

THIS CIRCULAR AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take or the contents of this Circular, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if you are resident in the United Kingdom, or if not, from an appropriately authorised independent financial adviser.

If you have sold or otherwise transferred all your Ordinary Shares, please send this Circular, together with the accompanying Form of Proxy, as soon as possible, to the purchaser or transferee or the stockbroker, bank or other agent through whom the sale and transfer was effected for transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this Circular and the accompanying Form of Proxy and consult the stockbroker, bank or other agent through whom the sale or transfer was effected as to the action you should take.

LOGISTICS DEVELOPMENT GROUP PLC

(Registered in England and Wales with registered number 08922456)

Proposed General Authority for On-Market Share Purchases

Approval of Waiver under Rule 9 of the City Code on Takeovers and Mergers

Proposed Reduction of Capital

and

Notice of General Meeting

This Circular should be read as a whole. Your attention is drawn to the letter from the Chairman of Logistics Development Group plc which is set out on page 5 of this Circular and which contains the unanimous recommendation of the Independent Directors that you vote in favour of the Resolutions to be proposed at the General Meeting.

Notice of a General Meeting of Logistics Development Group plc, to be held at 10.00 a.m. on 6 March 2023 at the offices of DBAY UK Ltd at 5th Floor, 1 Albemarle Street, London W1S 4HA is set out at the end of this Circular. Shareholders have been provided with a Form of Proxy for use in connection with the General Meeting. To be valid, a Form of Proxy, completed in accordance with the instructions printed thereon, must be lodged with the Company's registrars, Link Group, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, by no later than 10.00 a.m. on 2 March 2023 (or, in the case of an adjournment, no later than 48 hours before the time fixed for holding the adjourned meeting).

Alternatively, Shareholders may appoint a proxy electronically, by accessing the shareholder portal at www.signalshares.com. A username and password will be required in order to log in and submit your proxy appointment. Shareholders may contact the Company's registrars, Link Group, on 0371 664 0300 with any queries on logging into the shareholder portal. Please note that calls will be charged at standard geographical rate and will vary by provider. Lines are open from 9.00 a.m. to 5.30 p.m. (UK time) on Monday to Friday. If dialling from overseas please call +44 371 664 0300. CREST members may also use the CREST electronic proxy appointment service to appoint a proxy for the General Meeting.

All proxy appointments (including an electronic proxy appointment or an appointment via the CREST electronic proxy appointment service) must be received by no later than 10.00 a.m. on 2 March 2023 (or, in the case of an adjournment, no later than 48 hours before the time fixed for holding the adjourned meeting). The completion and return of a Form of Proxy (including an electronic proxy appointment or an appointment via the CREST electronic proxy appointment service) will not prevent a Shareholder from attending and voting in person at the General Meeting, or any adjournment thereof, should they wish so to do.

This Circular and the information contained in it is restricted and is not for release, publication or distribution, in whole or in part, directly or indirectly, in, into or from the United States, Australia, Canada, the Republic of South Africa or Japan or any other jurisdiction in which such release, publication or distribution would be unlawful.

Capitalised terms used in this Circular are defined in Part III (*Definitions*) of this Circular.

The date of publication of this Circular is 16 February 2023.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates and times set out below are based on the Company's current expectations and may be subject to change. Any change will be notified via a Regulatory Information Service. References to times in this Circular are to London times, unless otherwise stated.

Publication of this Circular	16 February 2023
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 2 March 2023
General Meeting	10.00 a.m. on 6 March 2023
Completion of the Share Buyback	on the conclusion of the annual general meeting of the Company in 2024

PART I

LETTER FROM THE CHAIRMAN OF LOGISTICS DEVELOPMENT GROUP PLC

(Registered in England and Wales with registered number 08922456)

16 February 2023

Dear Shareholder

Proposed General Authority for On-Market Share Purchases
Approval of Waiver of Rule 9 of the City Code on Takeovers and Mergers
Proposed Reduction of Capital
and
Notice of General Meeting

1. Introduction

On 1 December 2022, the Company announced, *inter alia*, its intention to initiate a further share buyback, subject to Shareholder approval.

On 14 January 2022, the Company announced the publication of a circular containing details of a proposed reduction of capital, change of Investing Policy and share buyback (the “**Prior Buyback**”), which was later approved by the Shareholders at a general meeting on 31 January 2022. Pursuant to the Prior Buyback, the Company acquired 140,441,180 Ordinary Shares in its own capital at an average price of £0.157 per share between 25 February 2022 and 6 April 2022. Additionally, since the Prior Buyback DBAY Advisors Limited (“**DBAY**”), as investment manager of the Company, has procured:

- the acquisition by the Company of a total of 11,663,511 ordinary shares in Finsbury Food Group plc (AIM: FIF) (“**Finsbury Food**”), representing 8.95 per cent. of its issued share capital, for aggregate consideration of £9.0 million;
- a net investment of €14.4 million (c.£12.4 million) into Synsion TopCo Ltd (“**Synsion Topco**”), which is the private holding company of a group of companies formed by DBAY specifically to invest in SQILI S.A. (ENXTPA:SQI);
- the disposal of 1,974,130 ordinary shares in CareTech Holdings PLC (AIM: CTH) for aggregate consideration of £14.8 million; and
- the acquisition by the Company of a total of 18,010,710 ordinary shares in Alliance Pharma PLC (AIM: APH) representing 3.34 per cent. of its issued share capital for a consideration of £8.9 million.

As at the Latest Practicable Date, the Company had available cash of approximately £77.8 million and no debt.

Following completion of the Prior Buyback, despite making a number of new investments, trading in the Company's Ordinary Shares has returned to a level which represents a significant discount to the Company's net asset value (“**NAV**”) per Ordinary Share. Accordingly, the Company is seeking authority to acquire Ordinary Shares in the market (the “**Share Buyback**”), which the Board believes may serve to reduce the observed discount to NAV per Ordinary Share. The Board believes that the Share Buyback may also provide an exit opportunity for any Shareholders who do not wish to retain their investment in the Company. Shareholders should note, however, that there is no guarantee that the Share Buyback will either eliminate or reduce the observed discount to NAV per Ordinary Share, nor that any Shareholders wishing to do so will be able to exit their investment in the Company in full under the Share Buyback.

DBAY, which represents the Company's largest shareholder (with one of its managed funds, DBAY Fund III, holding approximately 25.58 per cent. of the Company's issued share capital), and certain associates presumed to be acting in concert with DBAY (together with DBAY, the “**Concert Party**”) together hold in

aggregate approximately 32.29 per cent. of the Company's issued share capital. Given the Concert Party is interested in Ordinary Shares which, in aggregate, would carry no less than 30 per cent. of the Voting Share Capital but does not hold more than 50 per cent. of the Voting Share Capital, any increase in the Concert Party's aggregate percentage voting rights as a result of the Share Buyback would require the Concert Party to make an offer for the Ordinary Shares not owned by the Concert Party in accordance with Rule 9 of the Takeover Code. Accordingly, the Company's ability to commence the Share Buyback programme will be conditional on Independent Shareholders passing the Waiver Resolution approving a waiver of the obligation for the Concert Party to make a general offer pursuant to Rule 37 of the Takeover Code.

The purpose of this Circular is to provide you with information on the background to and reasons for the proposals set out herein, to explain why the Board considers such proposals to be in the best interests of the Company and the Shareholders as a whole and why the Independent Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting.

2. Share Buyback

Following completion of the Prior Buyback, the Company has made a number of new investments, however, trading in the Company's Ordinary Shares has returned to a level which represents a significant discount to the amount of cash per Ordinary Share, with the volume-weighted average price per Ordinary Share being 13.51 pence between 6 April 2022 and the Latest Practicable Date and cash of approximately £81.54 million on the balance sheet as at the Latest Practicable Date representing approximately 14.52 pence per Ordinary Share.

Accordingly, the Company is seeking authority to acquire up to 112,352,944 Ordinary Shares in the market, which the Board believes may serve to reduce the observed discount to NAV per Ordinary Share. Shareholders should note, however, that there is no guarantee that the Share Buyback will either eliminate or reduce the observed discount to NAV per Ordinary Share.

In light of the foregoing, the Board wishes to seek Shareholder approval for the Share Buyback, such approval being in respect of up to 20 per cent. of the Voting Share Capital (the "**Share Buyback Authority**"). Accordingly, Shareholders are being asked to approve the Share Buyback Resolution. The Board, however, expects to limit the total consideration for the Further Share Buyback to an aggregate of £15.0 million.

Through the Share Buyback, the Company intends to implement a discount management policy, targeting a share price discount to NAV per share of no more than 15 per cent. in normal market conditions. The discount to NAV per share will be calculated on the basis of the NAV per Ordinary Share figure last notified by the Company via RIS.

Upon completion of the Share Buyback, the Company intends to cancel the Ordinary Shares bought back by the Company pursuant to the Share Buyback Authority. The Company will be under no obligation to buy back the maximum number of Ordinary Shares that the Share Buyback Authority allows and will consider the best course of action for the Company in light of the prevailing share price and investment opportunities at the relevant time. If, however, the maximum number of Ordinary Shares are bought back by the Company pursuant to the Share Buyback Authority, the issued share capital of the Company would comprise 449,411,776 Ordinary Shares.

The Board reserves the right to decide how much of the Voting Share Capital the Company will buy back under Share Buyback Authority, and may decide to discontinue the Share Buyback entirely if the Board decides that it would not be in the best interests of the Company and its Shareholders as a whole for the Company to undertake or continue the Share Buyback, at the relevant time.

Summary information on the Share Buyback Authority

Shareholders are being asked to approve the Share Buyback Resolution to enable the Company to make market purchases of up to 112,352,944 Ordinary Shares, representing a maximum of up to approximately 20 per cent. of the Voting Share Capital as at the Latest Practicable Date. The Board, however, expects to limit the total consideration for the Further Share Buyback to an aggregate of £15.0 million.

The Share Buyback Resolution is subject to and conditional upon the passing of the Waiver Resolution to approve the Panel Waiver (see paragraph 3 of this Part I, headed “The Takeover Code” for further details).

The maximum price (exclusive of expenses) to be paid in relation to any share purchase shall be five per cent. above the average middle market quotations for an Ordinary Share (as derived from the London Stock Exchange’s Daily Official List) for the five business days immediately preceding the date on which such Ordinary Share is contracted to be purchased. The minimum price (exclusive of expenses) to be paid in relation to any share purchase shall be its nominal value.

Further details regarding the Share Buyback Resolution are set out below in the paragraph 5 below headed “General Meeting”.

3. The Takeover Code

As set out in paragraph 1 of this Part I and as was the case with the Prior Buyback, the Share Buyback gives rise to certain considerations under the Takeover Code. The Takeover Code is issued and administered by the Takeover Panel. The Takeover Code applies to all takeover and merger transactions, however effected, where the offeree company is, among other things, a listed or unlisted public company resident in the United Kingdom, the Channel Islands or the Isle of Man (and to certain categories of private limited companies). The Company is a public company registered in the United Kingdom an listed on AIM and its Shareholders are therefore entitled to the protections afforded by the Takeover Code.

(a) **Information on the Concert Party**

Each of the entities listed in the table below are together considered to be acting in concert for the purposes of the Takeover Code (together the “**Concert Party**”). As at the Latest Practicable Date, members of the Concert Party have an interest in the Ordinary Shares equating to an aggregate of 32.29 per cent. of the issued share capital of the Company.

<i>Name of ultimate beneficial owner</i>	<i>Number of Ordinary Shares held</i>	<i>Percentage of the issued share capital of the Company (%)</i>
DBAY Fund III	143,701,525	25.58
Colin Kingsnorth	11,838,807	2.11
Alex Paiusco	9,722,790	1.73
David Morrison	5,000,000	0.89
Saki Riffner	4,532,339	0.81
Mike Branigan	2,745,072	0.49
Andrew Pegge	1,838,807	0.33
Mike Haxby	1,290,347	0.23
Peter Nixon	706,467	0.13
Total	181,376,154	32.29

Further information on the Concert Party is set out in Part II (*Additional Information*) of this Circular.

(b) **Application of the Takeover Code**

Under Rule 9 of the Takeover Code, any person who acquires, whether by a series of transactions over a period of time or not, an interest in shares (as defined in the Takeover Code) which when taken together with shares in which that person or persons acting in concert with that person are already interested in or acquired by persons acting in concert with him/her, carry 30 per cent. or more of the voting rights of a company which is subject to the Takeover Code or is interested in 30 per cent. or more but does not hold more than 50 per cent. of the shares carrying voting rights of such a company and acquires an interest in any additional shares carrying voting rights of that company, is normally required to make a general cash offer to all the remaining shareholders of the company to acquire their equity shares and transferable securities carrying voting rights in the company. An offer under Rule 9

of the Takeover Code must be in cash at the highest price paid by the person or the group of persons acting in concert in the preceding 12 months.

Accordingly, pursuant to Rule 9 of the Takeover Code, if the Board were to effect the Share Buyback, resulting in an increase to the percentage of the voting rights which the Concert Party controls, the Concert Party may be required to make a general cash offer to all other Shareholders of the Company to acquire their Ordinary Shares, unless such obligation has been waived by the Takeover Panel.

Rule 37 of the Takeover Code specifically refers to situations where a company purchases its own voting shares, noting that any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9 of the Takeover Code, but that the Panel will normally waive any such resulting obligation to make a general offer if there is a vote of the independent shareholders.

(c) **Panel Waiver**

In order to enable the Company to effect the Share Buyback without triggering a mandatory offer obligation for the Concert Party, the Company has consulted with the Takeover Panel and the Takeover Panel has agreed to waive the requirement for the Concert Party to make a general offer to all Shareholders under Rule 9 of the Takeover Code in circumstances where, following the Share Buyback, the aggregate percentage holding of the Concert Party increases (the “**Panel Waiver**”). This Panel Waiver is subject to the approval by a vote of Independent Shareholders of the Company on a poll at the General Meeting. The Waiver Resolution seeks this approval. The duration of the Panel Waiver is the same as the duration of the Share Buyback Authority and will therefore expire on the conclusion of the annual general meeting of the Company in 2024. Accordingly, should Independent Shareholders approve the Waiver Resolution, they will be waiving the requirement for the Concert Party to make a mandatory general offer under Rule 9 of the Takeover Code as a result of the exercise of the Share Buyback Authority.

If the maximum number of Ordinary Shares are bought back by the Company pursuant to the Share Buyback Authority and assuming the Concert Party does not participate in the Share Buyback and no further Ordinary Shares are issued by the Company, then the Concert Party would, in aggregate, hold interests in Ordinary Shares carrying a maximum of 40.36 per cent. of the Voting Share Capital, as set out in the table below.

<i>Name of ultimate beneficial owner</i>	<i>Number of Ordinary Shares held</i>	<i>Maximum Percentage of the Voting Share Capital of the Company* (%)</i>
DBAY Fund III	143,701,525	31.98
Colin Kingsnorth	11,838,807	2.63
Alex Paiusco	9,722,790	2.16
David Morrison	5,000,000	1.11
Saki Riffner	4,532,339	1.01
Mike Branigan	2,745,072	0.61
Andrew Pegge	1,838,807	0.41
Mike Haxby	1,290,347	0.29
Peter Nixon	706,467	0.16
Total	181,376,154	40.36

**Assuming 112,352,944 Ordinary Shares are acquired pursuant to the Share Buyback Authority and the Concert Party does not participate in the Share Buyback and no further Ordinary Shares are issued by the Company.*

Following exercise of the Share Buyback Authority in full, the Concert Party would be interested in Ordinary Shares carrying over 30 per cent. of the Voting Share Capital but would not hold Ordinary Shares carrying more than 50 per cent. of the Voting Share Capital and, as long as members of the Concert Party continue to be treated as acting in concert, any

further increase in the Concert Party's aggregate interest in Ordinary Shares will be subject to Rule 9 of the Takeover Code.

If the Rule 9 Waiver is approved then the Concert Party will not be restricted from making an offer.

Accordingly, whilst the obligations under Rule 9 of the Takeover Code would be waived in relation to any exercise of the Share Buyback Authority, any other future share buybacks after the expiry of the Panel Waiver or purchases of any interest in shares in the Company by the Concert Party would remain subject to Rule 9 and the other provisions of the Takeover Code.

The individual members of the Concert Party have each confirmed to the Company that they are not proposing, following any increase in their percentage interests in the Voting Share Capital as result of the Share Buyback, to seek any change in the general nature of the Company's business. The Concert Party has further confirmed that it has no intention to change the Company's plans with respect to: (i) the composition of the Board, nor the Company's plans with respect to the continued employment of employees and management of the Company and its subsidiaries (including any material change in conditions of employment) or any material change to the balance of skills and functions of the employees and management; (ii) the Company's future business and its strategic, research and development plans; (iii) the location of the Company's headquarters or headquarter functions or the location of the Company's place of business; (iv) employer contributions into any of the Company's pension schemes, the accrual of benefits for existing members, nor the admission of new members; (v) redeployment of the Company's fixed assets; or (vi) the continuation of the Ordinary Shares being admitted to trading on AIM.

Your attention is drawn to Part II (*Additional Information*) of this Circular which sets out certain further information and financial information that is required to be disclosed in this Circular pursuant to the rules contained in the Takeover Code.

Under Rule 25.2 of the Takeover Code, only the Independent Directors are able to make a recommendation to the Independent Shareholders with respect to the proposed Waiver Resolution. The Independent Directors believe it is in the best interests of the Company that the Waiver Resolution be passed and hereby recommend that Independent Shareholders vote in favour of the Waiver Resolution. Strand Hanson, as the Company's independent financial adviser, has provided formal advice to the Independent Directors that it considers the terms of these proposals to be fair and reasonable and in the best interests of Shareholders and the Company as a whole. In providing this advice, Strand Hanson has taken into account the Independent Directors' commercial assessments. In accordance with the requirements of the Takeover Code, members of the Concert Party are not permitted to vote on the Waiver Resolution in respect of their aggregate holding of 181,376,154 Ordinary Shares.

4. Prior Buyback

In accordance with the Companies Act 2006 (the "**Act**"), the Company intended to fund the Prior Buyback from distributable profits, rather than the proceeds of a fresh issues of shares. The Act provides that a public company may make a payment out of its distributable profits as shown in the last accounts circulated to members or, if interim accounts are used, those that have been filed at Companies House. These requirements apply notwithstanding that the company in question has sufficient distributable profits to purchase the relevant shares at the relevant time. The Prior Buyback was funded by reference to interim accounts as at 22 February 2022 (the "**Interim Accounts**").

The Company has always filed its statutory annual accounts in accordance with the requirements of the Act. It was the intention of the Company to fund the Prior Buyback in full compliance with the Act and all other regulatory requirements and at all times the Company had sufficient distributable profits to justify the funding of the Prior Buyback. The Company was in a position to be able to sign and deliver the Interim Accounts (showing the requisite level of distributable profits for the continued purchase of ordinary shares pursuant to the Prior Buyback) to Companies House, in order to satisfy the procedural requirements of the Act. It did not do so, however, due to an administrative oversight. This omission constitutes a procedural breach of the Act.

Consequently, whilst there is currently no registered holder of the Ordinary Shares the subject of the Prior Buyback, the Prior Buyback must be treated as void under the Act and, in order to make the purchase of Ordinary Shares under it effective, the Company is now seeking to cancel 140,441,180 Ordinary Shares by way of a Court-approved reduction of share capital (the “**Reduction of Capital**”). The Act permits a company to reduce its capital by obtaining approval of its shareholders by special resolution and then applying to the High Court of Justice of England and Wales for an order confirming the reduction (the “**Court Order**”). A reduction of capital takes effect on registration by the Registrar of Companies of the Court Order. Resolution 3 seeks shareholders’ approval of the Reduction of Capital and, if passed, the Company will then make an application for a Court Order.

5. General Meeting

You will find at the end of this Circular a notice convening a general meeting of the Company, to be held at 10.00 a.m. on 6 March 2023 at the offices of DBAY UK Ltd at 5th Floor, 1 Albemarle Street, London W1S 4HA to consider and, if thought appropriate, pass the Resolutions summarised below.

(a) Resolution 1 (the Share Buyback Resolution)

The Share Buyback Resolution is conditional upon the passing of the Waiver Resolution and Reduction of Capital Resolution and seeks to confer authority for the market purchase by the Company of up to 112,352,944 Ordinary Shares. This number represents approximately 20 per cent. of the Voting Share Capital as of the Latest Practicable Date.

The Share Buyback Resolution will be proposed as an ordinary resolution and all Shareholders will be entitled to vote on this resolution.

The Share Buyback Authority will expire on the conclusion of the annual general meeting of the Company in 2024, unless such authority is otherwise revoked or varied by the Company prior to the date of such expiry and save that the Company may (prior to such expiry) enter into a contract to acquire Ordinary Shares which will or may be completed or executed wholly or partially after such expiry and may make an acquisition of Ordinary Shares pursuant to such contract in reliance on the Share Buyback and the Panel Waiver.

Although the Share Buyback Authority will last until the conclusion of the annual general meeting of the Company in 2024, the Company may ask Shareholders to approve a new share buyback authority at the Company’s next annual general meeting or at some other later date. Since, however, the Panel Waiver only relates to the Share Buyback Authority, and also expires on the conclusion of the annual general meeting of the Company in 2024, the Company would be required to seek a new waiver from the Takeover Panel in relation to any obligation which would otherwise be imposed on any member of the Concert Party to make a general offer to all Shareholders under Rule 9 of the Takeover Code as a result of the exercise of any share buyback authority subsequently obtained by the Company at a shareholder meeting (such waiver again being conditional upon the approval of Independent Shareholders voting on a poll).

(b) Resolution 2 (the Waiver Resolution)

The Waiver Resolution proposes to approve the waiver conditionally granted by the Takeover Panel for the disapplication of Rule 9 of the Takeover Code following the exercise by the Company of the Share Buyback (whether exercised in whole or in part). The Takeover Panel has confirmed that, subject to the Waiver Resolution being passed by the requisite majority of the Independent Shareholders on a poll, no mandatory bid obligation on the Concert Party under Rule 9 of the Takeover Code would be triggered by virtue of the Share Buyback. The Waiver Resolution seeks the approval of the Panel Waiver by Shareholders.

The Waiver Resolution will be proposed as an ordinary resolution and is conditional upon the passing of the Share Buyback Resolution and Reduction of Capital Resolution. In accordance with the requirements of the Takeover Code, members of the Concert Party are not permitted to vote on the Waiver Resolution in respect of their aggregate holding of 181,376,154 Ordinary Shares, but may vote on the Share Buyback Resolution.

(c) **Resolution 3 (the Reduction of Capital Resolution)**

The purpose of the Reduction of Capital Resolution is set out in paragraph 4 above and is a pre-requisite to the Company applying for the Court Order to cancel the 140,441,180 Ordinary Shares purportedly bought back under the Prior Buyback. It will be proposed as a special resolution and all Shareholders will be entitled to vote on this resolution. The Reduction of Capital Resolution is conditional upon the passing of the Share Buyback Resolution and the Waiver Resolution.

6. Action to be taken

You have been provided with a Form of Proxy for use in connection with the General Meeting. Whether or not you propose to attend the General Meeting in person, you are requested to complete and sign the Form of Proxy in accordance with the instructions printed thereon and return it to the Company's registrars, Link Group, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL as soon as possible but, in any event, so as to arrive no later than 10.00 a.m. on 2 March 2023.

The completion and return of a Form of Proxy will not preclude you from attending the General Meeting and voting in person if you wish to do so.

7. Recommendation

(a) **Share Buyback Resolution and Reduction of Capital Resolution**

The Directors consider the Share Buyback and Reduction of Capital 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 Resolution 1 and Resolution 3 at the General Meeting.

Stephen Harley, Adrian Collins and Peter Nixon, the Directors who hold Ordinary Shares, intend to vote in favour of Resolution 1 and Resolution 3 in respect of the in aggregate 2,716,467 Ordinary Shares held by them, representing approximately 0.48 per cent. of Voting Share Capital as at the Latest Practicable Date.

The Company has received irrevocable commitments from Saki Riffner, Alex Paiusco and DBAY Fund III to vote or procure votes in favour of the Share Buyback Resolution and Reduction of Capital Resolution at the General Meeting in respect of their entire holding of Ordinary Shares. These irrevocable commitments are in respect of, in aggregate, 157,956,654 Ordinary Shares, representing approximately 28.12 per cent. of the Voting Share Capital as at the Latest Practicable Date.

(b) **The Waiver Resolution**

The Independent Directors, being Adrian Collins, David Facey and Stephen Harley, who have been so advised by Strand Hanson, 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 Waiver Resolution to be proposed as Resolution 2 at the General Meeting.

Adrian Collins and Stephen Harley, the Independent Directors who hold Ordinary Shares, intend to vote in favour of the Waiver Resolution in respect of the 2,010,000 Ordinary Shares held by them, representing approximately 0.36 per cent. of Voting Share Capital as at the Latest Practicable Date.

Yours sincerely

Adrian Collins

*Independent Non-Executive Chairman
Logistics Development Group plc*

PART II

ADDITIONAL INFORMATION

For the purpose of this Part II:

“acting in concert”	has the meaning attributed to it in the Takeover Code;
“arrangement”	includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
“connected person”	has the meaning attributed to it in section 252 of the Companies Act 2006;
“control”	means a interest, or interests in shares carrying 30 per cent. or more of the voting rights attributable to the share capital of a company which are currently exercisable at a general meeting, irrespective of whether the interest or interests gives <i>de facto</i> control;
“dealing” or “dealt”	includes the following: (a) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attached to relevant securities, or of general control of relevant securities; (b) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including a trade option contract) in respect of any relevant securities; (c) subscribing or agreeing to subscribe for relevant securities; (d) the exercise or conversion of any relevant securities carrying conversion or subscription rights (whether in respect of new or existing securities); (e) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities; (f) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities; and (g) the redemption or purchase of, or taking or exercising an option over, an of its own relevant securities by the offeree company or an offeror; or (h) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
“DBAY Fund III Securities”	means the relevant securities of DBAY Fund III;
“derivative”	includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;
“interested”	in relevant securities includes where a person: (a) owns relevant securities; (b) has a right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to relevant securities or has general control of them; (c) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or (d) is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;

“Latest Practicable Date”	means 14 February 2023, being the latest practicable date prior to the publication of this Circular;
“relevant securities”	includes: (a) shares and any other securities carrying voting rights; (b) equity share capital (or derivatives referenced thereto); and (c) securities carrying conversion or subscription rights (including traded options); and
“short position”	means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, agreement to sell or any delivery obligation or right to require any other person to purchase or take delivery.

NOTE:

Under the Takeover Code, a “**concert party**” arises where persons, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. “**Control**” means interest or interests, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the interest or interests give *de facto* control.

1. Responsibility

The Directors accept responsibility for the information (including any expressions of opinion) contained in this Circular, other than information relating to DBAY, DBAY Fund III, the Concert Party and the Independent Directors’ recommendation in relation to the Waiver Resolution. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Independent Directors accept responsibility for their recommendation (including any expressions of opinion) in relation to the Waiver Resolution. To the best of the knowledge and belief of the Independent Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The directors of DBAY accept responsibility for the information (including any expressions of opinion) contained in this Circular relating to DBAY and DBAY Fund III. To the best of the knowledge and belief of the directors of DBAY (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Each member of the Concert Party (other than DBAY Fund III) accepts responsibility for the information (including any expressions of opinion) contained in this Circular relating to them. To the best of the knowledge and belief of each such member of the Concert Party (who have taken all reasonable care to ensure that such is the case), the information contained in this Circular for which he accepts responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Incorporation and general information

The Company was incorporated in England on 4 March 2014 as a public limited company with the name Greenwhitestar UK plc with registered number 08922456. On 3 April 2017, the Company changed its name to Eddie Stobart Logistics plc. On 11 April 2017, the Company was re-registered as a private limited company with the name Eddie Stobart Logistics Limited. On 11 April 2017, the Company underwent a share capital reduction and subsequently, on 11 April 2017, re-registered as a public limited company with the name Eddie Stobart Logistics plc. On 9 February 2021, the Company changed its name to Logistics Development Group plc. On 22 February 2022, the Company underwent another share capital reduction.

The registered office of the Company and its principal place of business is at 3 More London Riverside, 4th Floor, London SE1 2AQ, England. The telephone number of the Company’s registered office and

principal place of business is +44 (0)20 7397 5450 and its website is www.ldgplc.com. The Company is domiciled in England.

3. Directors

The Directors of the Company and their functions are set out in the table below.

The business address of the Directors is 3 More London Riverside, 4th Floor, London SE1 2AQ, England.

<i>Director</i>	<i>Function</i>
Adrian Collins	Independent Non-Executive Chairman
David Facey	Independent Non-executive Director
Stephen Harley	Independent Non-executive Director
Peter Nixon	Non-executive Director

Peter Nixon cannot be treated as an independent director of the Company in relation to the Waiver Resolution as he was nominated as a director of the Company by DBAY and was formerly an operating partner of DBAY. Accordingly, Peter Nixon has taken no part in the recommendation of the Board in connection with the Waiver Resolution. The Independent Directors comprise Adrian Collins, David Facey and Stephen Harley.

4. DBAY Directors

The current directors of DBAY are Alexandra Ammann-Pfennig, Mike Haxby, Jim Mara, David Morrison, Alex Paiusco, Clive Parrish, and Saki Riffner.

5. Details of members of the Concert Party

The members of the Concert Party and details of the reason for their membership of the Concert Party are set out below. Their holdings are set out in paragraph 6 below.

- (a) DBAY Fund III is a fund managed by DBAY.
- (b) Colin Kingsnorth was formerly a director of DBAY and is a limited partner in the DBAY Funds.
- (c) Alex Paiusco is a co-founder and partner of DBAY, and his role is Chief Executive Officer.
- (d) David Morrison is a director of DBAY and senior member of the investment team.
- (e) Saki Riffner is a co-founder and partner of DBAY and former Non-Executive Director of the Company.
- (f) Mike Branigan is a partner of DBAY, senior operating partner and leads the operating professionals.
- (g) Andrew Pegge was formerly a director of DBAY and is a limited partner in the DBAY Funds.
- (h) Mike Haxby is a co-founder and partner of DBAY, and his role is Chief Operating Officer.
- (i) Peter Nixon was formerly an operating partner of DBAY with a focus on financial and accounting matters and a Non-Executive Director of the Company.

6. Interests and dealings in relevant securities

The Panel will not normally waive an obligation under Rule 9 of the Takeover Code if any member of the Concert Party, or any person acting in concert with it, has acquired any interest in Ordinary Shares in the Company in the 12 months preceding the date of this Circular but subsequent to negotiations, discussions or the reaching of understandings and/or agreements with the Directors in relation to the proposed Share Buyback. In addition, the Panel Waiver will be invalidated if any acquisition of any interest in Ordinary Shares in the Company are made in the period between the date of this Circular and the General Meeting.

(a) **Interests of the Directors in the Ordinary Shares**

As at the Latest Practicable Date, the interests of the Directors and their immediate families, related trusts and connected persons (all of which are beneficial unless otherwise stated) in the Ordinary Shares of the Company were as follows:

<i>Director</i>	<i>Number of Ordinary Shares</i>	<i>% of Issued Share Capital</i>
Stephen Harley	1,010,000	0.18
Peter Nixon	706,467	0.13
Adrian Collins	1,000,000	0.18

None of the Directors have dealt in relevant securities of the Company in the 12 months prior to the publication of Circular.

(b) **Interests of the Directors in DBAY Fund III**

Peter Nixon was formerly an operating partner of DBAY, and a non-independent non-executive member of the Board appointed by DBAY. 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, Peter Nixon recuses himself from discussions and voting. Peter Nixon does not hold any interests in any DBAY Fund III Securities.

(c) **Interests of the Concert Party in the Ordinary Shares**

As at the Latest Practicable Date, the interests of members of the Concert Party in the Ordinary Shares of the Company as well as their maximum potential percentage holdings of Ordinary Shares based on the full exercise of the Share Buyback Authority were as follows:

<i>Name of ultimate beneficial owner</i>	<i>Number of Ordinary Shares held</i>	<i>Current shareholdings</i>	<i>Potential maximum shareholding</i>
		<i>Percentage of the issued share capital of the Company (%)</i>	<i>Percentage of the issued share capital of the Company (%)</i>
DBAY Fund III	143,701,525	25.58	31.98
Colin Kingsnorth	11,838,807	2.11	2.63
Alex Paiusco	9,722,790	1.73	2.16
David Morrison	5,000,000	0.89	1.11
Saki Riffner	4,532,339	0.81	1.01
Mike Branigan	2,745,072	0.49	0.61
Andrew Pegge	1,838,807	0.33	0.41
Mike Haxby	1,290,347	0.23	0.29
Peter Nixon	706,467	0.13	0.16
Total	181,376,154	32.29	40.36

The following dealings in Ordinary Shares by members of the Concert Party have taken place during the 12 months prior to the Latest Practicable Date:

<i>Date of transaction</i>	<i>Transaction</i>	<i>Number of Ordinary Shares</i>	<i>Price</i>
6 April 2022	DBAY Fund III, sale of Ordinary Shares	10,294,618	15.90 pence per Ordinary Share

(d) **General**

Save as disclosed in this Circular, as at the Latest Practicable Date and during the 12 months prior to the Latest Practicable Date:

- (i) neither DBAY Fund III nor any related trust, connected persons, or any other members of the Concert Party, had any interest in or a right to subscribe for, or had any short position in relation to, any relevant securities of the Company, nor had any such person dealt in any relevant securities of the Company;
- (ii) neither DBAY Fund III nor any related trust, connected persons, or any other members of the Concert Party, had borrowed or lent any relevant securities of the Company (save for any borrowed shares which have either been on-lent or sold);
- (iii) none of the DBAY Directors (including any members of their respective immediate families, related trusts or connected persons) had any interest in or a right to subscribe for, or had any short positions in relation to any relevant securities of the Company, nor had any such person dealt in any relevant securities of the Company; and
- (iv) none of the DBAY Directors (including any members of their respective immediate families, related trusts or connected persons) had borrowed or lent any relevant securities of the Company (save for any borrowed shares which have either been on-lent or sold).

7. Additional disclosures required by the Takeover Code

Save as disclosed in this Circular, none of the DBAY Directors have any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Company.

No arrangement or understanding (including any compensation arrangement) exists between DBAY Fund III or any other member of the Concert Party and any of the Directors, recent directors, Shareholders or recent shareholders of the Company, or any person interested or recently interested in the Ordinary Shares, having any connection with or dependence upon the Panel Waiver or the proposals set out in this Circular or which is conditional on the outcome of the consideration of the Panel Waiver or the proposals set out in this Circular.

Save as disclosed in this Circular, as at the Latest Practicable Date and during the 12 months prior to the Latest Practicable Date:

- (a) the Company had undertaken no dealings in its own relevant securities;
- (b) the Company had not redeemed or purchased any of its own relevant securities;
- (c) neither the Company, nor any of the Directors nor any member of their immediate families or related trusts or connected persons, nor any person acting in concert with the Company or the Directors had an interest in or a right to subscribe for, or had any short position in any relevant securities of the Company or has dealt in any relevant securities of the Company;
- (d) neither the Company or the Directors nor any person acting in concert with the Company or the Directors had borrowed or lent any relevant securities of the Company (save for any borrowed shares which have either been on-lent or sold); and
- (e) neither the Company, nor any of the Directors nor any member of their immediate families or related trusts or connected persons, nor any person acting in concert with the Company or the Directors had an interest in or a right to subscribe for, or had any short position in any DBAY Fund III Securities or has dealt in any DBAY Fund III Securities.

The Concert Party confirms that no potentially disqualifying transactions, as described in Note 5 to Rule 37.1 of the Takeover Code, have been undertaken by the Concert Party during the 12 months prior to the Latest Practicable Date.

8. Directors' service agreements, non-executive letters of appointment and consultancy agreements

The services of Stephen Harley as Independent Non-Executive Director are provided under the terms of a letter of appointment between the Company and Stephen Harley, entered into on 4 July 2020 for an initial period of three years commencing from the date of his appointment, unless terminated earlier upon at least three months' notice, at an initial fee of £61,200 per annum.

The services of Adrian Collins as Independent Non-Executive Director and Chairman are provided under the terms of a provision of services letter between the Company and Fincorp International Limited acting by Adrian Collins, entered into on 4 July 2020 for an initial period of three years commencing from 3 April 2020, continuing thereafter subject to termination upon at least three months' notice, at an initial fee of £80,000 per annum.

The services of Peter Nixon as Non-Executive Director are provided under the terms of a letter of appointment between the Company and Peter Nixon dated 9 December 2021, under which Peter Nixon agreed to serve as a non-executive director for an initial period of three years commencing from 9 December 2021, at an initial fee of £60,000 per annum.

The services of David Facey as Non-Executive Director are provided under the terms of a letter of appointment between the Company and David Facey dated 31 March 2021, under which David Facey agreed to serve as a non-executive director for an initial period of three years commencing from 1 April 2021, unless terminated earlier upon at least three months' notice, at an initial fee of £60,000 per annum.

Save as disclosed in this Circular, there are no service agreements in existence between any of the Directors and the Company and no service contracts have been entered into nor have existing service contracts been replaced or amended during the period of six months prior to the date of this Circular.

There will be no change to any of the above letters of appointment as a result of the passing of the Share Buyback Resolution or the Waiver Resolution or the exercise by the Company of the Share Buyback Authority.

9. About DBAY and DBAY Fund III

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, 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 14 investment and operating professionals. Capital is managed on behalf of institutional investors, trusts, foundations, family offices and pension funds.

DBAY's holding in the Company is (and will continue to be) held as an investment by DBAY Fund III. The Share Buyback will not have any impact on DBAY's business strategy, business, earnings, assets or liabilities, locations (including head office or head office functions) or the continuity or conditions of employment of its personnel and management of DBAY.

DBAY has its registered office at 2nd Floor, Exchange House, 54-62 Athol Street, Douglas, Isle of Man IM1 1JD. Neither DBAY nor DBAY Fund III are required to publish financial information and there is no financial information relating to DBAY or DBAY Fund III that is publicly available. There are no current ratings or outlooks publicly accorded to DBAY or DBAY Fund III by ratings agencies.

10. Financial information

The Company's audited consolidated historical financial information for FY20 and FY21, as well as the Company's unconsolidated unaudited interim results for the six months ended 31 May 2022, are available to be viewed or downloaded from the Company's website (<https://www.ldgplc.com/annual-reports/>) and therefore have not been reproduced in this Circular.

The following information has therefore been incorporated into this Circular by reference in accordance with Rule 24.15 of the Takeover Code:

<i>Information</i>	<i>Source of information</i>
Audited consolidated accounts of the Company for the financial year ended 30 November 2020	https://www.ldgplc.com/wp-content/uploads/pdfs/AnnualReports/PRINT%20LDG%20AR%202020%20FINAL.pdf
Audited consolidated accounts of the Company for the financial year ended 30 November 2021	https://www.ldgplc.com/wp-content/uploads/pdfs/AnnualReports/WEB%20LDG%20AR%20FRONT%202021%20SIGNED.pdf

The above documents are available, free of charge, in “read-only” format and can be printed from the web addresses detailed above.

Shareholders or other recipients of this Circular may request a hard copy of the above information incorporated by reference from the Company at its registered office, such copy will be provided to the requester within seven days of receipt of the request. A hard copy of the information incorporated by reference will not be sent to Shareholders or other recipients of this Circular unless requested.

Current Trading and Ratings

The Company’s most recent interim results for the six months ended 31 May 2022 were announced on 26 August 2022. The Company continues to trade in-line with the Board’s expectations.

There are no current public ratings or outlooks accorded to the Company by ratings agencies.

11. Material contracts

No contracts have been entered into by DBAY Fund III during the two years preceding the date of this Circular which: (i) are not in the ordinary course of business; and (ii) are or may be material or contain any provision under which DBAY Fund III has any obligation or entitlement which is material to the DBAY Fund III at the date of this Circular.

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company during the two years preceding the date of this Circular and are or may be material or have been entered into by the Company and contain any provision under which the Company has any obligation or entitlement which is material to the Company at the date of this Circular:

(a) Investment Management Agreement

The Company entered into an investment management agreement with DBAY dated 14 January 2022 pursuant to which the Company appointed DBAY to act as its investment manager (the “**Manager**”) with respect to the assets of the Company (the “**Investment Management Agreement**”).

In consideration for the provision of management services, the Company has agreed to pay an annual fee, described as the monitoring fee, to the Manager. The fee shall be no greater than two per cent. of any amounts committed by the Company to the DBAY Investment Funds 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 per cent. of all distributions of cash made by the relevant portfolio company (or its affiliates), directly or indirectly, to the Company.

The Manager is to 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 the Manager in the relevant year. The Manager is to also ensure that there is at all times a contingency amount of at least £2 million on the Company’s balance sheet to cover any exceptional expenses that may arise.

Any investments made by the Manager on behalf of the Company are to be in accordance with the Investing Policy. In addition, the Manager must ensure that the DBAY Investment Funds (and any other funds managed by DBAY in which DBAY invests on behalf of the Company) retain investing policies that are substantially the same as the Investing Policy. 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 per cent. 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 Investing Policy and 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 for Companies 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 coordinating 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 save for the requirement to act in accordance with the Investing Policy, 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) Shareholders holding more than 75 per cent. of the voting shares in the Company vote to terminate the agreement at a duly convened and quorate meeting of the Shareholders, provided that at least 50 per cent. 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; and (ii) 100 per cent. 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 per cent. 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.

(b) ***Nominated Adviser Agreement***

An agreement entered into between the Company and Strand Hanson dated 16 June 2021 pursuant to which the Company has appointed Strand Hanson as its nominated adviser and financial adviser for an initial period of 24 months, continuing thereafter subject to termination upon at least three months' written notice. The Company has agreed to pay Strand Hanson an annual nominated adviser fee (plus VAT, if applicable).

(c) ***Broker Engagement Letter***

An engagement letter entered into between the Company and Investec Bank plc ("Investec") dated 8 December 2020 pursuant to which the Company has appointed Investec to act as retained joint corporate broker to the Company. Investec's appointment continues until terminated by either party giving the other at least one month's written notice. The Company has agreed to pay Investec an annual fee of £30,000 (plus VAT, if applicable, and disbursements) for the provision of corporate broking services.

12. Significant change

There has been no significant change in the financial or trading position of the Company since 31 May 2022 (being the date of the end of the last financial period for which interim financial information has been published).

13. Middle market quotations

Set out below are the closing middle-market quotations for the Ordinary Shares for the first dealing day of each of the six months immediately preceding the date of this Circular and for the Last Practicable Date.

<i>Date</i>	<i>Closing middle market quotation</i>
1 September 2022	12.70
3 October 2022	12.00
1 November 2022	12.90
1 December 2022	13.37
3 January 2023	14.15
1 February 2023	14.10
14 February 2023	15.60

14. Independent advice

Strand Hanson, of 26 Mount Row, London, W1K 3SQ, has provided competent and 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 Panel Waiver. Strand Hanson has not withdrawn its written consent to the issue of this Circular with the inclusion herein of the references to its name in the form and context in which it appears. Strand Hanson confirms that it is independent of the Concert Party and has no commercial relationship with any of its members.

15. Documents available for inspection on the Company's website

Copies of the following documents will be available for inspection on the Company's website, www.ldgplc.com, up to and including the day of the General Meeting:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the Company's consolidated audited annual financial reports for the financial years ended 30 November 2020 and 30 November 2021;
- (c) the Company's unconsolidated unaudited interim results for the six months ended 31 May 2022;
- (d) the Investment Management Agreement;
- (e) the Directors' letters of appointments referred to in paragraph 8 of this Part II;
- (f) the irrevocable commitments referred to in paragraph 7(a) of Part I of this Circular (*Letter from the Chairman of Logistics Development Group PLC*);
- (g) the consent letter referred to in paragraph 14 of this Part II; and
- (h) this Circular.

PART III

DEFINITIONS

The following definitions apply throughout this Circular, unless the context requires otherwise:

“£”	pounds sterling, the lawful currency of the UK;
“AIM”	the market of that name operated by the London Stock Exchange;
“Board”	the board of Directors of the Company from time to time, or a duly constituted committee thereof;
“Company”	Logistics Development Group plc, a public limited company incorporated in England & Wales with registered number 08922456;
“Concert Party”	the DBAY Fund III and those acting, or deemed to be acting, in concert with it, as more fully described in Part II (<i>Additional Information</i>) of this Circular;
“CREST member”	a person who has been admitted to CREST as a system member (as defined in the CREST Regulations);
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time);
“CREST”	the computer-based system and procedures which enable title to securities to be evidenced and transferred without a written instrument, administered by Euroclear in accordance with the CREST Regulations;
“DBAY”	DBAY Advisors Limited, a company incorporated in the Isle of Man (company number 126150C) whose registered office is at 2nd Floor, Exchange House, 54-62 Athol Street, Douglas, Isle of Man IM1 1JD;
“DBAY Directors”	the directors of DBAY as at the date of this Circular, whose names are set out in paragraph 4 of Part II (<i>Additional Information</i>) of this Circular;
“DBAY Fund III”	DouglasBay Capital III Fund LP;
“DBAY Funds”	certain funds advised by DBAY (including DBAY Fund III);
“DBAY Investment Funds”	certain funds managed by DBAY into which it is proposed that the Company would invest pursuant to the Investing Policy;
“Directors”	the directors of the Company as at the date of this Circular, whose names are set out in paragraph 3 of Part II (<i>Additional Information</i>) of this Circular;
“Euroclear”	Euroclear UK & International Limited, a company incorporated in England and Wales with registered number 02878738, whose registered office is at 33 Cannon Street, London EC4M 5SB, the operator of CREST;
“Form of Proxy”	the form of proxy accompanying this Circular for use by Shareholders in relation to the General Meeting;
“FY20”	the financial year ended 30 November 2020;

“FY21”	the financial year ended 30 November 2021;
“General Meeting”	the general meeting of the Company, convened for 6 March 2023 or any adjournment, therefore, notice of which is set out in Part IV (<i>Notice of General Meeting</i>) of this Circular;
“Group”	the Company, its subsidiaries and its subsidiary undertakings;
“Independent Directors”	those directors of the Company other than Peter Nixon or such other director being an appointee or associate of DBAY;
“Independent Shareholders”	Shareholders excluding members of the Concert Party;
“Investec”	Investec Bank plc of 30 Gresham Street, London EC2V 7QP;
“Investing Policy”	means the investing policy adopted by the Company on 31 January 2022;
“Investment Management Agreement”	the investment management agreement between the Company and DBAY dated 14 January 2022;
“IRR”	internal rate of return;
“Latest Practicable Date”	the latest practicable date prior to the publication of this Circular, being 14 February 2023;
“London Stock Exchange”	London Stock Exchange plc;
“Manager”	DBAY, acting as manager of the Company;
“Memorandum and Articles of Association”	the memorandum of association of the Company dated 4 March 2014 and the articles of association of the Company dated 11 April 2017, as amended from time to time;
“MM”	money multiple;
“NAV”	net asset value;
“Notice of General Meeting”	the notice of the General Meeting set out in Part IV (<i>Notice of General Meeting</i>) of this Circular;
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company;
“Panel Waiver”	the waiver granted by the Takeover Panel, conditional on the approval by Independent Shareholders of the Panel Waiver Resolution, of any obligation which would otherwise be imposed on members of the Concert Party, either individually or collectively, to make a general offer to all Shareholders under Rule 9 of the Takeover Code, as a result of market purchases made pursuant to the exercise of the Share Buyback Authority;
“Prior Buyback”	the buyback approved by shareholders at a general meeting on 31 January 2022;
“Reduction of Capital”	the cancellation of 140,441,180 ordinary shares by way of a Court-approved reduction of share capital;
“Reduction of Capital Resolution”	the resolution numbered 3 set out in the Notice of General Meeting to approve the Reduction of Capital;
“Resolutions”	the resolutions 1, 2 and 3 set out in the Notice of General Meeting;

“Share Buyback Authority”	the general authority for the Company to make on-market purchases of up to 20 per cent. of its Voting Share Capital implemented by way of share buyback;
“Share Buyback Resolution”	the resolution numbered 1 set out in the Notice of General Meeting to approve the Share Buyback Authority;
“Shareholder(s)”	holder(s) of Ordinary Shares;
“Strand Hanson”	Strand Hanson Limited of 26 Mount Row, London, W1K 3SQ;
“Synsion TopCo”	Synsion TopCo Ltd a company incorporated in England and Wales with registered number 13514422, whose registered office is at 5th Floor 1 Albemarle Street, London W1S 4HA;
“Takeover Code”	the City Code on Takeovers and Mergers published by the Takeover Panel (as amended from time to time);
“Takeover Panel”	the Panel on Takeovers and Mergers;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“Voting Share Capital” or “Voting Shares”	561,764,720 Ordinary Shares, comprising the entire issued share capital of the Company; and
“Waiver Resolution”	the resolution numbered 2 set out in the Notice of General Meeting to approve the Panel Waiver.

PART IV

NOTICE OF GENERAL MEETING

LOGISTICS DEVELOPMENT GROUP PLC

(Registered in England and Wales with registered no. 08922456)

NOTICE IS HEREBY GIVEN that a General Meeting of Logistics Development Group plc (the “**Company**”) will be held at 10.00 a.m. on 6 March 2023 at the offices of DBAY UK Ltd at 5th Floor, 1 Albemarle Street, London W1S 4HA for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary Resolutions

1. Share Buyback Resolution

That, subject to and conditional on the passing of resolutions 2 and 3 below, and without prejudice to all existing authorities given to the directors of the Company for the purposes of section 701 of the Companies Act 2006, the Company be and is hereby generally and unconditionally authorised pursuant to section 701 of the Companies Act 2006, to make one or more market acquisitions of ordinary shares of £0.01 each in its capital (“**Ordinary Shares**”) provided that:

- (a) the maximum aggregate number of Ordinary Shares hereby authorised to be acquired is 112,352,944;
- (b) the maximum price (exclusive of expenses) which shall be paid for an Ordinary Share pursuant to this authority shall be five per cent. above the average middle market quotations for an Ordinary Share (as derived from the London Stock Exchange’s Daily Official List) for the five business days immediately preceding the date on which such Ordinary Share is contracted to be purchased;
- (c) the minimum price (exclusive of expenses) which may be paid for an Ordinary Share pursuant to this authority shall be its nominal value; and
- (d) the authority hereby conferred shall expire on the conclusion of the annual general meeting of the Company in 2024, unless such authority is otherwise revoked or varied prior to the date of such expiry, save that the Company may (prior to such expiry) enter into a contract to acquire Ordinary Shares which will or may be completed or executed wholly or partly after such expiry and make an acquisition of such Ordinary Shares pursuant to any such contract.

2. Waiver Resolution

That, subject to and conditional on the passing of resolution 1 above and resolution 3 below, the waiver granted by the Panel on Takeovers and Mergers of any obligation which may otherwise arise pursuant to Rule 9 of the City Code on Takeovers and Mergers (“**Takeover Code**”) for the members of the Concert Party (as defined in the Circular) to make a general offer for the entire issued share capital of the Company following any increase in the percentage of Ordinary Shares in which the Concert Party is interested to a maximum of approximately 40.36 per cent. of the Ordinary Shares in issue as a result of the exercise by the Company of the authority to purchase up to 112,352,944 of its own Ordinary Shares pursuant to resolution 1 above be and is hereby approved, provided that such approval shall expire on the conclusion of the annual general meeting of the Company in 2024.

In order to comply with the Takeover Code, resolution 2 will be taken on a poll and each of the members of the Concert Party will not be eligible to vote on the resolution.

Special Resolution

3. Capital Reduction Resolution

That, subject to and conditional on the passing of resolutions 1 and 2 above, the capital of the Company be reduced by cancelling and extinguishing all of the 140,441,180 ordinary shares of £0.01 each purportedly purchased by the Company between 25 February 2022 and 6 April 2022.

Sarah Wakeford
Company Secretary

16 February 2023

Notes to the Notice of General Meeting

1. Notice is hereby given that all resolutions at the General Meeting are to be decided by way of poll. On a poll vote, every shareholder present in person or by proxy has one vote for every ordinary share of which he/she is the holder.
2. Resolution 2 set out in this notice will be subject to an independent vote in accordance with the requirements of The Panel on Takeovers and Mergers for dispensation from Rule 9 of the City Code on Takeovers and Mergers. Members of the Concert Party will not be entitled to vote on the resolution.
3. A shareholder is entitled to appoint a proxy to attend, speak and vote at the General Meeting in that shareholder's place. A proxy need not be a shareholder but must attend the General Meeting to represent the shareholder. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.
4. In the absence of instructions, the person appointed as proxy may vote or abstain from voting as he/she thinks fit on the specified resolutions and, unless otherwise instructed, may also vote or abstain from voting on any other matter (including amendments to the resolutions) which may properly come before the General Meeting.
5. In the case of joint holders, the vote of the senior holder who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members in respect of the joint holding.
6. Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder, provided that each representative is appointed to exercise the rights attached to a different share or shares held by such corporation.
7. The right of a shareholder of the Company to vote at the General Meeting will be determined by reference to the Company's register of members. A shareholder must be registered on the register of members as the holder of ordinary shares by the close of business on 2 March 2023 (or, in the case of an adjournment, no later than two days before the date of the adjourned meeting) in order to be entitled to attend and vote at the General Meeting as a shareholder in respect of those shares.
8. To be valid, Forms of Proxy, completed in accordance with the instructions printed thereon, must be lodged with the Company's registrars, Link Group, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL by no later than 10.00 a.m. on 2 March 2023 (or, in the case of an adjournment, no later than 48 hours before the time fixed for holding the adjourned meeting). Alternatively, a shareholder may appoint a proxy online by following the instructions for the electronic appointment of a proxy at: www.signalshares.com. To be a valid proxy appointment, the shareholder's electronic message confirming the details of the appointment completed in accordance with those instructions must be transmitted so as to be received by no later than 10.00 a.m. on 2 March 2023 (or, in the case of an adjournment, no later than 48 hours before the time fixed for holding the adjourned meeting). In the case of a shareholder which is a corporation, the Form of Proxy must be executed under its common seal or signed on its behalf by a duly authorised officer or an attorney. Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power of authority) must be included with the Form of Proxy. Any such power of attorney or other authority cannot be submitted electronically.
9. CREST members who wish to appoint one or more proxies through the CREST system may do so by using the procedures described in "the CREST voting service" section of the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed one or more voting service providers, should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or a proxy instruction made using the CREST voting service to be valid, the appropriate CREST message (CREST proxy appointment instruction) must be properly authenticated in accordance with the specifications of CREST's operator, Euroclear UK & International Limited (Euroclear), and must contain all the relevant information required by the CREST Manual. To be valid, the message (regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy) must be transmitted so as to be received by Link Group (ID RA10), as the Company's "issuer's agent", by 10.00 a.m. on 2 March 2023. After this time any change of instruction to a proxy appointed through the CREST system should be communicated to the appointee through other means. The time of receipt of the message will be taken to be when (as determined by the timestamp applied by the CREST Applications Host) the issuer's agent is first able to retrieve it by enquiry through the CREST system in the prescribed manner. Euroclear does not make available special procedures in the CREST system for transmitting any particular message. Normal system timings and limitations apply in relation to the input of CREST proxy appointment instructions.
11. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or a CREST sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as is necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service providers should take into account the provisions of the CREST Manual concerning timings as well as its section on "Practical limitations of the system". In certain circumstances the Company may, in accordance with the Uncertificated Securities Regulations 2001 or the CREST Manual, treat a CREST proxy appointment instruction as invalid.
12. Unless otherwise indicated on the Form of Proxy, CREST voting or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
13. Appointing a proxy will not prevent a shareholder from attending and voting in person at the General Meeting should he/she so wish.
14. In order to terminate the authority of a proxy, or a corporate representative of a corporation, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke such appointment to the Company's registrars. To be effective, the notice of termination must be received by the Company's registrars, Link Group, at PXS 1, Central Square,

29 Wellington Street, Leeds, LS1 4DL by no later than 10.00 a.m. on 2 March 2023 (or, in the case of an adjournment, no later than 48 hours before the time fixed for holding the adjourned meeting).

15. As at 14 February 2023 (being the last practicable date prior to the publication of this notice), the Company's issued share capital consisted of 561,764,720 ordinary shares, carrying one vote per share, and there are no shares held by the Company in treasury. Therefore, the total voting rights in the Company as at 14 February 2023 were 561,764,720.
16. Resolutions 1 and 2 are proposed as ordinary resolutions. This means that for these resolutions to be passed more than half of the votes cast on such resolutions must be in favour of such resolutions. Resolution 3 is proposed as a special resolution. This means that for this resolution to be passed not less than three quarters of the votes cast on the resolution must be in favour.
17. This notice, together with information about the total numbers of shares in the Company in respect of which shareholders are entitled to exercise voting rights at the General Meeting as at the disclosure date, will be available on the Company's website at www.ldgplc.com.

