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9 December 2020

Eddie Stobart Logistics plc
to be renamed "Logistics Development Group plc"
(the "Company")

Proposed conversion to Investing Company

Conditional Placing, Subscription and Open Offer to raise up to £16.0 million

Proposed Approval of Waiver of Rule 9 of the Takeover Code

Publication of Admission Document & Notice of General Meeting

Eddie Stobart Logistics plc, an AIM-quoted cash shell which holds a 49% indirect equity interest in Greenwhitestar Acquisitions Limited ("GWSA"), the holding company of, *inter alia*, the Eddie Stobart, iForce, The Pallet Network and The Logistics People businesses (the "GWSA Group"), has conditionally raised £9 million via a Placing and Subscription. The Placing and Subscription are deemed to satisfy the Company's previously-announced requirement to raise a minimum of £6 million in cash via an equity fundraising in connection with its proposed conversion to an investing company.

The Board believes it is important that the Shareholders are able to invest on the same terms as the Placing and Subscription, and the Company is therefore making an Open Offer, to raise up to an additional £7.0 million, to Qualifying Shareholders.

Adrian Collins, Chairman of the Company, commented:

"We are pleased to have conditionally raised £9 million, more than meeting our previously-announced technical requirement to raise £6 million to complete our conversion to an AIM investing company.

"Today we have also announced that we intend to change the name of the Company to Logistics Development Group plc. This marks our transition to a growth-focused investment vehicle whilst further delineating the Company from the Eddie Stobart business, in which we hold an indirect interest and which, as previously announced, has returned to profitability and firmly put its past challenges behind it."

Highlights

- The Company has raised £9 million via the Placing and Subscription in connection with the Company's proposed conversion to an investing company.
- The Company is also making an Open Offer to raise up to an additional £7.0 million to allow Qualifying Shareholders to participate on the same terms as the Placing and Subscription.
- The Company intends to change its name to "Logistics Development Group plc" following Admission by resolution of the Board.

- Given that the Eddie Stobart trading entities are no longer controlled by the Company, the Directors believe that the change of name will help to create an appropriate distinction between the Company and its investments, removing current confusion, and will be reflective of the Company's status as an investing company with a focus on the logistics sector.
- The net proceeds of the Placing, Subscription and Open Offer will be used to meet the Company's general working capital requirements and to undertake due diligence on potential acquisition targets in line with the Investing Policy, and the balance will be used to acquire a proportion of the Loan Notes as the Investment Manager may decide, as well as for general corporate purposes.
- The Company announces the appointment of Investec as joint corporate broker, with immediate effect to work alongside its existing nominated adviser and joint broker, Cenkos.
- The General Meeting of the Company, notice of which is set out at the end of the Admission Document, is to be held at 11.00 a.m. on 29 December 2020 at the offices of King & Spalding, 125 Old Broad Street, London EC2N 1AR.

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1. INTRODUCTION

Proposed conversion to an Investing Company

On 9 December 2019, the Company completed the disposal of an indirect 51% holding in its operating subsidiary GWSA to DBAY. On completion of this transaction, the Company ceased to own, control or conduct all or substantially all, of its existing trading business, activities or assets and the Company became a cash shell for the purposes of AIM Rule 15. In accordance with the AIM Rules, your Board is seeking shareholder approval to become an Investing Company and, consequently, to apply for readmission to trading on AIM.

If Shareholders do not approve each of the Resolutions, the conversion to an Investing Company will not take place and the Subscription, Placing and Open Offer cannot be implemented. As such, in accordance with the AIM Rules, the Ordinary Shares would be initially suspended from trading on AIM and after six months of being suspended, the Company's admission to trading on AIM would be cancelled.

The Subscription, Placing and Open Offer and Admission of Enlarged Ordinary Share Capital to AIM

In conjunction with the conversion of the Company to an Investing Company under the AIM Rules, the Company is required to raise at least £6 million of new equity. The Company, therefore, announces that it is proposing to undertake a Subscription, Placing and Open Offer to raise up to £16.0 million (before expenses) through the issue of up to 320,358,528 New Ordinary Shares at the Issue Price.

180,000,000 New Ordinary Shares have been conditionally placed with the DBAY Funds and other places pursuant to the Placing and the Subscription, and a further 140,358,528 New Ordinary Shares will be available for subscription by existing shareholders, including Concert Party members, in the Open Offer. Cenkos is acting as nominated adviser and joint broker to the Company in connection with the Proposals and Investec is acting as joint broker to the Company in connection with the Proposals. Conditional upon the passing of the Resolutions and on Admission, the New Ordinary Shares are expected to represent, in aggregate, up to 45.6% of the Company's Enlarged Ordinary Share Capital.

Application will be made to the London Stock Exchange for Enlarged Ordinary Share Capital to be admitted to trading on AIM. It is expected that Admission will occur at 8.00 a.m. on 31 December 2020. The conversion to an Investing Company and the Subscription, Placing and the Open Offer are conditional, inter alia, on the passing of the Resolutions at the General Meeting. The Resolutions are contained in the Notice of General Meeting set out at the Appendix to the Admission Document.

Waiver by The Panel under Rule 9 of Takeover Code and approval of Whitewash

The DBAY Funds (along with all other members of the Concert Party) have an aggregate interest in 113,436,794 Existing Ordinary Shares representing approximately 29.90% of the existing issued share capital of the Company. Details of the ownership interests of each of the DBAY Funds and the other members of the Concert Party are set out in paragraph 1 – "Introduction" of Part VI: "Additional Information on Whitewash / Waiver of Rule 9" of the Admission Document.

The DBAY Funds (along with all other members of the Concert Party) have agreed to subscribe for 77,000,000 New Ordinary Shares under the Placing and the Subscription, and the Concert Party has also confirmed its intention to take up its entitlements under the Open Offer which would, if there is no scaling back of its take up of entitlements under the Open Offer to satisfy other Valid Applications made under the Open Offer, increase its voting rights to 38.49% and as such would normally require the Concert Party to make a general offer under Rule 9 of the Takeover Code for the remainder of the ordinary share capital of the Company.

The Independent Directors believe that it is in the best interests of the Company for DBAY and the Concert Party to subscribe for New Ordinary Shares pursuant to the Placing, Subscription and Open Offer, and therefore the Company has applied for and received a waiver granted by the Panel of any requirement under Rule 9 of the Takeover Code for the Concert Party to make a general offer to Shareholders that would otherwise arise as a result. The approval of the Independent Shareholders is therefore being sought, by means of the Whitewash Resolution to be taken on a poll at the General Meeting, for the Rule 9 Waiver.

General Meeting

As part of the Company's conversion into an Investing Company, Shareholders of the Company will be asked to consider and approve such conversion, to agree the Company's proposed Investing Policy and the Company's entry into the Investment Management Agreement with DBAY.

In addition to the resolutions referred to above, the Directors do not currently have authority to allot all of the New Ordinary Shares under the Subscription, Placing and Open Offer and, accordingly, the Company is seeking approval of Shareholders to grant additional authority to the Directors to allot the New Ordinary Shares and to disapply statutory pre-emption rights which would otherwise apply to the allotment at the General Meeting.

The Company will also seek approval from Shareholders for the Whitewash Resolution required to effect the Whitewash as set out above.

The purpose of this section is therefore to:

- (i) set out the background to, and the reasons for, the conversion of the Company to an Investing Company under the AIM Rules and the Placing, the Subscription and the Open Offer and why

the Directors consider the Proposals to be in the best interests of the Company and its Shareholders as a whole. The Board recommends that Shareholders vote in favour of the Resolutions (other than the Whitewash Resolution, as to which, see (ii) below) to be proposed at the General Meeting, as the Directors who are interested in the Company's shares have irrevocably undertaken to do themselves in respect of their own beneficial shareholdings; and

- (ii) provide you with details of the Whitewash Resolution to be proposed at the General Meeting and to explain why the Independent Directors consider the Rule 9 Waiver to be in the best interests of the Company and its Shareholders as a whole and unanimously recommend that you vote in favour of that resolution.

Shareholder approval is being sought for the Resolutions at the General Meeting which is being convened for 11.00 a.m. on 29 December 2020 at the offices of King & Spalding, 125 Old Broad Street, London EC2N 1AR.

As a result of the ongoing COVID-19 pandemic and the measures that the UK Government has put in place restricting public gatherings and non-essential travel and for the health and safety of our shareholders, employees, advisers and the general public, the General Meeting will be a closed meeting and shareholders will not be able to attend in person. Given these restrictions in place, voting on the Resolutions will be conducted by way of a poll rather than a show of hands and all shareholders are strongly encouraged to vote by proxy, appointing the Chairman as a proxy to ensure that their vote can be cast.

Your attention in particular is drawn to the following parts of the Admission Document:

PART III: RISK FACTORS

PART V: ADDITIONAL INFORMATION ABOUT THE COMPANY

PART VI: ADDITIONAL INFORMATION ON WHITEWASH / WAIVER OF RULE 9

PART VIII: TERMS AND CONDITIONS OF THE OPEN OFFER

2. BACKGROUND TO AND REASONS FOR THE CONVERSION TO AN INVESTING COMPANY AND THE SUBSCRIPTION, PLACING AND OPEN OFFER

The Company is currently an AIM-quoted "cash shell" which holds a 49% indirect equity interest in GWSA, the holding company of, *inter alia*, Eddie Stobart, iForce, The Pallet Network and The Logistics People businesses (the "**GWSA Group**"), which together form a leading, end-to-end supply chain, transport and logistics group in the UK.

The Company is seeking to convert to an Investing Company under the AIM Rules and the Admission Document, therefore, provides information on the Company's Investing Policy, the proposed Investment Management Agreement, and the details of the Subscription, Placing and Open Offer, for Shareholders' consideration.

It is intended that shortly after Admission, by way of powers granted to the Board contained within the Articles, the Company will be renamed "Logistics Development Group plc" to reflect the changed status of the business and the expectation that, in due course, it will invest in other businesses, unconnected with the Eddie Stobart business.

Background to the structure of the Placing, Subscription and Open Offer

As a consequence of the DBAY Transaction, the Company became a "cash shell" under the AIM Rules and is, therefore, required to either undertake a reverse takeover or convert to an AIM investing company and raise a minimum of £6 million within a period of six months from completion of the DBAY Transaction.

In addition, at the time of the DBAY Transaction, following discussion with the Company's then institutional Shareholders, the Company agreed with DBAY that it would seek to provide Shareholders with the opportunity to participate in an economic interest of up to 49% of the Loan Notes as soon as reasonably practicable following the DBAY Transaction, simultaneously with, and conditional upon, the

conversion of the Company to an Investing Company, with DBAY being appointed as investment manager. Such participation was to be funded by way of an equity raise by the Company, the proceeds of which would have been used to acquire up to 49% of the then outstanding Loan Notes at par, including all amounts of accrued interest thereon, following which the Company and DBAY as the holders of Loan Notes in proportion to their respective equity holdings would cancel the Loan Notes to align the economic interests of DBAY and the Company in GWSA.

Following discussions with a number of institutional investors in October 2020, it was clear to the Board that the Company would be better placed to raise the sums required to repurchase the full 49% of the Loan Notes once GWSA Group has reported a full year of results under the new ownership structure. The Board has, therefore, conditionally raised £9 million in the Placing and Subscription to ensure that the Company's is able to fulfil its regulatory requirement to raise a minimum of £6 million in connection with its proposed conversion to an Investing Company.

DBAY and other Placees have conditionally agreed to subscribe for 71,200,000 Ordinary Shares at the Issue Price via the Placing. Furthermore, certain investors have agreed to subscribe for 108,800,000 New Ordinary Shares at the Issue Price directly with the Company via the Subscription. The Board believes that it is important the Shareholders are able to invest on the same terms as the Placing and the Subscription, and the Company is, therefore, making an Open Offer to raise up to £7.0 million to Qualifying Shareholders.

The net proceeds of the Subscription, Placing and Open Offer will be used to meet the Company's general working capital requirements, undertake due diligence on potential target acquisitions in line with the Investing Policy, and the balance will be used to acquire a proportion of the Loan Notes as the Board may decide, and for general corporate purposes.

Application will be made for the Existing Ordinary Shares to be readmitted and for the New Ordinary Shares to be admitted in each case to trading on AIM, and the Placing, Subscription and the Open Offer are conditional upon, *inter alia*, Admission. It is expected that Admission will become effective and that trading in the Ordinary Shares will commence at 8.00 a.m. on 31 December 2020 or such later time as Cenkos, Investec and the Company may agree (being not later than 8.00 a.m. on 31 January 2021).

The objectives of Investing Company, the Investing Policy and the Investment Management Agreement

The investment objectives of the Company will be to provide Shareholders with attractive total returns achieved through capital appreciation and, when prudent, shareholder distributions and dividends in line with the dividend policy set out in the Articles and described at paragraph 5 – "Articles of Association" of Part V: "Additional Information About the Company". The Directors believe that opportunities exist to create significant value for Shareholders through an acquisitive growth strategy and the implementation of substantial operational improvements across the sectors outlined in the Company's Investing Policy.

The Company is expected to enter into the Investment Management Agreement with DBAY, the pan-European asset manager and investor in public and private securities.

3. CHANGE OF NAME

The Company intends to change its name to "Logistics Development Group plc" following Admission by resolution of the Board. Given that the Eddie Stobart trading entities are no longer controlled by the Company, the Directors believe that the change of name will help to create an appropriate distinction between the Company and its investments, and will be reflective of the Company's status as an investing company with a focus on the logistics sector.

4. HISTORY AND DEVELOPMENT OF THE COMPANY

Eddie Stobart Logistics' origins were in supplying and delivering fertilizer in the Cumbrian village of Hesketh Newmarket. In 1970, Eddie's eldest son, Edward, established the road haulage business and moved the headquarters to Carlisle. In 2007, the business became part of the larger listed Stobart Group Limited. In 2014, Stobart Group Limited partially realised its interest in the Eddie Stobart Logistics

trading entities, through a sale of 51% of its interest in its Transport and Distribution division to a fund managed by DBAY.

During FY15, Eddie Stobart Logistics completed the strategic disposal of its non-core business, Automotive UK, and invested in a training and service support centre in Warrington, as well as continuing investment in other modern warehousing facilities.

The Company was admitted to trading on the AIM market of the London Stock Exchange on 25 April 2017 (the "IPO"), raising gross proceeds for the Company of approximately £122 million. In conjunction with the IPO, the Company also acquired iForce, the e-commerce and multi-channel retail logistics and supply chain management group, for total consideration of approximately £45 million.

On 28 June 2018, the Company acquired The Pallet Network Group Limited, a leading provider of pallet distribution services across UK and Ireland, for total consideration of £52.8 million, on a cash and debt free basis.

At the time of IPO, the Group had revenue of £624 million and adjusted EBIT of £47.8 million (FY17). From the date of the IPO until 2019, the Company pursued a strategy of strong revenue growth in its main logistics business as well as property consultancy to enhance profitability. During its review for the half year 2019 results, the business was required to amend a number of accounting policies, including treating property consultancy as "lease incentives" reducing in-year profitability. This led to a significant delay in announcement of H1 2019 results and the suspension of the Company's shares from trading on AIM.

At the same time, liquidity deteriorated, and the Company drew on increasing levels of its debt facilities, stretching covenant levels. To ensure stability and the long term survival of the business, the Company needed to be sold or recapitalise, and after a lengthy process, the Board agreed to a proposal from DBAY.

On 9 December 2019, DouglasBay Capital III Fund LP, a fund managed by DBAY, completed the acquisition of an indirect 51% equity stake in GWSA, the holding company of the GWSA trading entities (including Eddie Stobart Limited, iForce and TPN). Accordingly, as a result of the DBAY Transaction, the Company's equity interest in the GWSA trading entities was reduced from 100% to 49%.

Following the completion of the DBAY Transaction, the Company became a "cash shell" pursuant to the AIM Rules and therefore, in order to remain admitted to trading on AIM, was required, *inter alia*, to complete an acquisition or acquisitions constituting a reverse takeover within six months of the DBAY Transaction. For the purposes of this requirement, becoming an Investing Company (which entails raising a minimum of £6 million in cash via an equity fundraising and publishing an admission document) is treated as a reverse takeover.

In light of the global COVID-19 pandemic, which impacted public fundraising activities, and noting the Company's retained interest in GWSA, the London Stock Exchange agreed to an extension to the six month timeline noted above to 9 December 2020.

5. INVESTMENT OBJECTIVE

The investment objective of the Company will be to provide Shareholders with attractive total returns achieved through capital appreciation and, when prudent, shareholder distributions and dividends in line with the dividend policy set out in the Articles and described at paragraph 5 – "Articles of Association" of Part V: "Additional Information About the Company" of the Admission Document. The Company's ability to make shareholder distributions will depend on the cash generated, either organically or inorganically, by the Company's investments.

The Directors believe that opportunities exist to create significant value for Shareholders through the acquisition of, and the implementation of substantial operational improvements in, businesses in the sectors outlined in the Company's Investing Policy.

6. INVESTMENT STRATEGY

The Directors believe that the logistics sector (including supply chain management, transportation, warehousing, freight forwarding and home deliveries) is characterised by highly attractive fundamentals. The sector benefits from strong structural growth drivers, such as from a shift towards e-commerce related transport and warehousing activities, and there are numerous opportunities for growth from increased outsourcing in the sector.

The resulting growth and the increased complexity of logistics services will provide substantial opportunities for integrated supply chain service organisations, and specifically for organisations of a certain size, that have the ability to provide the required technological and systems support required by customers. The Covid-19 pandemic has demonstrated the crucial role played by logistics, which is a major contributor to UK GDP, and the dependence of the fast-moving, demand-led economy on the services provided by this sector. The completion of Brexit, which is expected to occur on 1 January 2020, is expected to increase demand in the UK for warehousing capacity, as well as freight forwarding and management expertise.

The UK logistics and supply chain industry is concentrated at the upper end (by revenues) but highly fragmented towards the bottom end of the market, with approximately 192,000 logistics small and medium-sized enterprises in 2018¹. The Directors believe that the Company will, therefore, have access to numerous opportunities for profitable investments and value creation. The Directors and DBAY, as investment manager, have considerable knowledge and experience of the sector, and consider that the Company will be able to build on the Company's existing 49% indirect equity investment in the GWSA Group, creating a dynamic portfolio of investments in the logistics sector.

The Directors, together with DBAY as investment manager, have identified a number of companies which they consider to be both attractive investments in their own right, and complementary to the companies in the GWSA Group. The potential targets currently under consideration all share some or all of the following attractive characteristics:

- Profitable with strong cash conversion;
- Scope to achieve cost savings, improve efficiency and accelerate growth;
- Typically with long-term customer relationships, and revenues that are recurring in nature;
- Offer potential synergies and growth opportunities to a larger group; and
- Scope to improve the competitive position of the existing GWSA Group.

It is expected that these businesses will, in most cases, be run on a stand-alone basis following acquisition. This will ensure clear roles and responsibilities for the board and management, which the Directors believe to be a key driver of value creation, and will likewise limit any disruption to the rest of the GWSA Group following successful exit by the Company. Nevertheless, the Directors and DBAY, as investment manager, believe there will be substantial opportunities to realise synergies between the various investments.

The main areas for synergies would be combined pitches and sharing of customers, a reduction of the cost base due to scale efficiencies, enhanced purchasing power and implementation of improved management and control systems, increased use of technology, and greater focus of management attention.

¹ FTA Logistics Report 2019

7. INVESTING POLICY

The Company will seek to achieve its investment objective by making investments within the following parameters:

- **Sectors:** Logistics, Transport, Warehousing and e-Fulfilment assets
- **Size:** Small to transformational

- **Type:** Stand-alone, or add-on for existing assets
- **Geography:** UK-focused but also continental Europe
- **Characteristics:** Scope for substantial operational improvements or value creation; high growth markets; and offering synergies with the existing portfolio
- **Ownership:** Controlling stakes, or minority stakes with the ability to effect change through active management
- **Hold period:** 2-5 years targeted
- **Concentration:** relatively concentrated portfolio expected, with in excess of 50% of the portfolio exposed to one asset initially
- **Market:** Private or public
- **Leverage:** Private equity style funding structures with anticipated net financial debt levels of 3-5x EBITDA
- **Restrictions:** No assets or businesses which do not sufficiently meet the criteria detailed above, or where equity returns are primarily driven by high levels of financial leverage or fundamental strategic change

The Company would need to raise additional finance in order to make further acquisitions in the form of equity and/or debt. Subject to the composition of the Company's share register, it is possible that any equity fundraising for those purposes will, subject to the requisite Shareholder approvals, be carried out on a non pre-emptive basis.

Given the Company's existing investments, the Investing Policy is deemed to have been substantially implemented. Any material changes to the Investing Policy would be subject to Shareholder approval.

8. TRACK RECORD OF DBAY AS AN INVESTMENT MANAGER

Founded in 2011, DBAY is a pan-European asset manager and investor. The firm follows a value investing approach and invests in listed equities across Europe, as well as in private equity style control investments. It is owned by its partners and is regulated and licensed by the Isle of Man Financial Services Authority. As well as an office in the Isle Man, DBAY also has an office in London.

The core DBAY team, which have worked together for 20 years, have developed a diversified set of skills from financial and operational backgrounds, with deep insight into a number of industry sectors. DBAY comprises a team of twelve investment and operating professionals and brings significant expertise in the logistics sector, with key individuals having served on the board of Eddie Stobart and TDG in the past.

Capital is managed on behalf of institutional investors, trusts, foundations, family offices and pension funds. DBAY currently has a controlling interest in companies that have a combined turnover in excess of £1.8 billion and employ more than 15,000 staff.

DBAY managed funds have achieved strong historical returns with its first and second investment vehicles (including co-investment vehicles) having achieved returns in excess of DBAY's targeted 25% net internal rate of return. DBAY is currently investing its third vehicle.

DBAY has an excellent track record for transport and logistics investments, which includes an investment in TDG, a UK-based contract logistics business with over £700 million turnover and 7,000 employees across Europe, which delivered a money multiple of 1.9x in two years during the recession in 2009/2010. DBAY also controlled Eddie Stobart between 2014 and 2017, growing the business substantially before the IPO and achieving a money multiple of more than 3x invested equity capital for its investors.

9. INVESTMENT MANAGEMENT AGREEMENT

This agreement details the terms on which the Company will appoint DBAY Advisors to act as Manager of the Company (“**Manager**”) with respect to the assets of the Company.

In consideration of the management services, the Company shall pay an annual fee, known as the monitoring fee to the Manager. The fee shall be equal to 2% of the amount invested by the Company in the portfolio company that is the subject of the new investment and shall be paid directly to the Manager from the portfolio company. In addition, the Manager shall receive a profit share being an amount equal to 20% of all distributions of cash made by the relevant portfolio company (or its affiliates), directly or indirectly, to the Company.

Any potential new debt and equity investment on behalf of the Company with an aggregate value of greater than the higher of £20 million or 50% of the available funds will be referred by the Manager to the Board of the Company for approval.

The Manager may control money held in the Company’s bank accounts and will not hold any client money of the Company.

Subject to the Company’s right to, from time to time, instruct the Manager to take or to refrain from taking a particular action, the Manager will have full authority and power to manage the Company’s assets (including any asset, right of interest of the Company and any other right or interest of the Company in respect of property of any kind (including cash) and, without prejudice to the foregoing, wherever situated and whether or not producing income) and shall be the custodian of such assets. Additional responsibilities of the Manager include:

- identifying, evaluating and executing on potential new investments for the Company;
- management of the Company assets, including the new investments;
- structuring and negotiating the acquisition, and disposal, of new investments;
- risk management activities;
- reporting to the Company in the manner described herein;
- assisting the Company in complying with its ongoing obligations as a company whose shares are admitted to trading on AIM, including liaising with the Company’s nominated adviser under the AIM Rules from time to time, facilitating compliance with the Company’s disclosure and communications policy, preparing, with the assistance of the Company’s advisors, announcements to be made by the Company, and supervising the running of the Company’s website;
- selecting, appointing on behalf of and for the account of the Company, directing, managing, supervising and co-ordinating the Company’s third party service providers, in each case in relation to the service provided under the agreement, including agents, brokers, any custodian and any counterparties, as the Manager in its reasonable opinion considers appropriate; and
- assisting the Company in negotiating, structuring and project managing any capital raisings required for the purposes of making the Investments or the working capital of the Company, including debt or equity transactions.

The Manager will have the right, without restriction, to enter into certain types of transaction on behalf of the Company (including, transactions involving contingent liability investments, investments in unregulated collective investment schemes, stock lending transactions or other transactions involving the disposal of an investment subject to an obligation or right to reacquire the same or similar investment from the same counterparty, underwriting or sub-underwriting transactions, investments in securities of which the issue or offer for sale was underwritten, managed or arranged by the Manager or an Affiliate

of the Manager during the preceding 12 months and investments the prices of which may be the subject of stabilisation.

The Manager shall be entitled to exercise or direct the exercise, or to refrain from exercising, any voting or similar rights attaching to any Investment (including any voting, conversion or subscription rights arising if an Investment becomes the subject of a takeover or other offer or a reorganisation) in such manner as the Manager, in its discretion, thinks fit.

The Company has agreed to indemnify the Manager in connection with the agreement and the services to be provided by the Manager to the Company thereunder.

The agreement has an initial term of five years and renews automatically for a further year on each anniversary of the effective date, provided that either party may terminate the agreement on such five-year anniversary (or on each anniversary thereafter) by giving the other party at least 30 days' written notice (subject to a necessary extension to realise or otherwise dispose of any new investments).

Both parties have an immediate right to terminate by giving notice in writing in the event (i) that the Company has made no new investments in the first 18 months after the date of the agreement (ii) the Company's Shareholders holding 75+% of voting shares in the Company vote to terminate the Agreement at a duly convened and quorate meeting of the Company's Shareholders, provided that at least 50% of the shares voted in favour of such termination are voted by shareholders other than DBAY (or any of its affiliates) (iii) the Manager ceases to be licensed under the Isle of Man Financial Services Authority (or another regulatory authority in another jurisdiction) with sufficient permissions to allow it to perform its obligations (iv) there is a material breach of the terms of the agreement or (v) liquidation of the other party.

In the event of termination of the Investment Management Agreement pursuant to a material breach (where the Company is the defaulting party) or in the event of the Company's insolvency, the Manager shall be entitled to receive (i) all accrued and unpaid monitoring fees and profit share, to be paid promptly following termination of the agreement; (ii) 100% of the profit share in respect of all new investments that remain unrealised or otherwise disposed of as at the date of termination.

In the event of termination of the Investment Management Agreement due to the Manager ceasing to be licensed under the Isle of Man Financial Services Authority (or another regulatory authority in another jurisdiction) with sufficient permissions to allow it to perform its obligations or a material breach of the terms of the agreement by the Manager, the Manager shall be entitled to receive (i) all accrued and unpaid monitoring fees and profit share, to be paid promptly following termination and (ii) 50% of the profit share in respect of all new investments that remain unrealised or otherwise disposed of as at the date of termination, provided that the profit share in respect of any such new investment shall only be paid to the Manager upon the realisation or other disposal of such new investment

In the event of a conflict of interest between the Company and the Manager the parties shall use reasonable commercial efforts to ensure that the conflict is managed fairly. The Manager will use reasonable commercial efforts to ensure that all transactions involving one or more potential conflicts of interest are effected on terms which are not less favourable to the Company than if the potential conflicts of interest had not existed.

10. CURRENT STRUCTURE OF THE GROUP

The Company's sole investment is a 49% indirect equity interest in GWSA, the holding company of, *inter alia*, the Eddie Stobart, iForce, The Pallet Network and The Logistics People businesses. For the six months ended 31 May 2020², GWSA generated Underlying EBITDA³ of £16.6 million (2019⁴: loss of £6.3 million) and Underlying EBIT of £10.6 million (2019⁴: loss of £11.6 million) on revenues of £416.5 million (2019⁴: £421.3 million).

As described in the Company's Shareholder circular dated 20 November 2019, DBAY provided approximately £55 million into Alpha, the intermediate holding company of GWSA and the trading entities of the Group through the PIK Facility, a payment-in-kind facility which accrues interest at a rate

of 18% per annum. The Loan Notes issued under the PIK Facility are expected to remain in place following Admission.

² All financials are stated before the application of IFRS 16.

³ Underlying EBITDA is defined as Underlying EBIT before depreciation of property, plant and equipment. Underlying EBIT is defined as profit from operating activities before exceptional items, amortisation of acquired intangibles and includes the Company's share of profit from equity accounted investees as well as a gain of £3.9 million in 2020 arising from the exit of a leased property and in 2019 it is stated before the costs of employee share costs funded by previous parent holding group, charges to the income statement relating to the management incentive plan and long-term incentive plan

⁴ The comparator stated is the results of Eddie Stobart Logistics Plc which owned 100% of GWSA prior to 9 December 2019 and included the operating businesses within its consolidated results.

11. INVESTMENTS

Eddie Stobart

Eddie Stobart is a leading supply chain, transport and logistics business, providing services to many of the UK's best-known brands. The business runs the largest FTL network in the UK, with over 2,200 trucks and 3,500 trailers, operates six trains per day, and provides warehousing services from over 20 sites with over six million sq.ft. of storage space. The Group's EU business also provides transport and warehousing services from various sites in continental Europe. The business has benefited from its exposure to the fast-moving consumer goods (FMCG) and grocery sectors as well as from a growing demand for warehousing. Trading was strong including during the Covid-19 lockdown, and notable contracts were secured with Nike, Amazon, and after the period end from Wm Morrison. For the six months ended 31 May 2020, the Eddie Stobart business generated Underlying EBITDA of £6.5 million and Underlying EBIT of £1.4 million on revenues of £309.5 million.

iForce

iForce provides e-commerce logistics, fulfilment, returns processing and carriage management solutions for some of the leading brands and retailers in the UK. The business is performing strongly and is benefitting from exceptionally high demand for its services due to the recent accelerated growth in online sales in light of the Covid-19 pandemic. This has resulted in a number of new business wins from well-known brands. For the six months ended 31 May 2020, iForce generated Underlying EBITDA of £6.6 million and Underlying EBIT of £6.0 million on revenues of £46.6 million.

The Pallet Network

The Pallet Network is one of the largest high-quality palletised distribution service providers in the UK, with sector-leading IT systems and over 120 regional transport partners operating from over 150 locations. After seeing volumes decline at the start of the Covid-19 lockdown period, the business has rebounded swiftly and is currently delivering record pallet volumes while gaining market share. For the six months ended 31 May 2020, The Pallet Network generated Underlying EBITDA of £2.3 million and Underlying EBIT of £2.1 million on revenues of £62.6 million.

The Logistics People

The Logistics People is a temporary staff provider to the GWSA Group and other companies in the logistics industry, specialising in the recruitment of drivers and industrial workers and provision of site security, managed from a centralised 24/7 monitoring suite. The company has successfully navigated the unexpected demand volatility during the period and continues to trade strongly. For the six months ended 31 May 2020, The Logistics People generated revenue of £30.2 million, primarily from other GWSA Group companies. Underlying EBITDA and underlying EBIT for the period were £2.7 million and £2.6 million respectively.

Speedy Freight

GWSA also holds a 20% stake in Speedy Freight, a national franchised courier company operating across 60 branches throughout the UK specialising in same-day dedicated delivery services.

Performance improvements

Since DBAY's acquisition of an indirect 51% holding in GWSA in December 2019, DBAY and the management team have been implementing a range of performance improvements in the GWSA business, and the initial phase of the business re-organisation is now complete. The key measure taken in the Eddie Stobart business has been to refocus the business on customer service and attention to detail, which has strengthened its differentiated business model. The Eddie Stobart business has since achieved new business wins from blue chip customers such as Wm Morrisons, Hillebrand, McBride and, in the European business with Nike and Amazon.

Improvements have also been made to the warehousing portfolio, through the addition of new clients and a reduction of property rental liabilities by exiting selected underperforming locations. In addition, non-core activities and non-performing contracts have been terminated, while important investments in the business have been undertaken, including the acquisition of the Eddie Stobart brand. The iForce e-fulfilment business has seen a centralisation of large parts of the business into the new 850,000 sq.ft. National Fulfilment Centre in Corby, with benefits expected in the coming years.

Measures taken at TPN have focused on creating additional capacity to cope with the record volumes the business has seen in recent months, after an initial drop in activity during the first Covid-19 lockdown. Despite the work required to extend the central cross-dock hub by 75,000 sq.ft., the TPN management team has continued to maintain strong customer service levels. A rebranding exercise is ongoing and is expected to further strengthen the business and the relationship with its partners in the Partner Powered Alliance.

The Logistics People has continued to grow the provision of staff to other group companies at competitive rates, and the management has started to increase its focus on opportunities with external clients, an activity the company would hope to grow going forward.

As previously announced, for the six months to 31 May 2020 GWSA Group's operating cash flow was positive, and debt repayments of £14.7 million have been made since the period end, while maintaining substantial investment in the business. GWSA Group expects to make further debt repayments in the six months ended 31 May 2021.

12. THE LOGISTICS MARKET

The overall UK logistics market, comprising wholesale, warehousing and cargo, road (including postal and courier), rail and air, contributed approximately £124 billion Gross Value Add to the UK economy in 2018⁵. The European logistics market is underpinned by structural growth from increased outsourcing and e-commerce activity, areas which have shown resilience during the global COVID-19 pandemic.

Rapid growth in the online retail market has been a key contributor to growth in the UK logistics market, with e-commerce's share of total UK retail sales having grown from c.2.8% in 2007 to c.20.4% in 2020⁶. E-commerce participants are reliant on both modern warehousing and storage space and responsive road freight services to achieve fast and on time deliveries. The Directors believe that the resulting growth in demand for increasingly complex and responsive logistics services to meet end customers' needs will provide substantial opportunities for integrated supply chain service organisations that have the ability to provide the required technological and systems support.

The Directors consider that there is also a significant opportunity to capture currently insourced logistics work across the EU, and expect that outsourcing opportunities will increase the overall share of the market available to third party service providers such as the GWSA Group companies.

The UK logistics and supply chain industry is concentrated at the upper end (by revenues) but highly fragmented towards the bottom end of the market, with approximately 192,000 logistics small and medium sized enterprises in 2018⁵. The GWSA Group's main source of competition comes from other multi-modal logistics providers and the larger sector and road haulage specialists. Key competitors in these segments include XPO Logistics, Wincanton, Kuehne & Nagel, Gist and Clipper Logistics.

While there are low barriers to entry at the smaller end of the market (as measured by revenues), there are high barriers to entry at the larger end. The Directors believe that securing and effectively managing large customer contracts requires an integrated offering, a large fleet size, an experienced and skilled labour force and efficient back-office capabilities. The Directors consider that an integrated model affords significant barriers to entry, given the considerable long-term investment necessary to deliver a fully functioning national footprint, a long-term customer contract base and the proprietary systems required to provide a competitive service.

⁵ FTA Logistics Report 2019

⁶ Office for National Statistics

13. SUMMARY FINANCIAL INFORMATION

Part IV: "Financial Information" of the Admission Document incorporates by reference the audited consolidated historical financial information of the Company for the two years ended 30 November 2019, as well as the Company's unconsolidated unaudited interim results for the six months ended 31 May 2020. Set out below is a summary of this financial information, which should be read in conjunction with the full text of the Admission Document. and on which investors should not place their sole reliance.

The Company's financial statements for the two years ended 30 November 2019 are consolidated. As noted above, on 9 December 2019, the Company disposed of its only subsidiary undertaking, Greenwhitestar Acquisitions Limited. At the reporting date of 31 May 2020, the Company had no subsidiaries and, as such, the Company's unaudited interim results for the six months ended 31 May 2020 are not consolidated.

The following summary financial information has been derived from the audited consolidated historical financial information of the Company for the two years ended 30 November 2019 incorporated by reference in Part IV: "Financial Information" of the Admission Document:

	FY19	FY18
		Restated
Revenue (£M)	857.5	781.5
Underlying EBIT (£M)	(9.9)	9.0
Earnings per share (Pence)	(61.0)	(5.9)
Net debt (£M)	214.5	159.6

The following summary financial information has been derived from the Company's unconsolidated unaudited interim results for the six months ended 31 May 2020 incorporated by reference in Part IV: "Financial Information" of the Admission Document.

	Six months ended 31 May 2020	Six months ended 31 May 2019
	Unaudited	Unaudited
Underlying loss before tax (£M)	(16.3)	(3.9)
Loss per share (Pence)	(3.4)	(1.0)

	31 May 2020	30 Nov 2019
	Unaudited	Audited
Net assets (£M)	29.6	42.0

14. CURRENT TRADING AND PROSPECTS

As set out in paragraph 16 – “General” of Part V: “Additional Information About the Company” of, and save as described in, the Admission Document, there has been no significant change in the financial position or financial performance of the Company since 31 May 2020, being the date to which the latest unaudited interim results of the Company were prepared. Save as described in the Admission Document, there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company’s prospects in the current financial year.

During the six months ended 30 November 2020, the Company has continued to incur ongoing running costs broadly in line with the first half of the year. Following Admission, the Company’s cost base is expected to remain broadly the same.

As announced by the Company on 12 October 2020, for the year to 30 November 2020, GWSA expects to achieve an underlying EBTDA in excess of £33 million (pre IFRS 16) and intends to continue to focus on reducing net debt.

Given the above statement was made in respect of the year ended 30 November 2020, being GWSA’s year end, no significant forward-looking assumptions have been made in relation to trading. The sole assumption is that the management accounts of GWSA to 31 October 2020 reflect the financial position of the business and that no unforeseen or unrecorded adverse event or accounting treatments have or will occur that will change them or the final month of GWSA’s financial year 2020 for which such management accounts are being finalised. Neither the above statement nor GWSA Group’s management accounts incorporate the impact of IFRS 16.

15. DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE

The Board on Admission will comprise the following three non-executive directors:

Directors

Adrian Collins (*Independent Non-Executive Chairman, aged 66*)

Adrian has worked in the fund management business for over 40 years, most recently at Liontrust Asset Management where he served as Chairman from 2009 to 2019. Prior to that he was Managing Director at Gartmore Investment Management, where he spent a large part of his career. He is currently Chairman of CIP Merchant Capital Ltd. He is also a Non-Executive Director of Hargreaves Lansdown plc and Bahamas Petroleum Company plc. Adrian was a director of DouglasBay Capital plc from 2008 to 2012, and a director of Tri-Star Resources plc from 2010 until 2020.

Stephen Harley (*Independent Non-Executive Director, aged 69*)

Stephen brings significant international logistics and supply chain expertise to the Board. He spent most of his 42-year career with Ford in logistics and supply chain management and held the most senior positions in this area; executive director for global material planning and logistics and for parts supply and logistics. Stephen was previously Managing Director, Advance Manufacturing for Laing O’Rourke.

Saki Riffner (*Non-Executive Director, aged 44*)

Saki is Chief Investment Officer and Co-Founder of DBAY, and has extensive experience in the logistics and distribution sector, as well as significant knowledge of the Company’s operations. Saki previously worked at Laxey Partners and Rothschild.

Corporate Governance

The Directors acknowledge the importance of high standards of corporate governance. The Directors intend to continue to adhere to the QCA Corporate Governance Code which sets out a standard of minimum best practice for small and mid-sized quoted companies, particularly AIM companies.

Immediately following Admission, the Board will comprise three directors all three of whom shall be non-executive directors, reflecting a blend of different experience and backgrounds.

Following Admission, the Board will meet regularly to review, formulate and approve the Company's strategy, budgets, corporate actions and oversee the Company's progress towards its goals. It has established an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities and with written terms of reference. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

Board Committees

The Company has established Audit and Remuneration Committees comprised solely of non-executive directors.

Audit Committee

The Audit Committee is chaired by Adrian Collins and comprises the independent non-executive directors Adrian Collins and Stephen Harley, as well as Saki Riffner. The Audit Committee is expected to meet formally at least twice a year and otherwise as required. It will have the responsibility for ensuring that the financial performance of the Company is properly reported on and reviewed and its role includes monitoring the integrity of the financial statements of the Company (including annual and interim accounts and results announcements), reviewing internal control and risk management systems, reviewing any changes to accounting policies, reviewing and monitoring the extent of the non-audit services undertaken by external auditors and advising on the appointment of external auditors.

Remuneration Committee

The Remuneration Committee is chaired by Adrian Collins and comprises the independent non-executive directors Adrian Collins and Stephen Harley, as well as Saki Riffner. The Remuneration Committee is expected to meet as required. It will have responsibility for determining, within the agreed terms of reference, the Company's policy on the remuneration packages of the Company's executive management, which at the date hereof comprises solely the Deputy Company Secretary. It will also have responsibility for recommending new appointments to the Board.

Share Dealing Policy

The Company has adopted, a share dealing policy regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on AIM (particularly relating to dealing during closed periods which will be in line with MAR and, following 31 December 2020, UK MAR). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing policy.

Further details relating to remuneration and the Director's service agreements are set out in paragraph 7 – "Directors' Interests" and paragraph 8 – "Directors' Letters of Appointment" of Part V: "Additional Information About the Company" of the Admission Document.

Relationship Agreement and Conflicts of Interest

As set out in paragraph 10 – "Material Contracts" of Part V: "Additional Information About the Company" of the Admission Document, the Relationship Agreement in connection with the Placing between the Company and DBAY shall manage the relationship between the parties thereto, contingent upon Admission, in order to ensure that (i) the Company will at all times be capable of carrying on the business of the Company independently of DBAY and its associates; and (ii) all transactions and

arrangements between the Company and DBAY and/or its associates will be at arm's length and on normal commercial terms.

Saki Riffner is a non-independent non-executive member of the board appointed by DBAY, the proposed investment manager of the Company under the Investment Management Agreement and the manager of the DBAY Funds holding 27.1% of the shares in the Company. In matters relating to the performance of DBAY as the Company's investment manager or other matters brought before the board relating solely to DBAY rather than shareholders as a whole, Saki Riffner (or such other appointee of DBAY from time to time) will recuse himself (or themselves) from discussions and voting. Other conflicts of interest of DBAY as investment manager of the Company are addressed and managed through the Investment Management Agreement and the Relationship Agreement.

16. EMPLOYEES

As at 8 December 2020, being the last practicable date prior to the publication of the Admission Document, the Company has one employee, in addition to the Directors.

17. EMPLOYEE SHARE PLANS

Share Incentive Plan

Free shares in the Company were awarded under its Share Incentive Plan in 2017. The SIP Shares were held by the SIP Trustee (originally Capita IRG Trustees Limited - now Link Asset Services) in accordance with the SIP Trust Deed.

As a result of the DBAY Transaction in 2019, the allocated SIP Shares ceased to be subject to the SIP because the participants were no longer eligible employees for the purposes of the SIP due to a change of control. As a result, the SIP has been terminated and the shares shall be distributed to the employee shareholders.

Long Term Incentive Plan

Nil cost options in respect of ordinary shares in the Company were awarded under the LTIP in 2017 and 2019. The DBAY Transaction resulted in the partial lapsing of LTIP Options awarded to employees of the former subsidiaries of the Company but did not impact the LTIP Options awarded to former employees of the Company.

All outstanding LTIP Options are subject to the LTIP performance conditions having been met at the time of exercise and the LTIP Options not otherwise having lapsed. The outstanding LTIP Options remain subject to the other relevant provisions of the LTIP rules including the applicable provisions relating to malus and clawback. None of the performance criteria have been satisfied to date.

18. TAXATION

Information regarding taxation is set out in paragraph 11 – "Taxation" of Part V: "Additional Information About the Company" of the Admission Document. These details are intended only as a general guide to the current tax position in the UK.

If an investor is in any doubt as to his or her tax position or is subject to tax in a jurisdiction other than the UK, he or she should consult his or her own independent financial adviser immediately.

19. DIVIDEND POLICY

It is expected that, in the near term, the focus of GWSA will be on reducing its debt levels and will not be in a position to pay a dividend to the Company as one of its shareholders. The Directors, therefore, consider it inappropriate to make a forecast on the likelihood of any future dividends, and the Company's dividend policy will also depend on the nature of any future acquisitions, which are not yet known. The Directors intend, however, to commence the payment of dividends when it becomes financially prudent to do so.

The payment of dividends will be subject to the need to retain sufficient funds to finance due diligence on potential acquisition targets, and for other working capital purposes. Within these parameters, it is expected that the Company's dividend policy will remain continually under review.

20. ADMISSION, SETTLEMENT AND DEALINGS

Application has been made to the London Stock Exchange for the Enlarged Ordinary Share Capital to be admitted to trading on AIM. It is expected that Admission will become effective and dealings in the Ordinary Shares on AIM will commence at 8.00 a.m. on 31 December 2020.

The Ordinary Shares will be in registered form and will be capable of being held in either certificated or uncertificated form (i.e. in CREST). Accordingly, following Admission, settlement of transactions in the Ordinary Shares may take place within the CREST system if a Shareholder so wishes. In respect of Shareholders who will receive Ordinary Shares in uncertificated form, Ordinary Shares will be credited to their CREST stock accounts on 31 December 2020. Shareholders who wish to receive and retain share certificates are able to do so and share certificates representing the New Ordinary Shares to be issued pursuant to the Placing, Subscription and Open Offer are expected to be despatched by post to such Shareholders within 10 Business Days of Admission.

CREST is a paperless settlement enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Articles permit the holding of Ordinary Shares in CREST. The Company will apply for the Enlarged Ordinary Share Capital to be admitted to CREST from the date of Admission.

The ISIN of the Ordinary Shares is GB00BD8QVC95. The TIDM is ESL.

21. INTERESTS IN ORDINARY SHARES

Upon Admission, it is expected that the Directors will in aggregate be interested in, directly and indirectly, up to 6,562,340 New Ordinary Shares representing a maximum of approximately 0.9% of the Enlarged Ordinary Share Capital. Further information is available in paragraph 7 – "Directors' Interests" of Part V: "Additional Information About the Company" of the Admission Document.

22. DETAILS OF THE SUBSCRIPTION, PLACING AND OPEN OFFER

The Directors have given careful consideration to the structure of the proposed fundraising and have concluded that Placing, Subscription and the Open Offer is the most suitable option available to the Company and its Shareholders at this time to provide certainty while also allowing participation by existing shareholders.

Through the Subscription, Placing and Open Offer, 320,358,528 New Ordinary Shares will be issued to private investors, Placees and Qualifying Shareholders who validly subscribed under the Open Offer in each case at 5 pence per New Ordinary Share to raise gross proceeds of up to £16.0 million.

The allotment and issue of the New Ordinary Shares is conditional upon the approval by Shareholders of the Resolutions required for the Directors to be authorised to allot the New Ordinary Shares and for statutory pre-emption rights to be disapplied in respect of such allotments. The Resolutions include the relevant approvals required for the implementation of the Subscription, Placing and Open Offer.

Principal Terms of the Subscription and Placing

Private investors have agreed to conditionally subscribe for 108,800,000 Subscription Shares.

DBAY and other Placees have agreed to conditionally subscribe for 71,200,000 Placing Shares.

Centos and Investec, each as agent for the Company, have agreed to use their respective reasonable endeavours to procure Placees for the Placing Shares on the terms of the Placing Agreement. The Placing is not being underwritten.

It is expected that the Placing proceeds and the Subscription proceeds will be received by the Company by 31 December 2020.

Principal terms of the Open Offer

The Directors consider it important that Qualifying Shareholders have the opportunity to participate in the fundraising, and the Directors have concluded that the Open Offer is the most suitable option available to the Company and its Shareholders.

The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the fundraising by both subscribing for their respective Basic Entitlements and by subscribing for Excess Shares under the Excess Application Facility, subject to availability.

Pursuant to the Open Offer, Qualifying Shareholders will be given the opportunity to subscribe for 37 Open Offer Shares for every 100 Existing Ordinary Shares held on the Record Date.

If the Qualifying Shareholders take their full entitlements under the Open Offer, the Open Offer will raise gross proceeds of approximately £7.0 million.

The Placing, the Subscription and the Open Offer are separate and distinct transactions involving the issue of New Ordinary Shares. However, the Open Offer is conditional upon the Placing and will not be implemented independently if for any reason the Placing lapses. Following the close of the subscription period under the Open Offer, any Open Offer Shares not subscribed for by Qualifying Shareholders may be placed by the Company with institutional investors to satisfy further demand at that time.

i. *Basic Entitlement*

Qualifying Shareholders are invited, on and subject to the terms and conditions of the Open Offer, to apply for any number of Open Offer Shares (subject to the limit on the number of Excess Shares that can be applied for using the Excess Application Facility) at the Issue Price. Qualifying Shareholders have a Basic Entitlement of:

37 Open Offer Shares for every 100 Existing Ordinary Shares

registered in the name of the relevant Qualifying Shareholder on the Record Date.

Basic Entitlements under the Open Offer will be rounded down to the nearest whole number and any fractional entitlements to Open Offer Shares will be disregarded in calculating Basic Entitlements and will be aggregated and made available to Qualifying Shareholders under the Excess Application Facility.

The aggregate number of Open Offer Shares available for subscription pursuant to the Open Offer will not exceed 140,358,528 New Ordinary Shares.

Shareholders who do not take up their Basic Entitlements in full will experience a dilution to their interests of approximately 45.8% following the Subscription, the Placing and the Open Offer inter alia (assuming full subscription under the Open Offer). Shareholders who take up their Basic Entitlements in full will suffer a dilution to their interests of 25.7% on the same basis.

ii. *Allocations under the Open Offer*

In the event that valid acceptances are not received in respect of all of the Open Offer Shares under the Open Offer, unallocated Open Offer Shares will be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility provided always that no Qualifying Shareholder (other than the DBAY Funds) shall be entitled to receive in excess of such number of Open Offer Shares as would bring their aggregate interest in the Company to more than the 29.9% Aggregate Limit.

iii. *Excess Application Facility*

Subject to availability and assuming that Qualifying Shareholders have accepted their Basic Entitlement in full, the Excess Application Facility enables Qualifying Shareholders to apply for any whole number of Excess Shares in addition to their Basic Entitlement up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder's Basic Entitlement, subject always to the 29.9% Aggregate Limit.

Qualifying Non-CREST Shareholders who wish to apply to subscribe for more than their Basic Entitlement should complete the relevant sections on the Application Form and should refer to paragraph 4(a)(iii) of Part VII: "Terms and Conditions of the Open Offer" of the Admission Document

for further information. Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to paragraph 4(b)(iii) of Part VII: "Terms and Conditions of the Open Offer" of the Admission Document for information on how to apply for Excess Shares pursuant to the Excess Application Facility.

Excess Applications may be allocated in such a manner as the Directors (in consultation with Cenkos and Investec) may determine, in their absolute discretion, and no assurance can be given that applications by Qualifying Shareholders under the Excess Application Facility will be met in full or in part or at all.

iv. *Application procedure under the Open Offer*

Qualifying Shareholders may apply for any whole number of Open Offer Shares subject to the limit on applications under the Excess Application Facility referred to above. The Basic Entitlement, in the case of Qualifying Non-CREST Shareholders, is equal to the number of Basic Entitlements as shown in Box 7 on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Basic Entitlements standing to the credit of their stock account in CREST.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating their Basic Entitlements.

Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Basic Entitlement and also in respect of their Excess CREST Open Offer Entitlement as soon as practicable after 8.00 a.m. on 10 December 2020.

Application will be made for the Basic Entitlements and Excess CREST Open Offer Entitlements to be admitted to CREST. The Basic Entitlements and Excess CREST Open Offer Entitlements will also be enabled for settlement in CREST as soon as practicable after 8.00 a.m. on 10 December 2020. Applications through the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying CREST Shareholders should note that, although the Basic Entitlements and Excess CREST Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying Non-CREST Shareholders should note that their Application Form is not a negotiable document and cannot be traded.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part VII: "Terms and Conditions of the Open Offer" of the Admission Document and, where relevant, on the Application Form.

v. *Conditionality*

The Placing and the Open Offer are conditional upon, among other things, the following:

- the passing (without amendment) at the General Meeting of the Resolutions and the Resolutions becoming unconditional;
- the London Stock Exchange agreeing to admit (subject only to allotment where relevant) the Enlarged Ordinary Share Capital to trading on AIM;
- Admission taking place by not later than 8.00 a.m. on 31 December 2020 (or such later date as the Company, Cenkos and Investec may agree as the date for Admission, but in any event not later than 8.00 a.m. on 31 January 2021);
- The Company having received, in cleared funds, the aggregate amounts payable under the Subscription prior to Admission; and
- the Placing Agreement becoming unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms prior to Admission.

If the conditions set out above are not satisfied or waived (where capable of waiver):

- the Placing and the Open Offer will lapse;
- the Placing Shares will not be issued and all monies received from the Placees in respect of the Placing Shares will be returned to the Placees (at the Placees' risk and without interest) as soon as possible thereafter;
- any Basic Entitlements and Excess CREST Open Offer Entitlements admitted to CREST will, after that time and date, be disabled and application monies under the Open Offer will be refunded to the applicants, by cheque (at the applicant's risk) in the case of Qualifying Non-CREST Shareholders and by way of a CREST payment in the case of Qualifying CREST Shareholders, without interest, as soon as practicable thereafter.

In addition, the Subscription Agreement is conditional on re-admission of the Company's entire issued and to be issued share capital to the AIM prior to 31 January 2021. It is therefore not conditional on the Placing or Open Offer as long as the conditions for the readmission of the Company's share capital are met before 31 January 2021.

The Placing, the Subscription and the Open Offer are separate and distinct transactions involving the issue of New Ordinary Shares. However, the Open Offer is conditional on the Placing and will not be implemented independently if for any reason the Placing lapses.

Settlement

Application will be made to the London Stock Exchange for the Enlarged Ordinary Share Capital to be admitted to trading on AIM. Admission is expected to take place, and dealings on AIM are expected to commence, at 8.00 a.m. on 31 December 2020 (or such later time and/or date as may be agreed between the Company, Cenkos and Investec, being no later than 8.00 a.m. on 31 January 2021). No temporary document of title will be issued.

The New Ordinary Shares will be issued free of all liens, charges and encumbrances and will, following Admission, rank *pari passu* in all respects with the Existing Ordinary Shares in issue at the date of the Admission Document and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Ordinary Shares after Admission.

Qualifying Shareholders should note that the Open Offer is not a rights issue. Qualifying Shareholders should be aware that in the Open Offer, unlike with a rights issue, any Open Offer Shares not applied for by Qualifying Shareholders under their Basic Entitlements will not be sold in the market on behalf of, or placed for the benefit of, Qualifying Shareholders who do not apply under the Open Offer but may be allotted to Qualifying Shareholders to meet any valid applications under the Excess Application Facility and that the net proceeds will be retained for the benefit of the Company.

Qualifying Shareholders are being invited to participate in the Open Offer and (subject to certain exceptions) will have received an Application Form with the Admission Document. However Qualifying Shareholders are not entitled to participate in the Placing and the Subscription unless expressly invited by the Company, Cenkos and Investec to do so.

In issuing the Admission Document and structuring the Placing, Subscription and the Open Offer in this manner, the Company is relying on the exemption from issuing a prospectus in section 85(5) and paragraph 9 of Schedule 11A of FSMA and on paragraphs 43 and 60 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended).

Any Qualifying Shareholder who has sold or transferred all or part of his registered holding(s) of Existing Ordinary Shares prior to the date on which the shares are marked 'ex-entitlement' is advised to consult his stockbroker, bank or other agent through or to whom the sale or transfer was effected as soon as possible since the invitation to apply for Open Offer Shares under the Open Offer may be a benefit which may be claimed from him by the purchasers under the rules of the London Stock Exchange.

Upon completion of the Placing, Subscription and the Open Offer, the New Ordinary Shares will represent approximately 45.6% of the Enlarged Ordinary Share Capital.

23. THE PLACING AGREEMENT

Pursuant to the terms of the Placing Agreement, Cenkos and Investec, each as joint broker for the Company, have agreed to use their respective reasonable endeavours to procure subscribers for the Placing Shares. The Placing is not being underwritten.

The Placing Agreement is conditional upon, among other things, the conditions set out above (– paragraph v – “Conditionality” of Section 22 – “Details of The Subscription, Placing and Open Offer”) and none of the warranties or undertakings given to Cenkos and Investec prior to Admission being or becoming untrue, inaccurate or misleading.

The Placing Agreement contains customary warranties given by the Company in favour of Cenkos and Investec in relation to, among other things, the accuracy of the information in the Admission Document and other matters relating to the Company and its business.

Each of Cenkos and Investec have the right to terminate the Placing Agreement in certain circumstances prior to Admission. In particular, in the event of breach of the warranties or a material adverse change or if the Placing Agreement does not become unconditional.

24. REASONS FOR ADMISSION, THE SUBSCRIPTION, PLACING, AND OPEN OFFER, AND USE OF PROCEEDS

The Directors believe that Admission to AIM will have the following benefits:

- provide access to equity capital to support the Company’s Investing Policy;
- quoted shares may be an attractive form of consideration to vendors of potential investee companies; and
- enhance the Company’s reputation and profile with potential investee companies.

As described above, following completion of the DBAY Transaction, the Company became a "cash shell" pursuant to the AIM Rules and therefore, in order to remain quoted on AIM, had been required, *inter alia*, to complete an acquisition or acquisitions constituting a reverse takeover or convert to an Investing Company under the AIM Rules by 9 June 2020. The global COVID-19 pandemic has impacted public fundraising activities and noting the Company's retained interest in GWSA Group, the London Stock Exchange subsequently agreed with the Company to an extension to this timeline to 9 December 2020. For the purposes of this requirement, becoming an Investing Company (which entails raising a minimum of £6 million in cash via an equity fundraising and publishing an admission document) is treated as a reverse takeover.

The Company will receive approximately £14.7 million of net proceeds from the Placing and Open Offer (after deducting fees and other related expenses incurred by the Company of approximately £1.3 million). The Company intends to use the net proceeds from the Placing and Open Offer for its ongoing working capital requirements and due diligence costs, and the balance will be used to acquire a proportion of the Loan Notes as the Investment Manager may decide, as well as other general corporate purposes.

25. RULE 9 WAIVER

The Concert Party currently holds 29.90% of the Existing Ordinary Shares (equalling 113,436,794 Existing Ordinary Shares). The Concert Party has agreed to subscribe for 77,000,000 New Ordinary Shares pursuant to the Placing and Subscription, and may subscribe for up to 41,971,614 Open Offer Shares in the Open Offer, resulting in a maximum shareholding of 38.49% of the Enlarged Ordinary Share Capital.

The Takeover Code is issued and administered by the Panel. The Company is a company to which the Takeover Code applies, and its Shareholders are entitled to the protections afforded by the Code. Shareholders should be aware of Rule 9 of the Takeover Code. Rule 9 of the Takeover Code requires any person who acquires, whether by a series of transactions over a period of time or not, an interest (as defined in the Takeover Code), in shares which, individually or taken together with shares in which persons acting in concert with such person are interested, carry 30% or more of the voting rights of a company which is subject to the Code, is normally required to make a general offer to all the remaining

shareholders to acquire their shares (a "**Rule 9 Offer**"). Rule 9 of the Takeover Code also requires that a Rule 9 Offer must be made if a person (or group of persons acting in concert) is interested in shares carrying 30% or more of the voting rights in that company but does not hold shares carrying more than 50% of the voting rights in that company, and that person, or any person acting in concert with it, acquires further interests in shares carrying voting rights in the company.

An offer under Rule 9 of the Takeover Code must be made in cash (or with a cash alternative) and at the highest price paid by the person required to make the offer, or any persons acting in concert with such person, for any interest in shares of the company during the 12 months prior to the announcement of the offer.

Members of the Concert Party hold 29.9% of the Company's issued share capital, which when combined with the Concert Party's maximum participation in the Placing, the Subscription and Open Offer, may result in the Concert Party holding a maximum of 38.49% of the Enlarged Ordinary Share Capital. Under Note 1 on the dispensations from Rule 9 of the Code, in the prescribed circumstances the Panel will normally waive the obligation if, inter alia, there is an independent vote at a shareholders' meeting.

The Panel has agreed, subject to the Whitewash Resolution being passed on a poll by Independent Shareholders at the General Meeting, to waive the obligation to make a mandatory offer under Rule 9 of the Takeover Code for the entire issued share capital of the Company that the Concert Party would otherwise be required to make (such waiver is commonly referred to as a "**Whitewash**"). Neither the DBAY Funds nor any other member of the Concert Party (nor any adviser connected to them) are permitted to exercise their voting rights in respect of the Whitewash Resolution but may exercise their voting rights in respect of the remainder of the Resolutions.

The Rule 9 Waiver will be invalidated if any purchases are made by the DBAY Funds or any other member of the Concert Party, in the period between the date of the Admission Document and the General Meeting. Furthermore, neither the DBAY Funds, nor any other member of the Concert Party have purchased Ordinary Shares in the 12 months preceding the date of the Admission Document.

If the Whitewash Resolution is passed by the Independent Shareholders at the General Meeting, DBAY will not be restricted from making an offer for the Ordinary Shares in the Company.

DBAY and the other members of the Concert Party have confirmed to the Company that they are not proposing, following any increase in their percentage interests in Ordinary Shares or voting rights as a result of the Placing, the Subscription and Open Offer, and save for the Company's proposed conversion to an Investing Company, to seek any change in the general nature of the Company's business.

DBAY and the other members of the Concert Party have also each confirmed that they have no intention to make any changes regarding the future of the Company's business, the locations of the Company's places of business and the continued employment of its employees and management (and those of its subsidiaries) as a result of any increase in their percentage interests in Ordinary Shares or voting rights as a result of the Subscription, Placing and Open Offer nor will there be any redeployment of the fixed assets of the Company as a result of such an increase. The Concert Party intends that the Company's Enlarged Ordinary Share Capital is admitted to AIM and that following Admission, the Company remains quoted on AIM.

DBAY and the other members of the Concert Party have no intention of making any changes in relation to:

- the future business of the Company (save for the Company's proposed conversion to an investing company);
- any research and development activities of the business;
- the continued employment of the Company's (and its subsidiaries) employees and management, including any material change in the conditions of employment or in the balance of the skills and functions of the employees and management;
- the strategic plans of the Company;
- the location of the Company's places of business;

- employer contributions into the Company's pension scheme and the admission of new members;
- the redeployment of any fixed assets of the Company;
- the maintenance of the trading facilities for the Company's shares to be admitted to AIM.

The effect of the proposals outlined above will not have a significant impact on DBAY's earnings, assets or liabilities.

Note, for the avoidance of doubt, that the above confirmations are in relation to the Company only and they do not extend to the GWSA Group.

The Independent Directors fully agree with the Concert Party's intentions and strategic plans, in particular, in relation to their likely repercussions on employment and the locations of the Company's place of business.

Under Rule 25.2 of the Code, only the Independent Directors are able to make a recommendation to the Independent Shareholders with respect to the proposed Whitewash Resolution. The Independent Directors believe it is in the best interests of the Company that the Whitewash Resolution be passed in order to enable the DBAY Funds and other members of the Concert Party to agree to subscribe for 77,000,000 Ordinary Shares pursuant to the Subscription and Placing, and to allow the DBAY Funds and other members of the Concert Party to take up their rights under the Open Offer, to ensure that the minimum amount of investment required under the AIM Rules of £6 million is met in order for the Company to become an investment company within the meaning of the AIM Rules.

26. GENERAL MEETING

The Directors do not currently have authority to allot all of the New Ordinary Shares under the Subscription, Placing and Open Offer and, accordingly, the Company is seeking approval of Shareholders to grant additional authority to the Directors to allot the New Ordinary Shares and to disapply statutory pre-emption rights which would otherwise apply to the allotment at the General Meeting.

The General Meeting of the Company, notice of which is set out at the end of the Admission Document, is to be held at 11.00 a.m. on 29 December 2020 at the offices of King & Spalding, 125 Old Broad Street, London EC2N 1AR. The General Meeting is being held for the purpose of considering and, if thought fit, passing the Resolutions in order to approve the authorities required to allot and issue the New Ordinary Shares.

As a result of the ongoing COVID-19 pandemic and the measures that the UK Government has put in place restricting public gatherings and non-essential travel and for the health and safety of our shareholders, employees, advisers and the general public, the General Meeting will be a closed meeting and shareholders will not be able to attend in person. Given these restrictions in place, voting on the Resolutions will be conducted by way of a poll rather than a show of hands and all shareholders are strongly encouraged to vote by proxy, appointing the Chairman as a proxy to ensure that their vote can be cast.

A summary and explanation of the Resolutions is set out below. Please note that this is not the full text of the Resolutions and you should read this section in conjunction with the Resolutions contained in the Notice of General Meeting at the end of the Admission Document.

- *Resolution 1: Authority to allot New Ordinary Shares*

This ordinary resolution will grant the Directors authority to allot up to 320,358,528 New Ordinary Shares in connection with the Subscription, Placing and Open Offer. The authority given by this Resolution will expire 90 days after the date of the passing of the Resolution and is conditional on the passing of Resolutions 2, 3 and 4. This authority will be in addition to the any authorities previously given to Directors.

- vi. *Resolution 2: Disapplication of pre-emption rights in respect of the New Ordinary Shares*

This special resolution disapplies statutory pre-emption rights in respect of the allotment up to 320,358,528 New Ordinary Shares to be allotted in connection with the Subscription, Placing and

Open Offer. The authority given by this Resolution will expire 90 days after the date of the passing of the Resolution and is conditional on the passing of Resolutions 1, 3 and 4. This authority will be in addition to the any authorities previously given to Directors.

vii. *Resolution 3: Waiver of Rule 9*

This ordinary resolution approves the conditional waiver granted by the Panel of the obligation that would otherwise arise under Rule 9 of the Takeover Code for the Concert Party to make a mandatory offer for the Company, as a result of the issue to DBAY and other members of the Concert Party of up to 118,971,614 Ordinary Shares pursuant to the Subscription, Placing, and Open Offer.

viii. *Resolution 4: Conversion to an Investing Company and approval of entry into Investment Management Agreement incorporating the Company's Investing Policy*

This ordinary resolution will approve the Company's conversion to an Investing Company, and authorise the Company to enter into the Investment Management Agreement.

Action to be taken in respect of the General Meeting

A Form of Proxy for use at the General Meeting accompanies the Admission Document. The Form of Proxy should be completed and signed in accordance with the instructions thereon and returned to the Company's Registrars Link Group, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU by post by no later than 11.00 a.m. on 23 December 2020 (or if the General Meeting is adjourned, 48 hours before the time fixed for the adjourned meeting).

If you hold your Existing Ordinary Shares in uncertificated form in CREST, you may vote using the CREST electronic proxy appointment service or by using the procedures described in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of the Admission Document. Proxies submitted by CREST must be transmitted so as to be received by the Company's agent, Link Group(ID: RA10) by no later than 11.00 a.m. on 23 December 2020 (or if the General Meeting is adjourned, 48 hours before the time fixed for an adjourned meeting).

27. INDEPENDENT ADVICE

Cenkos has provided competent, independent advice to the Independent Directors, in accordance with the requirements of paragraph 4(a) of the Appendix to the Takeover Code, in relation to the granting of the Rule 9 Waiver, and as to the controlling position it will create, and the effect which they will have on the Shareholders generally.

In providing such advice Cenkos has taken into account the Independent Directors' commercial assessments.

28. PROPOSED RELATED PARTY TRANSACTIONS

As a result of its substantial shareholding in the Company, DBAY is deemed to be a related party of the Company under the AIM Rules. The Company's proposed entry into the Investment Management Agreement with DBAY, and DBAY's proposed participation in the Placing (details of which are set out in paragraph 1 – "Introduction" of Part VI: "Additional Information on Whitewash / Waiver of Rule 9" of the Admission Document), are therefore each deemed to constitute related party transactions pursuant to Rule 13 of the AIM Rules.

The Independent Directors, comprising Adrian Collins and Stephen Harley, consider, having consulted with Cenkos as the Company's nominated adviser, that the terms of both related party transactions are fair and reasonable insofar as Shareholders are concerned.

The Directors are participating in the Placing and Subscription as set out below:

Adrian Collins	1,000,000 Ordinary Shares
Stephen Harley	1,000,000 Ordinary Shares
Saki Riffner*	3,000,000 Ordinary Shares

*Given his role as Chief Investment Officer of DBAY, Mr Riffner is also deemed to have a beneficial interest in the 48,600,000 shares being placed with funds under the discretionary management of DBAY pursuant to the Placing.

The participation by the Directors in the Placing and Subscription constitutes a related party transaction for the purposes of the AIM Rules.

As there are no independent directors (for the purposes of the Directors' subscriptions) to provide a fair and reasonable statement because all of the Directors are participating in the Placing or Subscription, Cenkos (in its capacity as nominated adviser for the purposes of the AIM Rules) considers that the participation by the Directors in the Placing and Subscription is fair and reasonable insofar as the Shareholders are concerned.

29. RECOMMENDATION & IMPORTANCE OF VOTE

Importance of the vote

The Company became a cash shell on 9 December 2019 and so it is required to complete a reverse takeover or become an Investing Company and complete an equity fund raise of at least £6 million, by 9 June 2020. The global COVID-19 pandemic has impacted public fundraising activities and noting the Company's retained interest in GWSA Group, AIM agreed with the Company to an extension to this timeline to 9 December 2020. If the Shareholders do not approve each of the Resolutions then the conversion to an investing company will not take place, the Subscription, Placing and Open Offer cannot be implemented and Company will be initially suspended from trading on AIM and after six months of being suspended, the Company's admission to trading on AIM would be cancelled. In addition, the Company intends to use the net proceeds from the Subscription, Placing and Open Offer for its ongoing working capital requirements. If the Resolutions are not passed, and the funds not received, the Company would need to raise funds from other sources which may not be available on terms favourable to the Company.

The Whitewash Resolution

The Independent Directors, being Adrian Collins and Stephen Harley, who have been so advised by Cenkos, consider the Proposals to be fair and reasonable and in the best interests of the Independent Shareholders and the Company as a whole. Accordingly, the Independent Directors unanimously recommend that Independent Shareholders vote in favour of the Whitewash Resolution to be proposed at the General Meeting.

Stephen Harley, the sole Independent Director who holds Shares, intends to vote in favour of the Whitewash Resolution.

Other Resolutions

The Directors consider the Placing, Subscription, Open Offer, Admission and the conversion to an Investing Company to be fair and reasonable and in the best interests of the Company as a whole and accordingly unanimously recommend that Shareholders vote in favour of Resolutions 1, 2 and 4 at the General Meeting.

Stephen Harley and Saki Riffner, the Directors who hold Shares, intend to vote in favour of Resolutions 1, 2, and 4.

KEY STATISTICS

Existing share capital at the date of the Admission Document

Number of Existing Ordinary Shares

379,347,372

Subscription, Placing and Open Offer

Issue Price	5 pence
Maximum number of New Ordinary Shares to be issued by the Company pursuant to the Subscription, Placing and Open Offer	320,358,528
Maximum gross proceeds of the Subscription, Placing and Open Offer receivable by the Company	£16.0 million
Percentage of Enlarged Ordinary Share Capital represented by the New Ordinary Shares ⁽²⁾	45.6%
Estimated net proceeds of the Subscription, Placing and Open Offer receivable by Company ⁽¹⁾⁽²⁾	£14.7 million

Upon Admission

Maximum number of Ordinary Shares in issue upon Admission	702,205,900
TIDM	ESL
ISIN of the Company's Ordinary Shares	GB00BD8QVC95
ISIN of the Open Offer Entitlements	GB00BMCWGY34
ISIN of the Excess CREST Open Offer Entitlements	GB00BMCWGWZ41
SEDOL of the Company's Ordinary Shares	BD8QVC9
LEI number	213800N5AWXCFP613J91

(1) Net proceeds receivable by the Company are stated after deducting fees and other related expenses and VAT of approximately £1.3 million.

(2) Assuming the Open Offer is fully subscribed

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2020

Record Date for entitlement to participate in the Open Offer for current and former participants in the LTIP and SIP respectively	6.00 p.m. on 7 December
Record Date for entitlement to participate in the Open Offer for holders of Ordinary Shares	6.00 p.m. on 7 December
Announcement of the Subscription, Placing and the Open Offer	9 December
Ex-entitlement Date for the Open Offer	8.00 a.m. on 9 December
Publication and posting of the Admission Document (including Notice of General Meeting), the Application Form (if applicable) and the Form of Proxy	9 December
Open Offer Entitlements credited to stock accounts in CREST of from Qualifying CREST shareholders	as soon as practicable 8.00 a.m. on 10 December
Latest time and date for receipt of completed application forms and payment in full under the SIP	11.00 a.m. on 18 December
Recommended latest time and date for requesting withdrawal of Open Offer Entitlements from CREST	4.30 p.m. on 18 December
Latest time and date for depositing Open Offer Entitlements into CREST	3.00 p.m. on 21 December
Latest time and date for splitting of Application Forms (to satisfy bona fide market claims only)	3.00 p.m. on 22 December

Latest time and date for receipt of Forms of Proxy for the General Meeting and receipt of electronic proxy appointments via the CREST system	11.00 a.m. on 23 December
Latest time and date for receipt of completed application forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 24 December
General Meeting	11.00 a.m. on 29 December
Announcement of the result of the General Meeting and Open Offer	29 December
Admission and commencement of dealings in the Enlarged Ordinary Share Capital on AIM	8.00 a.m. on 31 December
Expected date for CREST accounts to be credited (where applicable)	8.00 a.m. on 31 December
Despatch of definitive share certificates (where applicable) by	within 10 Business Days of Admission

Notes:

- (1) *The ability to participate in the Open Offer is subject to certain restrictions relating to Qualifying Shareholders with registered addresses or who are located or resident in countries outside the UK (particularly the Excluded Overseas Shareholders), details of which are set out in Part VII: "Terms and Conditions of the Open Offer" of the Admission Document. Subject to certain exceptions, Application Forms will not be despatched to, and Open Offer Entitlements will not be credited to the stock accounts in CREST of, Shareholders with registered addresses in any of the Restricted Jurisdictions.*
- (2) *Each of the times and dates set out in the above timetable and mentioned in the Admission Document is subject to change by the Company (with the agreement of Cenkos and Investec), in which event details of the new times and dates will be notified to the London Stock Exchange and the Company will make an appropriate announcement to a RIS.*
- (3) *References to times in the Admission Document are to London times unless otherwise stated.*
- (4) *Different deadlines and procedures for applications may apply in certain cases. For example, if you hold your Existing Ordinary Shares through a CREST member or other nominee, that person may set an earlier date for application and payment than the dates noted above.*

DEFINITIONS

The following definitions apply throughout the Admission Document, the Form of Proxy and the Application Form unless the context requires otherwise or unless it is otherwise specifically provided:

"£" or "Pounds" or "Sterling"	pounds sterling, the lawful currency of the UK
"29.9% Aggregate Limit"	a restriction on any Shareholder acquiring any New Ordinary Shares pursuant to the Open Offer which would, when aggregated with any existing interests in shares held by such Shareholder, result in such Shareholder holding an interest in shares which (taken together with shares in which persons acting in concert with such Shareholder are interested) carry 30% or more of the voting rights of the Company
"Act"	the Companies Act 2006 (as amended)
"Admission"	the admission of the Enlarged Ordinary Share Capital to trading on AIM becoming effective in accordance with the AIM Rules

“Admission Document” or “Document”	the Admission Document dated 9 December 2020
“AIM”	the market of that name operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time (including, without limitation, any guidance notes or statements of practice) which govern the rules and responsibilities of companies whose shares are admitted to trading on AIM
“AIM Rules for Nominated Advisers”	the rules setting out the eligibility, ongoing obligations and certain disciplinary matters in relation to nominated advisers, as published by the London Stock Exchange from time to time
“Alpha”	Alpha Cassiopeiae Limited, a company incorporated in the Isle of Man (company no. 016522V), whose registered office is at First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF
“Application Form”	the application form accompanying the Admission Document to be used by Qualifying Non-CREST Shareholders in connection with the Open Offer
“Articles”	the articles of association of the Company, as at the date of Admission, a summary of which is set out in paragraph 5 – “Articles of Association” of Part V: “Additional Information About the Company” of the Admission Document
“Audit Committee”	the audit committee of the Board, as constituted from time to time
“Basic Entitlement	the Open Offer Shares which a Qualifying Shareholder is entitled to subscribe for under the Open Offer calculated on the basis of 37 Open Offer Shares for every 100 Existing Ordinary Shares held by that Qualifying Shareholder as at the Record Date (subject to any adjustment required to remain within the Maximum Limit)
“Board”	the board of Directors of the Company from time to time, or a duly constituted committee thereof
“Business Day”	any day (other than a Saturday or Sunday) upon which commercial banks are open for business in London
“Cenkos”	Cenkos Securities plc, a public limited company incorporated in England and Wales with registered number 5210733 and registered office at 6, 7, 8, Tokenhouse Yard, London, EC2R 7AS, the Company's nominated adviser and joint broker
“certificated” or “in certificated form”	recorded on the relevant register of the share or security concerned as being held in certificated form in physical paper (that is not in CREST)
“Company”	Eddie Stobart Logistics plc, a public limited company incorporated in England & Wales with registered number 08922456
“Concert Party”	the DBAY Funds and those acting, or deemed to be acting, in concert with it, as more fully described in paragraph 1 –

	“Introduction” of Part VI: “Additional Information on Whitewash / Waiver of Rule 9” of the Admission Document
“CREST”	the computer based system and procedures which enable title to securities to be evidenced and transferred without a written instrument, administered by Euroclear UK & Ireland in accordance with the CREST Regulations
“CREST member”	a person who has been admitted to CREST as a system-member (as defined in the CREST Regulations)
“CREST Proxy Instruction”	the appropriate CREST message made to appoint a proxy, properly authenticated in accordance with Euroclear’s specifications
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time)
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored
“DBAY”	DBAY Advisors Limited a company incorporated in the isle of Man (company number 126150C) whose registered office is at 4th Floor, Derby House, 64 Athol Street, Douglas, Isle of Man IM1 1JD
“DBAY Funds”	certain funds advised by DBAY (being DouglasBay Capital II Fund LP, DouglasBay Capital II Cayman Fund LP and DouglasBay Capital III Fund LP)
“DBAY Directors”	Mike Haxby, Colin Kingsnorth, Jim Mara, Clive Parrish, Alex Paiusco, Alexandra Ammann-Pfennig, David Morrison and Saki Riffner
“DBAY Transaction”	the disposal by the Company to the DBAY Funds of a 51% indirect interest in GWSA Group on 9 December 2019, under the terms of the 2019 SPA, the 2019 TSA, the SHA, and other related documents, as set out in paragraph 10 – “Material Contracts” of Part V: “Additional Information About the Company”, and paragraph 5 – “DBAY Transaction” of Part VI: “Additional Information on Whitewash / Waiver of Rule 9” of the Admission Document
“Directors”	the Directors of the Company as at the date of the Admission Document, whose names are set out on page 9 of the Admission Document
“EBIT”	earnings before interest and taxes
“EBITDA”	earnings before interest, taxes, depreciation and amortisation
“Enlarged Ordinary Share Capital”	the Ordinary Shares in issue immediately following the Subscription, Placing and Open Offer, comprising the Existing Ordinary Shares and the New Ordinary Shares
“EU”	the European Union

“Euroclear ”	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales with registered number 2878738 and the operator of CREST
“Ex-entitlement Date”	means 8.00 a.m. on 9 December 2020
“Excess Applications”	applications pursuant to the Excess Application Facility
“Excess Application Facility”	the mechanism whereby a Qualifying Shareholder, who has taken up his Basic Entitlement in full, can apply for Excess Shares up to an amount equal to the total number of Open Offer Shares available under the Open Offer less an amount equal to a Qualifying Shareholder’s Basic Entitlement
“Excess CREST Open Offer Entitlements”	in respect of each Qualifying CREST Shareholder who has taken up his Basic Entitlement in full, the entitlement to apply for Open Offer Shares in addition to his Basic Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which may be subject to scaling back in accordance with the provisions of the Admission Document
“Excess Shares”	Open Offer Shares which are not taken up by Qualifying Shareholders pursuant to their Basic Entitlement and which are offered to Qualifying Shareholders under the Excess Application Facility
“Excluded Overseas Shareholders”	other than as agreed by the Company, Cenkos and Investec or as permitted by applicable law, Shareholders who are located or have registered addresses in a Restricted Jurisdiction
“Existing Ordinary Shares”	the 379,347,372 Ordinary Shares in issue as at the date of the Admission Document
“FCA”	the Financial Conduct Authority of the United Kingdom
“Form of Proxy”	the form of proxy accompanying the Admission Document for use by Shareholders in relation to the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“FTL”	full truck load
"FY15"	the financial year ended 30 November 2015
"FY17"	the financial year ended 30 November 2017
“FY18”	the financial year ended 30 November 2018
“FY19”	the financial year ended 30 November 2019
“General Meeting”	the General Meeting of the Company to be convened in accordance with the Notice of General Meeting set out in the Appendix to the Admission Document
“Group”	the Company, its subsidiaries and its subsidiary undertakings

“GWSA”	Greenwhitestar Acquisitions Limited, a limited company incorporated in England and Wales under company number 8922540
“GWSA Group”	Marcelos Limited and all of its subsidiaries from time to time
“HMRC”	HM Revenue and Customs
“iForce”	iForce Group Limited, a limited company incorporated in England and Wales under company number 04696839
IFRS	International Financial Reporting Standards
“Independent Director”	those directors of the Company other than Saki Riffner or such other director being an appointee or associate of DBAY
“Independent Shareholders”	Shareholders who are independent of a person who would otherwise be required to make a Rule 9 Offer and any person acting in concert with such person (as defined by the Takeover Code) which, for the purposes of the Whitewash Resolution, excludes the Concert Party
“Investec”	Investec Bank plc, the Company's joint broker
“Investing Company”	an Investing Company as defined by the AIM Rules
“Investment Management Agreement”	an investment management agreement proposed to be entered into between the Company and DBAY, pursuant to which DBAY is to be appointed as the Company's investment manager
“Investing Policy”	the Company's proposed investing policy more particularly set out in paragraph 7 – “Investing Policy” of Part I: “Letter from the Chairman” of the Admission Document
“Issue Price”	5 pence per New Ordinary Share
“Joint Brokers”	together, Cenkos and Investec
“London Stock Exchange”	London Stock Exchange plc
“Loan Notes”	the 18% payment in kind loan notes issued by Alpha to Alpha Persei Limited (a vehicle wholly owned by DBAY Funds) under the terms of the PIK Loan Facility
“LTIP” or “Long Term Incentive Plan”	the Company's Long Term Incentive Plan 2017 as further described in paragraph 5 – “Employee Share Plans – Long Term Incentive Plan” of Part V: “Additional Information About the Company” of the Admission Document
“LTIP Options”	nil cost options in respect of ordinary shares in the Company awarded under the LTIP in 2017 and 2019
“MAR”	the Market Abuse Regulation 596/2014/EU
“Marcelos”	Marcelos Limited, a company incorporated in the Isle of Man (company no. 016829V), whose registered office is at First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF

“Maximum Limit”	the maximum aggregate number of 140,358,528 Open Offer Shares that can be subscribed for under Open Offer
“Money Laundering Regulations”	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, as amended
“New Ordinary Shares”	up to 320,358,528 new Ordinary Shares to be issued and allotted pursuant to the Subscription, Placing and Open Offer
“Open Offer”	means the offer of New Ordinary Shares to Qualifying Shareholders constituting an invitation to subscribe for Open Offer Shares at the Issue Price on the terms and subject to the conditions set out in the Admission Document and the Application Form;
“Open Offer Entitlements”	entitlements to subscribe for New Ordinary Shares allocated to Qualifying Shareholders pursuant to the Open Offer
“Open Offer Shares”	the 140,358,528 new Ordinary Shares to be offered to Qualifying Shareholders under the Open Offer
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company
“Panel”	the Panel on Takeovers and Mergers
“PIK Loan Facility”	an agreement under which Alpha Persei Limited, a vehicle wholly owned by DBAY Funds advanced approximately £55 million in cash to Alpha, which was on-lent to GWSA (as further described in Paragraph 10 – “Material Contracts” of Part V: “Additional Information About the Company” of the Admission Document
“Placee”	any person or entity subscribing for Placing Shares pursuant to the Placing
“Placing”	the conditional placing of the Placing Shares by Cenkos and Investec, each as agents for the Company, pursuant to the terms of the Placing Agreement
“Placing Agreement”	the placing agreement dated 9 December 2020 between, inter alia, the Company, Cenkos and Investec, relating to the Placing and Open Offer
“Placing Shares”	71,200,000 Ordinary Shares to be issued pursuant to the Placing
“Proposals”	the Subscription, Placing, Open Offer, Rule 9 Waiver, Admission and the conversion of the Company to an investing company
“Prospectus Regulation Rules”	the Prospectus Regulation Rules made by the FCA pursuant to Part VI of FSMA
“QCA”	the Quoted Companies Alliance
“QCA Corporate Governance Code”	the QCA Corporate Governance Code for Small and Mid-Size Quoted Companies published by the QCA from time to time

“Qualifying CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in uncertificated form
“Qualifying Non-CREST Shareholders”	Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company on the Record Date are held in certificated form
“Qualifying Shareholders”	holders of Existing Ordinary Shares on the register of members of the Company at the Record Date with the exception (subject to certain exceptions) of Excluded Overseas Shareholders
“Registrars” or “Receiving Agent”	both being Link Group, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU
“Record Date”	the record date for entitlement to participate in the Open Offer, being 6.00 p.m. on 7 December 2020 for holders of Ordinary Shares, and 6.00 p.m. on 7 December 2020 for current and former participants in the LTIP and SIP respectively
"Regulation S"	Regulations S promulgated under the Securities Act
“Relationship Agreement”	the agreement entered into between the Company and DBAY, contingent on Admission, more particularly described in paragraph 10 – “Material Contracts” of “Part V: Additional Information About the Company” of the Admission Document
“Remuneration Committee”	the remuneration committee of the Board, as constituted from time to time
“Resolutions”	the ordinary and special resolutions to be voted on in the General Meeting as set out in the notice of General Meeting set out in the Appendix to the Admission Document
"Restricted Jurisdiction"	each of Australia, Canada, Japan, South Africa, the United States, and any other jurisdiction where the distribution of the Admission Document may be restricted by law
“RIS”	a Regulatory Information Service, as defined in the AIM Rules
“Rule 9 Waiver”	the waiver which has been granted by the Takeover Panel (conditional upon the approval of the Whitewash Resolution by the Independent Shareholders) of the obligation of the Concert Party to make a Rule 9 offer under the Takeover Code as a result of the allotment and issue of Ordinary Shares under the Subscription, Placing and Open Offer which could result in the Concert Party coming to hold shares carrying a maximum of 38.49% of the voting rights of the Company
“SDRT”	means Stamp Duty Reserve Tax
"Securities Act"	the U.S. Securities Act of 1933, as amended
“Shareholder(s)”	holder(s) of Ordinary Shares, and where the context so requires, participants in the LTIP and former participants in the SIP
“SIP” or “Share Incentive Plan”	the Company’s Share Incentive Plan, as further described in as further described in paragraph 5 – “Employee Share Plans –

Share Incentive Plan” of Part V: “Additional Information About the Company” of the Admission Document

“SIP Shares”	free shares in the Company awarded under the Company’s Share Incentive Plan in 2017
“SIP Trustee”	Link Asset Services
“SIP Trust Deed”	means the trust deed dated 18 April 2017 and made in relation to the SIP Shares
“Subscription”	the proposed subscription by certain Directors and other parties for the Subscription Shares at the Issue Price, further details of which are set out in the Admission Document
“Subscription Shares”	the 108,800,000 New Ordinary Shares to be subscribed for directly with the Company
“Takeover Code” or “Code”	the City Code on Takeovers and Mergers published by the Panel (as amended from time to time)
“TPN”	The Pallet Network Group Limited, a company incorporated in England & Wales (with company number 09916780), whose registered office is at Prologis Park Midpoint, Midpoint Way, Minworth, Sutton Coldfield, West Midlands, United Kingdom, B76 9EH
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“UK MAR”	MAR as amended by The Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310), as the same has legal force in the United Kingdom by virtue of the European Union Withdrawal Act 2018, as amended.
“uncertificated” or “uncertificated form”	shares or other securities recorded on the relevant register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“U.S.” or “United States”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia and all other areas subject to its jurisdiction
“VAT”	value added tax
“Valid Applications”	in respect of the Open Offer, applications by Qualifying Shareholders and other persons with claims under the Open Offer to apply for Open Offer Shares under their basic and excess entitlements under the Open Offer, which comply with the terms and conditions of the Open Offer; and
“Whitewash Resolution”	the proposed ordinary resolution of the Independent Shareholders that the Rule 9 Waiver be approved, to be proposed on a poll, as set out in the Notice of General Meeting in the Appendix to the Admission Document