

27 March 2023

Logistics Development Group plc

("LDG" or the "Company")

Final Results for year ended 30 November 2023

Logistics Development Group plc, the AIM listed investing company, announces its audited final results for the year ended 30 November 2023.

Full year 2023 Results Summary

- For the year ended 30 November 2023, the Company reported an underlying EBIT¹ of a loss of £12.0m (2022: profit of £1.1m) and a loss before tax of £10.7m (2022: profit before tax of £1.1m).
- The Company has been implementing its broader investing policy since its approval in January 2022. Fixtaia Limited ("Fixtaia") has been set up as the subsidiary vehicle for investments for the Company. All reference to investments below are held in Fixtaia. Details of the investments held at 30 November 2023 are listed below.
- During the financial year, the Company held 16,140,365 shares (12.4%) of Finsbury Foods Group Plc ("Finsbury"). Finsbury operates a speciality foods business which supplies boxed cakes to supermarkets located throughout the United Kingdom. Products include novelty and celebration cakes, chocolate cakes and other bakery goods. In September 2023, Frisbee Bidco Limited and Finsbury reached an agreement on the terms of a recommended cash offer at 110p per ordinary share of 1p each in the capital of Finsbury, to be effected by way of a scheme of arrangement. On 3 November 2023, the Company noted that the requisite majority of Finsbury shareholders had voted to pass the resolution to approve and implement the scheme of arrangement. Post transaction, the Company owns 27.5% of Finsbury, which delisted from AIM on 17 November 2023.
- During the financial year the Company acquired a see-through stake representing approximately 9.1% in SQLI S.A. (ENXTPA: SQA) ("SQLI"), via a group of private holding companies formed by DBAY Advisors Limited ("DBAY"). SQLI is a digital commerce and services agency. The investment was initially made by way of a €18.5m loan, which was later capitalised in return for the issue of ordinary shares in the holding structure and a repayment in cash of approximately €4.1m. In June 2023, an additional €649,000 loan was provided and capitalised through the issue of Synsion TopCo Limited ("Synsion") shares. At the financial year end, the Company had a holding of 1,039,419,772 Synsion shares representing an indirect holding of 11.1% of SQLI.
- The Company had acquired approximately 10.3% of the share capital of Alliance Pharma Plc (AIM: APH LN) ("Alliance") for a consideration of £33.4m. The number of Alliance shares held by the Company was 55,593,562. Alliance is an international healthcare group founded in 1996 and headquartered in the United Kingdom. The company acquires, markets and distributes consumer healthcare and prescription medicine products. The Company elected to receive the Alliance final dividend in shares to bring the holding at the financial year end, including trades during the period, to 56,758,071 Alliance shares or 10.51% of the issued share capital.
- As at the reporting date the Company held approximately 2.8% of the share capital of Trifast Plc (AIM: TRI LN) ("Trifast"). Trifast is an international specialist in design, manufacturing, and distribution of industrial and Cat C fastenings. It has 34 locations within the UK, Asia, Europe and the USA and supplies components to over 5,000 companies globally across a wide range of industries. At the year end, the number of Trifast shares held indirectly by the Company was 3,805,158 shares, acquired for a consideration of £2.7m.
- During the financial year, the Company acquired 11.72% of Mission Group PLC (AIM: TMG LN) ("Mission"). Mission operates a marketing agency and focuses on new product development and solves business problems. The agency collective has 1,100+ people in 28 locations over 3 continents. At the year end, the number of Mission shares held indirectly by the Company was 10,665,000 shares (11.72%) acquired for a consideration of £1.7m.

Share buyback

- On 28 March 2023, the cancellation of 140,411,180 ordinary shares of £0.01 each in the capital of the Company ("Ordinary Shares") which were subject to the First Buyback (the "Capital Reduction"), which had been approved by shareholders at the 2023 General Meeting, was sanctioned by the High Court of England and Wales ("High Court"). The order of the High Court confirming the Capital Reduction, and the statement of capital approved by the High Court in connection therewith, was delivered to the Registrar of Companies on 29 March 2023. The Capital Reduction became effective on 31 March 2023.
- On 4 April 2023, following a special resolution passed by shareholders at the 2023 General Meeting, the Company announced the commencement of the Second Buyback to purchase up to 112,352,944 Ordinary Shares, representing

approximately 20.0% of the Company's then issued share capital. The Second Buyback will end no later than on the conclusion of the Annual General Meeting of the Company in 2024. The Ordinary Shares purchased under the Second Buyback will be cancelled. Pursuant to the Second Buyback, the Company acquired 28,678,158 Ordinary Shares in its own capital at an average price of £0.14074 per share between 4 April 2023 and 30 November 2023. The share capital of the Company at 30 November 2023 was 532,806,151 Ordinary Shares.

Changes to the Board

- Stephen Harley resigned from the Board on 1 November 2023. It is currently not the intention to appoint an additional director to the Board.

¹ Underlying EBIT is an alternative performance measure (see Note 3) and is defined as profit/loss before interest and tax adding back exceptional items.

A copy of the full year results are also available to be viewed on, or downloaded from, the Company's corporate website at www.ldgplc.com

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Letter from Chairman

Dear Shareholders

I present the annual report and audited financial statements for Logistics Development Group plc (“LDG” or the “Company”) for the year ended 30 November 2023. For the year ended 30 November 2023, the Company reported an underlying EBIT¹ of a loss of £12.0m (2022: profit of £1.1m) and a loss before tax of £10.7m (2022: profit before tax of £1.1m).

Whilst we've had some smaller successes during the year, the share price of Alliance Pharma Plc (“Alliance”), our largest holding, continued to decline, and represents the entire mark-to-market loss for the year. Since the end of the year, a new Chairman has been appointed at Alliance, with a clear mandate to improve the operating performance and we remain positive about the strength of the business. A more detailed review of the portfolio is set out in the following sections. Now that our portfolio of investments is growing and becoming more diverse, we expect to publish information on a more regular basis on the Company's portfolio.

LDG's share price had consistently been trading at a discount to the Company's net asset per share, and so the Board initiated a further share buyback programme (the “Second Buyback”). The necessary approvals were obtained at a General Meeting of the Company on 6 March 2023 (the “2023 General Meeting”) and the Second Buyback, which commenced in April 2023, is ongoing until the closure of the 2024 AGM. It is not intended that the buyback will be renewed at the next AGM. Up to and including 30 November 2023, 28,678,158 Ordinary Shares had been repurchased by the Company and have been cancelled.

The 2023 General Meeting also approved an application for a Court Order to cancel 140,441,180 Ordinary Shares, each of which had been subject to the buyback effected by the Company between 25 February 2022 and 6 April 2022 (the “First Buyback”). These shares have now been cancelled.

In November 2023, Stephen Harley resigned as a Director of the Company and on behalf of the Board I would like to thank Stephen for the contribution he made to the Company during his time on the Board.

As I write, it is true to say that the world is not a happy place. We have conflicts on almost every continent, and interest rates and inflation levels not experienced for two decades although there is some evidence that both might have peaked. Several significant elections are taking place across the globe over the next 12 months, and this is likely to cause greater uncertainty. Against this backdrop, it is hard to remain upbeat but as an avid reader of history one can only hope it's the darkness before the dawn and we can navigate the ship into calmer waters.

I should also like to thank our shareholders both old and new for their continued support and I have every confidence that our managers will successfully steer us through the storm.

Adrian Collins

Chairman

¹ Underlying EBIT is an alternative performance measure (see Note 3) and is defined as profit/loss before interest and tax and adding back exceptional items.

Business and financial review for the year ended 30 November 2023

Review of the year

On 28 March 2023, the cancellation of 140,411,180 ordinary shares of £0.01 each in the capital of the Company (“Ordinary Shares”) which were subject to the First Buyback (the “Capital Reduction”), which had been approved by shareholders at the 2023 General Meeting, was sanctioned by the High Court of England and Wales (“High Court”). The order of the High Court confirming the Capital Reduction, and the statement of capital approved by the High Court in connection therewith, was delivered to the Registrar of Companies on 29 March 2023. The Capital Reduction became effective on 31 March 2023.

On 4 April 2023, following a special resolution passed by shareholders at the 2023 General Meeting, the Company announced the commencement of the Second Buyback to purchase up to 112,352,944 Ordinary Shares, representing approximately 20.0% of the Company’s then issued share capital. The Second Buyback will end no later than on the conclusion of the Annual General Meeting of the Company in 2024. The Ordinary Shares purchased under the Second Buyback will be cancelled. Pursuant to the Second Buyback, the Company acquired 28,678,158 Ordinary Shares in its own capital at an average price of £0.14074 per share between 4 April 2023 and 30 November 2023. The share capital of the Company at 30 November 2023 was 532,806,151 Ordinary Shares.

The Company has been implementing its broader investing policy since its approval in January 2022. Fixtaia Limited (“Fixtaia”) has been set up as the subsidiary vehicle for investments for the Company. All reference to investments are held in Fixtaia. Details of the investments held at 30 November 2023 are listed below.

During the financial year, the Company held 16,140,365 shares (12.4%) of Finsbury Foods Group Plc (“Finsbury”). Finsbury operates a speciality foods business which supplies boxed cakes to supermarkets located throughout the United Kingdom. Products include novelty and celebration cakes, chocolate cakes and other bakery goods. In September 2023, Frisbee Bidco Limited and Finsbury reached an agreement on the terms of a recommended cash offer at 110p per ordinary share of 1p each in the capital of Finsbury, to be effected by way of a scheme of arrangement. On 3 November 2023, the Company noted that the requisite majority of Finsbury shareholders had voted to pass the resolution to approve and implement the scheme of arrangement. Post transaction, the Company owns 27.5% of Finsbury, which delisted from AIM on 17 November 2023.

During the financial year the Company acquired a see-through stake representing approximately 9.1% in SQLI S.A. (ENXTPA: SQUI) (“SQLI”), via a group of private holding companies formed by DBAY Advisors Limited (“DBAY”). SQLI is a digital commerce and services agency. The investment was initially made by way of a €18.5m loan, which was later capitalised in return for the issue of ordinary shares in the holding structure and a repayment in cash of approximately €4.1m. In June 2023, an additional €649,000 loan was provided and capitalised through the issue of Synsion TopCo Limited (“Synsion”) shares. At the financial year end, the Company had a holding of 1,039,419,772 Synsion shares representing an indirect holding of 11.1% of SQLI.

The Company had acquired approximately 10.3% of the share capital of Alliance Pharma Plc (AIM: APH LN) (“Alliance”) for a consideration of £33.4m. The number of Alliance shares held by the Company was 55,593,562. Alliance is an international healthcare group founded in 1996 and headquartered in the United Kingdom. The company acquires, markets and distributes consumer healthcare and prescription medicine products. The Company elected to receive the Alliance final dividend in shares to bring the holding at the financial year end, including trades during the period, to 56,758,071 Alliance shares or 10.51% of the issued share capital.

As at the reporting date the Company held approximately 2.8% of the share capital of Trifast Plc (AIM: TRI LN) (“Trifast”). Trifast is an international specialist in design, manufacturing, and distribution of industrial and Cat C fastenings. It has 34 locations within the UK, Asia, Europe and the USA and supplies components to over 5,000 companies globally across a wide range of industries. At the year end, the number of Trifast shares held indirectly by the Company was 3,805,158 shares, acquired for a consideration of £2.7m.

During the financial year, the Company acquired 11.72% of Mission Group PLC (AIM: TMG LN) (“Mission”). Mission operates a marketing agency and focuses on new product development and solves business problems. The agency collective has 1,100+ people in 28 locations over 3 continents. At the year end, the number of Mission shares held indirectly by the Company was 10,665,000 shares (11.72%) acquired for a consideration of £1.7m.

Changes to the Board

Stephen Harley resigned from the Board on 1 November 2023. It is currently not the intention to appoint an additional director to the Board.

Subsequent events

On 19 December 2023, the Company sold its entire investment holding in Trifast for £3.1m, realising a gain of £0.4m.

On 9 February 2024, the Company subscribed for £10.0m fixed rate unsecured 15.0% series A loan notes and payment in kind (PIK) notes issued by The Power of Talent Midco Limited (“Midco”), to be redeemed no later than 9 February 2027. Midco is a special purpose company that ultimately owns the operating companies in Nash Squared Group.

As at 25 March 2024, being the latest practicable date prior to the approval of these financial statements, as part of the Second Buyback 35,852,529 shares have now been repurchased, for an aggregate consideration of £4,929,393.57 all of which will be cancelled. The buyback will not be renewed at the AGM due to be held on 9 May 2024.

Financial performance

The results for the current year reflect the Company structure as at 30 November 2023.

The Directors consider the Company is an investment entity per IFRS 10 and measure its investments at fair value through profit and loss. The Company's investments are all held through Fixtaia.

Had the Company not met the definition of an investment entity, it would be required to prepare consolidated financial statements which involve presenting the results and financial position of the Company and Fixtaia as those of a single economic entity.

At the reporting date, the fair value ascribed to the investments was £55.4m (2022: £34.3m) which reflects the current net asset value ("NAV") of the underlying investments at the reporting date. The Directors have reviewed this valuation approach and consider it to be appropriate.

Administrative expenses are on par with the prior year at £1.0m (2022: £1.0m).

The Company's underlying EBIT¹ in the year was a loss of £12.0m (2022: profit of £1.1m) and statutory loss before tax was £10.7m (2022: profit before tax of £1.1m).

Net debt

As at the reporting date, the Company has cash and cash equivalents of £42.6m (2022: £79.1m). Related party transactions amounted to £0.2m (2022: £0.16m). See note 13.

Exceptional items

During the year there were no exceptional items to report.

Tax

The company is expected to have taxable profits in future periods and will be making use of existing tax losses. Therefore, a deferred tax asset has been recognised on this basis.

Dividends

The Company did not pay an interim dividend (2022: £Nil) and no final dividend is being recommended (2022: £Nil).

Earnings per share²

Underlying basic and diluted loss per share are both (2.3p) (2022: underlying basic and diluted earnings per share were both 0.2p). Statutory basic and diluted loss per share are both (1.8p) (2022: statutory basic and diluted earnings per share were both 0.2p). See note 3 and 9.

Information about the Investment Manager

DBAY is an Isle of Man-based asset management firm with offices in London and Douglas, Isle of Man. Founded in 2011, DBAY is owned by its partners and is licensed by the Isle of Man Financial Services Authority. The firm follows a value investing approach and invests in listed equities across Europe, as well as in private equity style control investments. The core DBAY team, who have worked together for over 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 17 investment and operating professionals. Capital is managed on behalf of institutional investors, endowments, foundations, family offices and pension funds.

Investment Policy and Strategy

The investment objective of the Company is to provide shareholders with attractive total return achieved through capital appreciation and, when prudent, shareholder distributions or dividends. The Directors believe that opportunities exist to create significant value

¹Underlying EBIT is an alternative performance measure (see Note 3) and is defined as profit/loss before interest and tax adding back exceptional items.

²Earnings per share ("EPS") serves as an indicator of a company's profitability. EPS measures the amount of a company's profit on a per share basis (see notes 3 & 9).

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.

The investing policy can be found on the website www.ldgplc.com.

DBAY is tasked with full authority to manage the Company's assets to deliver the investment strategy set out below in accordance with its investing policy, reporting to the Board on a regular basis.

The Investing Policy, approved by shareholders on 31 January 2022, states that the Company will seek to achieve its investment objectives by making investments within the following parameters:

- **Characteristics:** investment primarily in undervalued companies, with a focus on companies that generate or have the potential to generate significant cash flows, where there is a high degree of revenue visibility and a strong and distinctive market position;
- **Investment Type:** investment in equity and equity related products, in both quoted and unquoted companies, and in the DBAY Investment Funds;
- **Sectors:** a broader range of sectors, such as business services including, amongst others, logistics, distribution, technology services, security and manufacturing, or in funds managed by DBAY which invest in the aforementioned sectors;
- **Geography:** there is no geographical restriction but expected to be primarily within the United Kingdom or the European Union;
- **Ownership:** will range from a minority position to 100%, non-operating ownership; and
- **Restrictions:** a maximum of 50% of the Company's NAV at the time the relevant investment is made, using the latest available management accounts of the Company, can be invested in DBAY Investment Funds. Investments made outside of the DBAY Investment Funds will be limited to 10% of NAV per investment (on the same basis), unless approved by the Board.

Investment Management agreement amendments

An investment management agreement was entered into on 14 January 2022. At the general meeting held on 31 January 2022, the investment management agreement and amended investing policy was approved by shareholders. The changes were:

- DBAY will not receive management or performance fees from LDG in respect of funds committed to the DBAY Investment Funds by the Company. Fees will only be charged by the fund, to ensure there will be no double charging;
- DBAY have made a commitment to ensure that any DBAY Investment Funds in which the Company invests will retain investment policies that are substantially the same as the new investing policy of the Company;
- DBAY has made a commitment that it will provide the Company with an amount which is equal to the Company's reasonable corporate expenses in the given year, provided that such amount shall not exceed the lower of: (i) £800,000; or (ii) the management fees in respect of investments made and/or amounts committed by the Company which are received by DBAY in the relevant year; and
- DBAY will ensure that there is, at all times, a contingency amount of at least £2.0m on the Company's balance sheet to cover any exceptional expenses that may arise in the future.

The investment management agreement was further amended by way of an addendum dated 30 March 2023, to state that, with effect from the beginning of the current financial year, the maximum amount payable would not exceed the lower of (i) £800,000; and (ii) amounts paid to DBAY in respect of investments in DBAY Investment Funds specifically, and not all management fees received by DBAY.

Annual general meeting

The Company intends to hold its Annual General Meeting on 9 May 2024 in London. Further details will be set out in the Notice of Meeting to be sent to shareholders in due course and published on our website www.ldgplc.com.

Company Statement of Comprehensive Income

for the year ended 30 November 2023

	Note	Year ended 30 November 2023 £'000	Year ended 30 November 2022 £'000
(Loss)/gain on investments measured at fair value through profit or loss –	10	(10,856)	1,993
Interest income	4	1,317	-
Other (loss)/income	13	(173)	173
Net finance (cost)/income		(9,712)	2,166
Administrative expenses		(974)	(1,017)
Total administrative expenses		(974)	(1,017)
(Loss)/profit before tax		(10,686)	1,149
Income tax credit	7	566	-
(Loss)/profit and total comprehensive (loss)/income for the year		(10,120)	1,149
Earnings per share			
Basic	9	(1.8p)	0.2p
Diluted	9	(1.8p)	0.2p

The accompanying notes form part of the financial statements.

Company Statement of Financial Position

as at 30 November 2023

	Note	30 November 2023 £'000	30 November 2022 £'000
Assets			
Non-current assets			
Investments at fair value through profit or loss	10	55,392	34,338
		55,392	34,338
Current assets			
Other receivables	11	297	179
Deferred tax asset	7	566	-
Cash and cash equivalents	11	42,644	79,064
Amounts owed from related undertakings		-	173
		43,507	79,416
Total assets		98,899	113,754
Current liabilities			
Amounts owed to Company and related undertakings	11	(35)	(652)
Other payables	11	(351)	(404)
		(386)	(1,056)
Total liabilities		(386)	(1,056)
Net assets		98,513	112,698
Equity			
Called up share capital	12	5,331	5,618
Own shares	12	-	(11)
Retained earnings	12	93,182	107,091
Total shareholders' funds		98,513	112,698

The accompanying notes form part of the financial statements.

The Company Financial Statements on pages 24 to 35 were approved by the Board of Directors on 26 March 2024 and were signed on its behalf by:

Adrian Collins

Director

26 March 2024

Company number 08922456

Company Statement of Changes in Equity

for the year ended 30 November 2023

	Share capital £'000	Share premium £'000	Own shares £'000	Retained earnings £'000	Total £'000
Balance at 1 December 2021	7,022	157,476	(857)	(29,697)	133,944
Profit for the year	-	-	-	1,149	1,149
Share premium reduction	-	(157,476)	-	-	(157,476)
Transfer to retained earnings	-	-	-	157,476	157,476
Share repurchase (note 12)	(1,404)	-	-	(21,046)	(22,450)
Disposal/cancellation of own shares (note 12)	-	-	846	(791)	55
Balance at 30 November 2022	5,618	-	(11)	107,091	112,698
Loss for the year	-	-	-	(10,120)	(10,120)
Disposal/cancellation of own shares (note 12)	-	-	11	6	17
Share repurchase (note 12)	(287)	-	-	(3,795)	(4,082)
Balance at 30 November 2023	5,331	-	-	93,182	98,513

The accompanying notes form part of the financial statements.

Company Cash Flow Statement

for the year ended 30 November 2023

	Note	Year ended 30 November 2023 £'000	Year ended 30 November 2022 £'000
Cash flows from operating activities			
(Loss)/profit for the year		(10,120)	1,149
Adjustments for:			
Loss/(gain) on investments measured at fair value through profit or loss – net	10	10,856	(1,993)
Interest income		(1,317)	-
Income tax credit	7	(566)	-
Changes in:			
Increase in other receivables	11	(118)	(65)
(Decrease)/increase in other payables	11	(53)	114
Net outflow from operating activities		(1,318)	(795)
Cash flows from investing activities			
Dividends received	10	-	2,873
Purchase of investment	10	(31,910)	(33,000)
Amounts owed from related undertakings	11	173	(173)
Amounts owed to subsidiary	11	(617)	652
Net cash outflow from investing activities		(32,354)	(29,648)
Cash flows from financing activities			
Share repurchase	12	(4,082)	(22,450)
Disposal/cancellation of own shares	12	17	55
Interest income		1,317	-
Net cash outflow from financing activities		(2,748)	(22,395)
Net decrease in cash and cash equivalents		(36,420)	(52,838)
Cash and cash equivalents at the start of the financial year		79,064	131,902
Cash and cash equivalents at the end of the financial year		42,644	79,064

The accompanying notes form part of the financial statements.

Notes to the Company Financial Statements

for the year ended 30 November 2023

1. Basis of accounting

Logistics Development Group plc (the "Company") is a public company limited by shares and incorporated and domiciled in England, United Kingdom. Its registered address is 4th Floor, 3 More London Riverside, London, SE1 2AQ.

Basis of preparation

The Financial Statements were prepared in accordance with UK - adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006 ("IFRS").

The Financial Statements are presented in pounds sterling, rounded to the nearest thousand, unless otherwise stated.

As at 30 November 2023, the Company has one subsidiary. As the Company is defined under IFRS10 as an Investment Entity, consolidation exemption allows the measuring of controlling interests in another entity at fair value through profit and loss.

The Financial Statements present Company only information for the current and comparative periods.

The Financial Statements were prepared under the historical cost convention, except for financial assets recognised at fair value through profit or loss, which have been measured at fair value. The Company is not registered for VAT and therefore all expenses are recorded inclusive of VAT.

Going concern

The Directors have a reasonable expectation that the Company has sufficient resources to continue in operation for the foreseeable future, a period of at least 12 months from the date of this report. The Directors have prepared a cash flow forecast for a period of 12 months to April 2025 which indicates that available funds significantly exceed anticipated expenditure. Consequently, the Directors of the Company continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2. Significant accounting policies

(a) **Fair value measurement** – the fair value measurement of the Company's investments utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "fair value hierarchy"):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
- Level 3: Unobservable inputs (i.e. not derived from market data and may include using multiples of trading results or information from recent transactions).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

(b) Financial instruments

- Financial assets – other receivables and amounts owed to related undertakings. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, such assets are measured at amortised cost using the effective interest method, less any impairment losses.

- Cash and cash equivalents – in the Statement of Financial Position, cash includes cash and cash equivalents excluding bank overdrafts. No expected credit loss provision is held against cash and cash equivalents as the expected credit loss is negligible.

- Financial liabilities – other payables and amounts owed to related undertakings. Such liabilities are initially recognised on the date that the Company becomes party to contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

- Share capital – Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(c) **Exceptional items** – items that are material in size or nature and non-recurring are presented as exceptional items

in the Statement of Comprehensive Income. The Directors are of the opinion that the separate recording of exceptional items provides helpful information about the Company's underlying business performance. Events which may give rise to the classification of items as exceptional include restructuring of business units and the associated legal and employee costs, costs associated with business acquisitions, impairments and other significant gains or losses.

(d) **Alternative performance measures (APMs)** - APMs, such as underlying results, are used in the day-to-day management of the Company, and represent statutory measures adjusted for items which, in the Directors' view, could influence the understanding of comparability and performance of the Company year on year. These items include non-recurring exceptional items and other material unusual items.

(e) **Tax** – tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(f) **Operating segments** – the Company has a single operating segment on a continuing basis, namely investment in a portfolio of assets.

(g) **Fund raise costs** – transaction costs incurred in anticipation of an issuance of equity instruments are recorded as a deduction from the retained earnings reserve in accordance with IAS 32 and the Companies Act 2006.

(h) **Own shares reserve (Own Shares)** – transfer of shares from the trust to employees is treated as a realised loss and recognised as a deduction from the retained earnings.

(i) **Employee Benefit Trust** - The cost of the Company's shares held by the Employee Benefit Trust (EBT) is deducted from equity in the Company balance sheet under the heading own shares. Any cash received by the EBT on disposal of the shares it holds is also recognised directly in equity. Other assets and liabilities of the EBT (including borrowings) are recognised as assets and liabilities of the Company.

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the Company has early applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- IAS 1: Classifications of Liabilities as Current or Non-Current (effective for periods commencing on or after 1 January 2023);
- IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies (effective for periods commencing on or after 1 January 2023);
- IAS 8: Definition of Accounting Estimates (effective for periods commencing on or after 1 January 2023); and
- IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective for periods commencing on or after 1 January 2023).

New and revised IFRS accounting standards in issue but not yet effective

Certain standards, amendments to, and interpretations of, published standards have been published that are mandatory for the Company's accounting years beginning on or after 1 January 2024 or later years and which the Company has decided not to adopt early:

- IFRS 7 and IAS 7: Supplier Finance Arrangements (effective for periods commencing on or after 1 January 2024);
- IAS 1: Non-current liabilities with covenants (effective for periods commencing on or after 1 January 2024);

None of the above listed changes are anticipated to have a material impact on the Company's financial statements.

Critical judgements in applying the Company's accounting policies

In applying the Company's accounting policies, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below) and have been identified as being particularly complex or involve subjective assessments.

(i) Measurement of the investments –during the year, the Company measured its investment in Fixtaia at fair value through profit and loss.

The strategy of the Company as an Investing Company is to generate value through holding investments for the short to medium term. Therefore, the Directors believe that the fair value method of accounting for the investment is in line with the strategy of the Company.

If the Company was not an Investing Company, the investments in Fixtaia would have been accounted for as a subsidiary undertaking in consolidated financial statements.

(ii) Fair value of the investments – the Directors have recorded the current year investment in Fixtaia at fair value. All investments have, to date, for structuring purposes been held by Fixtaia. The fair value at the end of the period has been calculated on the basis of the net assets of Fixtaia. The net assets of Fixtaia mainly consist of investments in listed entities, together with 2 private companies and cash/cash equivalents. The listed investments are carried at the quoted price as at 30 November 2023.

(iii) Given the take private transaction of Finsbury Food Group Plc (“Finsbury”) has completed very close to the year-end of the Company, 16 November 2023 and all shareholders (including the Company’s interest, via its subsidiary Fixtaia) have rolled their shares at the same take-private price, the directors have concluded that the take-private valuation of 110p per Finsbury share should be retained at 30 November 2023 for Frisbee Topco Limited.

The Directors believe that this valuation approach represents the price the Company would expect to receive in an orderly transaction between market participants.

Key sources of estimation in applying the Company’s accounting policies

The Directors believe that there are no key assumptions concerning the future. Estimates utilised in preparing its financial statements are reasonable and prudent, however, actual results could differ from these estimates. The most significant estimates and judgements that are required to be made are in respect of the valuation of investments for which no reliable market price is available (see note 10).

3. Alternative performance measures reconciliations

Alternative performance measures (APMs), such as underlying results, are used in the day-to-day management of the Company, and represent statutory measures adjusted for items which, in the Directors’ view, could influence the understanding of comparability and performance of the Company year on year. The reconciliation of APMs to the reported results is detailed below:

	2023	2022
	£’000	£’000
(Loss)/profit before interest and tax	(10,120)	1,149
Less: Interest income	(1,317)	-
Less: Income tax credit	(566)	-
Underlying EBIT	(12,003)	1,149

	2023	2022
	(in thousands)	(in thousands)
Weighted average number of Ordinary Shares – Basic	552,189	606,921
Weighted average number of Ordinary Shares – Diluted	552,189	606,921

Underlying Basic (loss)/earnings per share for total operations	(2.3p)	0.2p
Underlying Diluted (loss)/earnings per share for total operations	(2.3p)	0.2p

4. Interest Income

During the year, the Company opened a deposit account with Investec Bank plc. Interest earned during 2023 amounted to £1,317k, with £133k of this receivable at the year end.

5. Employees and Directors

Staff costs and the average number of persons (including Directors) employed by the Company during the year are detailed below:

	2023	2022
	£'000	£'000
Staff and Director costs for the Company during the year		
Wages and salaries	287	276
Social security costs	23	22
	310	298
Average monthly number of employees and Directors		
Employees and Directors	4	4

A summary of Directors' remuneration (key management personnel) is detailed below:

	2023	2022
	£'000	£'000
Emoluments, bonus and benefits in kind	287	276
Total Directors' remuneration	287	276

Remuneration of the highest paid Director is detailed below:

	2023	2022
	£'000	£'000
Emoluments, bonus and benefits in kind	96	96

6. Audit fees

During the year, the Company obtained the following services from the Company's auditors, the costs of which (inclusive of VAT as the Company is not registered for VAT) are detailed below:

	2023	2022
	£'000	£'000
Fees payable for the audit of the Company's annual financial statements	82	66
Audit-related assurance services	-	-
Total fees payable to Company's auditors	82	66

7. Income tax credit

In the prior year the Company did not recognise a deferred income tax charge or credit as the Directors did not consider there was sufficient certainty over its recovery. During 2023 the Company has held cash on deposit resulting in significant income received. In 2023, the deferred tax asset of £566k (2022: £578k) is recognised.

The income tax credit for the year included in the statement of comprehensive income can be reconciled to loss before tax multiplied by the standard rate of tax as follows:

	2023	2022
	£'000	£'000
(Loss)/profit before tax	(10,686)	1,149
Expected tax (credit)/charge based on an effective corporation tax rate of 23.01% (2022: 19%)	(2,459)	218
Effect of expenses not deductible in determining taxable profit	2,516	52
Effect of income not taxable in determining taxable profit	(45)	(378)
Movement of tax losses for which no deferred tax asset has been recognised	(578)	108
Income tax credit	(566)	-

The current effective UK corporation tax main rate for the financial year is 23.01%. The UK corporation tax main rate was 19% until 31 March 2023 and on 1 April 2023 it increased to 25%. From 1 April 2023, there was an introduction of a small profits rate of 19% for companies with profits under £50k.

8. Dividends

At the date of approving these Financial Statements, no final dividend has been approved or recommended by the Directors (2022: £Nil).

9. Earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the 12 months to the period end.

Diluted earnings per share amounts are calculated by dividing the profit attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the potentially dilutive instruments into ordinary shares. The Company has no dilutive instruments to be included in the calculation.

	2023	2022
	£'000	£'000
(Loss)/profit attributed to equity shareholders	(10,120)	1,149

	2023	2022
	(in thousands)	(in thousands)
Weighted average number of Ordinary Shares – Basic	552,189	606,921
Weighted average number of Ordinary Shares – Diluted	552,189	606,921

Basic (loss)/earnings per share for total operations	(1.8p)	0.2p
Diluted (loss)/earnings per share for total operations	(1.8p)	0.2p

10. Investments at fair value through profit or loss

	At 1 December	Additions	Change in fair	Dividends	Total	Fair value
	2022	during the year	value		investments	level
		2023	2023	2023	2023	
	£'000	£'000	£'000	£'000	£'000	
Fixtaia Limited	34,338	31,910	(10,856)	-	55,392	3

	At 1 December	Additions	Change in fair	Dividends	Total	Fair value
	2021	during the year	value		investments	level
		2022	2022	2022	2022	
	£'000	£'000	£'000	£'000	£'000	2022
Marcelos Limited	2,218	-	655	(2,873)	-	3
Fixtaia Limited	-	33,000	1,338	-	34,338	3
Total	2,218	33,000	1,993	(2,873)	34,338	

Fixtaia is the subsidiary vehicle where all investment transactions are executed and held.

During the current year, the Company received 319.10 shares in Fixtaia for cash consideration of £31.9m. The number of shares held in Fixtaia at 30 November 2023 was 650.10 (2022: 331). As at 30 November 2023, the investment in Fixtaia was revalued to £55.4m as per the net asset value of Fixtaia, resulting in a net revaluation loss of £10.9m through profit or loss.

The Company's accounting policy on fair value measurement is disclosed in note 2. The investment is categorised at Level 3 as there is no market activity on the date of measurement as they are a private company. Fixtaia is held at NAV.

During the year, Fixtaia's investment in Finsbury was re-categorised from a Level 1 investment to a Level 3, due to the de-listing of Finsbury.

Fixtaia holds a portfolio of listed and private assets. The listed assets are categorised as Level 1 and the private assets are categorised as Level 2/3 depending on the inputs used.

11. Financial assets and liabilities

	2023	2022
	£'000	£'000
Financial assets at fair value through the profit or loss		
Investments (see note 9)	55,392	34,338
Financial assets at amortised cost		
Amounts owed by related undertakings (see note 12)	-	173
Other receivables	297	179
Total financial assets	55,689	34,690
Financial liabilities at amortised cost		
Amounts owed to related undertakings (see note 12)	(35)	(652)
Other payables	(351)	(404)
Total financial liabilities	(386)	(1,056)
Cash and cash equivalents	42,644	79,064
Net funds	42,644	79,064

All financial assets and liabilities can be liquidated within one year. The fair value of those assets and liabilities approximates their book value.

Other receivables represent receivables, prepayments and accrued interest receivable. Other payables include accruals of £288k (2022: £295k).

The Company's overall risk management programme focuses on reducing financial risk as far as possible and therefore seeks to minimise potential adverse effects on the Company's financial performance. The policies and strategies for managing specific financial risks are summarised as follows:

Market risk

Market price risk is the risk that the market price of a financial instrument will fluctuate due to changes in factors specific to the security or its issuer. This market risk comprises three elements – currency risk, interest rate risk and other price risk.

If the market value of the Company's investments increased/decreased in value by 10% as at 30 November 2023 the effect on the investment portfolio would have been an increase/decrease of £5,539k.

Currency risk

The Company holds one investment, via its subsidiary Fixtaia, denominated in a currency other than Sterling (GBP). Consequently, the Company is exposed to currency risk as the value of the investment denominated in Euro's will fluctuate due to the change in the exchange rate. The Company does not currently engage in currency hedging activities. The Company's cash is held in GBP.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the level of income receivable on cash deposits. The Company's interest bearing assets are cash at Royal Bank of Scotland and cash on deposit at Investec Bank Plc ("Investec"). The Company would be significantly affected by changes in interest rates on cash held on deposit with Investec. Interest rate movements may affect the fair value of investments in fixed interest and equity securities.

Liquidity risk

The Company finances its operations by equity. The Company undertakes short-term cash forecasting to monitor its expected cash flows against its cash availability. The Company also undertakes longer-term cash forecasting to monitor its expected funding requirements in order to meet its current business plan.

Credit risk

The Company's principal exposure to credit risk is in the amounts owed by related undertakings, at 30 November 2023 £35k owed to DBAY Advisors Limited.

Capital management

Capital comprises share capital of £5.3m (2022: £5.6m).

12. Capital and reserves

	No of shares '000	Called up share capital £'000
Ordinary shares of 1p each in issue at 30 November 2022	561,765	5,618
Ordinary shares of 1p each in issue at 30 November 2023	533,087	5,331

All ordinary shares in issue referred to in the table above were authorised and are fully paid.

Share repurchase

Between April 2023 and November 2023, the Company repurchased a total of 28,678,158 of its shares from shareholders at a cost of £4.1m and these were subsequently cancelled, resulting in share capital of £5.3m at 30 November 2023. The shares were purchased for a premium, and transaction costs were incurred. Resulting in a reduction of retained earnings of £3.8m.

Own shares

Included in prior year total number of ordinary shares outstanding were 6,708 ordinary shares held by the Company's employee benefit trust. The ordinary shares held by the trustee of the Company's employee benefit trust pursuant to the SIP were treated as Own shares in the Company's Balance Sheet in accordance with IAS 32. At 30 November 2022, the 6,708 shares were held at a cost of £1.60 per share.

On 20 February 2023, the entire balance of own shares, 6,708 shares, was disposed of for £1k. Thereafter, a residual cash balance on the SIP account of £16k was transferred to the Company. Overall, a gain of £6k was recognised in retained earnings.

13. Related party transactions

	Transactions with related parties		Amounts owed by related parties		Amounts owed to related parties	
	2023	2022	2023	2022	2023	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Related party						
DBAY Advisors Limited	(208)	161	-	173	(35)	-
	Transactions with group undertakings		Amounts owed by group undertakings		Amounts owed to group undertakings	
	2023	2022	2023	2022	2023	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Group undertaking						
Fixtaia Limited	-	-	-	-	-	(652)

13. Related party transactions

During the prior year, the Company generated income from related party DBAY Advisors Limited in the form of a monitoring fee, related to its investment in Fixtaia of £173k. This amount was outstanding as at 30 November 2022. On 30 March 2023, the Investment Management Agreement was updated to provide for a change in investing policy. On 30 March 2023, the balance receivable from DBAY Advisors Limited of £173k was written off. The monitoring fee is now recognised directly between Fixtaia and DBAY Advisors Limited.

During the year, DBAY Advisors Limited paid for expenses of £35k (2022: £12k) on the behalf of the Company. This amount of £35k remains outstanding at 30 November 2023 (2022: £nil).

The amount owed to Fixtaia as at 30 November 2022 of £652k represents the outstanding consideration payable for the Company's investment in Fixtaia. This balance of £652k was settled with Fixtaia in January 2023.

During the year, Fixtaia accrued performance fees of £694k (2022: £352k). No performance fees were paid during the year and the balance outstanding at 30 November 2023 was £889k (2022: £195k).

The Company did not enter into any other related party transactions.

14. Capital commitments

At 30 November 2023, the Company had no commitments (2022: £Nil).

15. Contingent liabilities

At 30 November 2023, the Company had no contingent liabilities (2022: £Nil).

16. Subsequent events

On 19 December 2023, the Company sold its entire investment holding in Trifast for £3.1m, realising a gain of £430k.

On 9 February 2024, the Company subscribed for £10.0m fixed rate unsecured 15.0% series A loan notes and payment in kind (PIK) notes issued by The Power of Talent Midco Limited ("Midco"), to be redeemed no later than 9 February 2027. Midco is a special purpose company that ultimately owns the operating companies in Nash Squared Group.

As at 25 March 2024, being the latest practicable date prior to the approval of these financial statements, as part of the Second Buyback 35,825,529 shares have now been repurchased, for an aggregate consideration of £4,929,393.57 all of which will be cancelled. The buyback will not be renewed at the AGM due to be held on 9 May 2024.

GLOSSARY

Term	Definition
Accounts	The financial statements of the Company
Admission	The admission of the issued ordinary shares in the Company admitted to trading on AIM that became effective on 31 December 2020
AGM	Annual general meeting of the Company
AIM	Alternative Investment Market of 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 Investing Company	An Investing Company as defined by the AIM rules
APMs	Alternative Performance Measures
Board	The Board of Directors of the Company
Company or LDG	Logistics Development Group plc, a public limited company incorporated in England and Wales with registered number 08922456
DBAY	DBAY Advisors Limited and/or any fund(s) or entity(ies) managed or controlled by DBAY Advisors Limited as appropriate in the relevant context
Directors	The Directors of the Company as at the date of this document, as identified on page 8
EPS	Earnings per share
Fixtaia	Fixtaia Limited, a company incorporated in Jersey (company no. 140806). Fixtaia is the subsidiary investment vehicle. All investments are executed and held in Fixtaia. Registered office is at 2nd Floor, Gaspé House, 66-72 Esplanade, St. Helier, JE1 1GH, Jersey
FY22	Financial Year ended 30 November 2022
FY23	Financial Year ended 30 November 2023
HY23	Six-month period ended 31 May 2023
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Investment Management Agreement	An investment management agreement entered into between the Company and DBAY, pursuant to which DBAY has been appointed as the Company's Investment Manager
Investing Policy	The Company's investing policy more particularly set out on pages 4 and 5
Marcelos	Marcelos Limited, a company incorporated on the Isle of Man (company no. 016829v), whose registered office is at First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF
Ordinary Shares/Shares	Ordinary shares of £0.01 each in the capital of the Company
QCA	Quoted Companies Alliance
QCA Governance Code	QCA Corporate Governance Code for Small and Mid-Size Quoted Companies published by the QCA
SIP	Share Incentive Plan