares and to do so by amending the Memorandum & Articles of Association of the Company
 | 3,673,597 | 35.7% | 35.7% | - | - |
| 1. To increase the authorised share capital of the Company by 5,140,000 Deferred Shares of €0.13 and within six months of Resolution 1 becoming effective, the reduction of the authorised to €7,168,200 by the removal of 5,140,000 Deferred Shares
 | 3,672,123 | 35.7% | 31.8% | 3.9% | 1,474 |
| 1. To amend the Company’s Share Option Schemes enabling the Company to satisfy its obligation to deliver Ordinary Shares to option holders on the exercise of their options by the payment of cash to the option holder
 | 3,672,063 | 35.7% | 31.8% | 3.9% | 1,534 |

Pursuant to terms of the Return of Capital the Conversion shall take place at 6:00pm on Thursday, 17 May 2018 and the Redemption shall take place at 12.01am on Friday, 18 May 2018.

***Enquiries:***

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