Registered Company Number: 08922456

LOGISTICS DEVELOPMENT GROUP PLC
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 NOVEMBER 2022

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Letter from Chairman

Dear Shareholders

I am pleased to present the annual report and the audited financial statements for Logistics Development Group plc ("LDG" or the "Company") for the year ended 30 November 2022.

For the year ended 30 November 2022, the Company reported an underlying EBIT[1] of £1.1m (2021: EBIT of £84.6m, before exceptional income of £0.1m) and a profit before tax of £1.1m (2021: profit before tax of £84.7m).

At a general meeting held on 31 January 2022, shareholders approved a broadening of the investing policy. This has allowed DBAY Advisors Limited ("DBAY"), LDG's investment manager, to invest in opportunities outside the logistics sector, broadening the opportunity set available to LDG. On 10 March 2022, the Company announced its first investment under the new investing policy, as amended after the General Meeting held on 31 January 2022, in CareTech Holdings PLC (AIM:CTH) ("CareTech"). Over the course of the financial year, the Company purchased a total of 1,974.130 shares in CareTech. On 4 April 2022 a consortium formed by Sheikh Holdings Group (Investments Limited) made a recommended all cash offer for CareTech at 750 pence per share. As a result of the offer being effected, the Company has disposed of its entire holding of CareTech shares.

Details of additional investments are listed in the review of the year on page 3 below.

LDG's share price has consistently been trading at a discount to the Company's cash per share, and so the Board determined to initiate a further share buyback program. The necessary approvals were obtained at a General Meeting on 6 March 2023 and the further share buyback program will commence in due course. Over the last financial year, we had the opportunity to welcome Peter Nixon as a director to the Board, he is an experienced chartered accountant and was appointed to the Board from 9 December 2021, replacing Saki Riffner as a representative of DBAY.

Since its approval in January 2022, the Company has been implementing its broader investing policy. The Board is confident that the Company's investment manager, DBAY, will make good use of the funds over the years to come and avoid the cathartic re-rating of many companies which will not be able to transition from "Growth at any price" to profitability. I am reminded of the great man, Warren Buffet's, sage words "You don't find out who's been swimming naked until the tide goes out". I firmly believe that your investment manager will be able to navigate through the choppy waters and reward shareholders accordingly.

Finally, I would like to thank shareholders, old and new, for their continued support.

Adrian Collins
Chairman

[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.

Business and Financial Review

for the year ended 30 November 2022

Review of the year

Following the disposal of GWSA Group in the prior year, the Board, in conjunction with its investment manager DBAY, reviewed a number of investment opportunities and came to the conclusion that there were more attractive opportunities to create shareholder value outside the narrow logistics focused investing policy adopted in December 2020. Additionally, the Board were aware that the Company's shares had been trading at a significantly discounted level to the amount of available cash per Ordinary Share. Furthermore, the Board noted that the Company's capital structure required attention.

Therefore, on 14 January 2022, the Company announced the publication of a circular containing details of proposed changes to the Investing Policy, the undertaking of a share buyback programme (the "**Buyback**") and a reduction of capital.

On 31 January 2022, at a General Meeting of the Company, the Shareholders gave their approval for both a change to the Investing Policy and the Buyback. At the same General Meeting, the Board approved steps to a reduction in capital to create available distributable reserves.

The change to the Investing Policy was aimed at enabling the Company to take advantage of a wider sphere of opportunities than those offered previously from the original logistics focused policy. The revised investing policy provides for investments primarily in undervalued companies. Further details are set out on pages 5 and 6.

The aim of the Buyback was to address the fact that the Company's shares had been trading at a significantly discounted level to the amount of available cash per Ordinary Share. The Company obtained shareholder approval to acquire up to 20% of the issued share capital as at the date of the General Meeting. Pursuant to the 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.

On 22 February 2022, the Company received approval from the High Court of England and Wales to proceed with a Capital Reduction thereby creating available distributable reserves.

The details of the two investments made during the period are listed below.

- On 7 March 2022, LDG invested £1.00 to acquire the entire share capital of Fixtaia Limited ("**Fixtaia**"), a company incorporated in Jersey. Further investments of £30.0m and £3.0m were made in Fixtaia on 21 March 2022 and 30 November 2022 respectively. Via this investment in Fixtaia, LDG indirectly held an equity interest of 1.74% in CareTech, acquired at a cost of £13.1m, which includes £883k of investment transaction fees, from March 2022 until September 2022, when this investment was disposed of. The disposal of 1,974,130 ordinary shares in CareTech for an aggregate consideration of £14.8m achieved a profit of £1.7m.
- During the period, the Company acquired, via its investment in Fixtaia, a total of 11,457,000 ordinary shares in Finsbury Food Group plc (AIM:FIF) ("**Finsbury Food**"), representing 8.79% of its issued share capital, for an aggregate consideration of £9.1m.

Changes to the Board

Peter Nixon, an experienced chartered accountant, was appointed to the Board from 9 December 2021, replacing Saki Riffner as DBAY representative.

Subsequent events

- On 1 December 2022 an investment of €18.5m (c.£15.9m) was made into Synsion TopCo, which is the private holding company of a group of companies formed by DBAY specifically to invest in SQLI S.A. (ENXTPA:SQI) ("**SQLI**"). This investment was made by the Company via its subsidiary Fixtaia. The investment into Synsion TopCo was initially made by way of an €18.5m loan which has been converted into an approximate 11.1% equity interest in Synsion TopCo (the "**Company's Interest**"). Subsequent to the aforementioned purchase of SQLI shares, the Synsion Group has drawn on available debt funding, as a result of which the implied equity value of the Company's interest was re valued at c.€14.4m. Consequently, under the terms of an agreement between Fixtaia and Synsion TopCo, Synsion TopCo has capitalised the loan in return for the issue of the Company's Interest and made payment in cash of c.€4.1m to Fixtaia.

Business and Financial Review

continued

- On 1 December 2022 the Company, via its subsidiary Fixtaia, began acquiring shares in Alliance Pharma Plc ("**Alliance**"). Alliance is an international healthcare group founded in 1996 and headquartered in the United Kingdom. Alliance acquires, markets and distributes consumer healthcare and prescription medicine products. To date, via the investment in Fixtaia, the Company indirectly holds 33,763,047 shares, which is 6.25% of Alliance, for a consideration of £19.1m
- At a general meeting held on 6 March 2023, the Company's shareholders approved the commencement of a further share buyback and capital reduction:
    1) It is the intention to acquire Ordinary Shares in the market (the "**Further Buyback"**), representing approximately 20% of the Company's issued share capital, which the Board believes may serve to reduce the observed discount to NAV per Ordinary Share. The Board, however, expects to limit the total consideration for the Further Buyback to an aggregate of £15.0m. Through the Further Buyback, the Company intends to implement a discount management policy, targeting a share price discount to NAV per share of no more than 15% 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.
    2) The 140,411,180 ordinary shares of £0.01 each which were subject to the buyback effected by the Company between 25 February 2022 and 6 April 2022 (the "**Capital Reduction**"), which was approved by shareholders on 6 March 2023, was sanctioned by the High Court of England and Wales ("**High Court**") on 28 March 2023. 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 28 March 2023. The Capital Reduction will then become effective upon the registration of the Court order by the Registrar of Companies.

       Following the Capital Reduction, the issued share capital of the Company consists of 561,764,720 ordinary shares of £0.01 each.

Financial performance

The results for the current year reflect the group structure as at 30 November 2022.

The Company has elected to measure its investments in its wholly owned subsidiary Fixtaia as an equity investment at fair value through profit and loss. The election is taken based on the Company being classified as an investment entity per IFRS 10.

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 £34.3m (2021: £2.2m) which reflects the current NAV of the underlying investment at the reporting date (2021: valuation basis reflected the current value at the reporting date in respect of guaranteed expected future cash flows). The Directors have reviewed this valuation approach and consider it to be appropriate.

Administrative expenses before exceptional items are on par with the prior year at £1.0m (2021: £1.1m).

The Company's underlying EBIT[1] in the year was a profit of £1.1m (2021: profit of £84.6m, before exceptional income of £0.1m) and statutory profit before tax was £1.1m (2021: profit before tax of £84.7m). During the prior year, the exceptional income of £0.1m comprised of a refund of VAT in relation to historical transaction costs relating to the 2019 GWSA disposal.

Net debt

As at the reporting date, the Company has cash and cash equivalents of £79.1m (2021: £131.9m). Related party transactions amounted to £0.161m (2021: £Nil). See note 13.

Exceptional items

During the year there are no exceptional items to report.

[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.

Tax
For the years ended 30 November 2022 and 2021, the Company incurred tax losses. The deferred tax asset of £0.6m (2021: £0.3m) was not recognised as the Directors do not consider that there is sufficient certainty over its recovery. The unrecognised asset can be carried forward indefinitely.

Dividends
The Company did not pay an interim dividend (2021: £Nil) and no final dividend is being recommended (2021: £Nil).

Earnings per share
Underlying basic and diluted earnings per share are both 0.2p (2021: underlying basic and diluted loss per share were both 12.1p). Statutory basic and diluted earnings per share are both 0.2p (2021: statutory basic and diluted loss per share were both 12.1p). 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 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.

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 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 Net Asset Value ("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.

In addition, DBAY had agreed that it will fund the Company's reasonable corporate costs going forward.

Business and Financial Review

continued

Investment Management agreement amendments

At a general meeting held on 31 January 2022, shareholders approved a broadening of the investing policy and so in order to bring into effect the revised investing policy a new investment management agreement was entered into on 14 January 2022. 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;
- 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; and
- the new 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 Funds specifically, and not all management fees received by DBAY.

Annual general meeting

The Company intends to hold its Annual General Meeting on 3 May 2023 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.

Risk Management and Principal Risks

Risk management framework

The Board is ultimately responsible for setting the Company's risk appetite and overseeing the effective management of risk. The Board has delegated oversight of risk management and internal controls to the Audit Committee.

During the 2022 financial year, day to day risk management was the responsibility of the directors. The risk management framework setting out the Company risk management's processes and procedures is reviewed by the Audit Committee annually. The mitigating factors and actions in place for each risk was recorded on a risk register and review of that register was completed by the Audit Committee.

Principal risks

The Company has delegated the management of its assets to DBAY as Investment Manager and the remaining corporate and compliance risks are managed by the Company Secretary reporting to the Board. The risk management framework has been updated to reflect the differing nature of the principal risks faced by the Company. These risks are reviewed by the Directors through the Audit Committee and at regular Board meetings.

RISKS	MITIGANTS
The Company may not achieve its strategic investment objectives in a competitive market and challenging economic environment.	The Board believes the change to the investing policy will allow for a wider range of investment opportunities and has appointed an experienced Investment Manager to manage the Company's assets.
The Company's level of profit will be reliant upon the performance of the assets acquired and the Investing Policy.	The Board has appointed an experienced Investment Manager tasked with meeting the Company's investment objectives.
The success of the Investing Policy depends on the Investment Manager's ability to identify investments in accordance with the Company's investment objectives and to interpret market data correctly. The Company cannot estimate how long it will take to identify suitable acquisition opportunities or whether it will be able to identify any suitable acquisition opportunities.	The Board has appointed an experienced Investment Manager tasked with meeting the Company's investment objectives.
No assurance can be given that the strategy to be used will be successful under all or any market conditions or that the Company will be able to generate positive returns for shareholders.	The Board has appointed an experienced Investment Manager tasked with meeting the Company's investment objectives.

Section 172 Statement

The Directors consider that, both individually and collectively, they have acted in good faith in a way which would most likely promote the success of the Company for the benefit of the members as a whole, and in doing so have had a regard (amongst other matters) to factors in (a) to (f) as set out in s.172 (1) of the Companies Act 2006 for the decisions during the year ended 30 November 2022. In making this statement the Directors have considered the following matters:

- **Likely consequences of any decision in the long-term:** the Board reviewed the Company's strategy, as disclosed in the Strategic Report, during the year and concluded that it remains appropriate to support the long-term success of the Company. Shorter term expectations in supporting that strategy are approved by the Board as part of the annual budgeting process, against which the performance of the Company is then monitored. Decisions taken during the year are made in the context of the Company's strategy in order to ensure that they are consistent with that strategy. The appointment of an investment manager to implement the Company's investing policy is consistent with this strategy.

Risk Management and Principal Risks

continued

- **The interests of the Company's employees:** The Company is an Investing Company with (at the date of this report) no employees. The Board would have ultimate responsibility for ensuring the Company's decisions consider the interest of our employees.
- **The need to foster the Company's business relationships with suppliers, customers and others:** managing the Company's relationships with its professional suppliers and its investee companies is critical in ensuring the Company delivers on its strategy. The Board will maintain an ongoing dialogue with the Investment manager, shareholders and investee companies.
- **The impact of the Company's operations on the community and the environment:** the Company does not have any assets or properties. However, it will ensure that, through the investment manager, its investee companies will seek to have a positive impact on the communities in which they operate and minimise the environmental impact of their operations.
- **The desirability of the Company maintaining a reputation for high standards of business conduct:** the Board regularly reviews and updates, where appropriate, its business conduct and ethics policies and ensures that these are communicated to relevant stakeholders.
- **The need to act fairly as between members of the Company:** the Company always seeks to ensure that its communications are transparent and its actions are in accordance with the Company's stated strategic aims to promote the long-term success of the Company. On page 10 within the Corporate Governance Statement, we detail how we engage with our shareholders, including both institutional investors and private investors.

This Strategic Report was approved by the Board on 30 March 2023 and signed on its behalf by:

Adrian Collins
Chairman

Board of Directors

ADRIAN COLLINS

Independent Non-executive Chairman

Member of the Audit Committee and Chair of the Remuneration Committee

Appointed in April 2020

Skills and experience: Adrian has worked in the investment management industry for over 40 years most recently at Liontrust Asset Management where he served as Chairman from 2009 to 2019. Prior to that he was Managing Director at Gartmore Investment Management where he spent a large part of his career.

Other roles: Adrian is a Non-Executive Director of Hargreaves Lansdown and other private companies.

STEPHEN HARLEY

Independent Non-executive Director

Member of the Audit Committee and the Remuneration Committee.

Appointed in April 2017

Skills and experience: Stephen brings significant international logistics and supply chain expertise to the Board. He spent most of his 42 year career with Ford in logistics and supply chain management and held the most senior positions in this area as executive director for global material planning and logistics and for parts supply and logistics.

Other roles: Stephen was previously Managing Director, Advanced Manufacturing for Laing O'Rourke.

DAVID FACEY

Independent Non-executive Director

Chair of the Audit Committee and member of the Remuneration Committee

Appointed in April 2021

Skills and experience: David is a Fellow of the Institute of Chartered Accountants. David has over 25 years of experience of corporate finance and was a founding partner of SP Angel Corporate Finance LLP, an AIM Nomad and broker. He was formerly a senior corporate finance executive with HSBC Investment Bank. During his career David has undertaken complex transactions advising governments, public companies and private companies of all sizes and has recent experience of being an executive director of AIM listed company.

Other roles: David is currently a Non-Executive Director of Astris Advisers UK Limited and Chacey Capital Limited.

PETER NIXON

Non-executive Director

Member of the Audit Committee and the Remuneration Committee

Appointed in December 2021

Skills and experience: Peter has over 25 years of experience in finance and joined DBAY in 2009. Peter initially acted as Group Chief Accountant and Head of Shared Services at the logistics business, TDG, which was an investee company from 2008 to 2011 and has subsequently been involved in several other DBAY investments, including Eddie Stobart, Unlimited Group, Harvey Nash Group, Telit Communications and, most recently, LDG. Peter retired from his role at DBAY at the end of December 2021. Peter is a qualified Chartered Accountant, having been an Audit Manager at Deloitte, and holds a degree in mathematics and physics from Manchester University.

Other roles: Peter previously held senior roles at United Utilities Plc, BBA Group Plc and The Reader's Digest.

Chairman's Governance Statement

As Chairman, one of my key responsibilities is supporting and promoting the evolution of our governance framework to ensure it supports the successful achievement of the Company's strategy. By which I mean making sure we have practices in place and endorse behaviours that support the Company in setting and reviewing its strategy, monitoring its performance and that of the investment manager, understanding its risks and opportunities, and taking decisive action at the right time based on the right information.

As outlined in principle 8 of the QCA code, the culture we promote at Board level and within the businesses the Company invests in will be key to this success. This Board is committed to upholding high ethical standards that set the tone for how we expect the companies we invest in to conduct business.

The Directors acknowledge the importance of high standards of corporate governance. The Directors intend to continue to adhere to the QCA Corporate Governance Code which sets out a standard of minimum best practice for small and mid-sized companies, particularly AIM companies. As we move forward and our governance evolves, we will continue to be open and transparent about how we manage our business and how we take into account the interests of our shareholders and other stakeholders.

Further information about the work of the Board, Audit Committee and Remuneration Committee in 2022 is set out on pages 14 to 17.

Adrian Collins
Chairman

30 March 2023

Code compliance

The Company complied with the requirements and recommendations of the QCA Governance Code, which is considered appropriate for an AIM listed company, throughout the financial year ended 30 November 2022 – apart from at Principle 3, as the Company has been mainly a cash shell during the period. The Board considers this structure to be appropriate for the Company in its current status as an AIM Investing Company and anticipate that the Board will evolve in terms of its structure and diversity as the business grows and develops.

The Board intends to continue to comply with the QCA Governance Code to the extent the Code principles remain appropriate in the light of the Company's current status. Please see page 11 in relation to the Company's governance structure.

The Company has published a corporate governance statement, which explains how the Company satisfied most of the requirements of the QCA Governance Code during the 2022 financial year and where relevant disclosures made in accordance with the QCA Governance Code can be found.

The corporate governance statement is available on the Company's website at www.ldgplc.com.

Principles of the QCA Code

1 Establish a strategy and business model which promote long-term value for shareholders

2 Seek to understand and meet shareholder needs and expectations

3 Take into account wider stakeholder and social responsibilities and their implications for long-term success

4 Embed effective risk management, considering both opportunities and threats, throughout the organisation

5 Maintain the Board as a well-functioning, balanced team led by the chair

6 Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

7 Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

8 Promote a corporate culture that is based on ethical values and behaviours

9 Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

10 Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The table above outlines the 10 principles of the QCA code. We have highlighted in the Annual Report where we explain how we have applied the relevant principle of the code.

Governance Structure – QCA principle 9

Since the appointment of DBAY, the Company has not had an executive leadership team. The Board comprises of four Directors of which three are independent non-executive Directors, and one a non-executive Director, reflecting a blend of different experience and backgrounds. The structure and diversity of the Board will develop as the business grows and develops.

The Company has appointed DBAY to act as Investment Manager with full power and authority to manage the assets of the Company under an Investment Management Agreement, which sets out the terms and responsibilities of the Manager. The Company has contracted with IQ EQ Global (UK) Limited for the provision of certain administrative services, including day-to-day financial accounting.

Following admission as an Investing Company on 31 December 2020, the Company entered into a Relationship Agreement with DBAY (as a significant shareholder) to manage the relationship between the Company and DBAY and ensure that the Company will be capable of carrying on its business independently and that all transactions between the Company and DBAY will be at arms' length and on normal commercial terms.

See pages 5 and 6 for further details of the investment policy and strategy and how the Investment Manager will manage the company assets to deliver on the investment strategy and create significant value for its shareholders - **QCA Principle 1.**

Copies of the Investment Management Agreement can be found on the company's website at www.ldgplc.com.

The Board

Role of the Board – QCA principle 9

The role of the Board is to meet regularly to review, formulate and approve the Company's strategy, budgets, corporate actions and oversee the Company's progress towards its goals. It has established an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities and with written terms of reference using recommendations from the QCA guides on Board committees and FRC guidance on Audit Committees. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

Board members – QCA principle 5

Adrian Collins was appointed independent Non-executive Chairman in April 2020. Stephen Harley was appointed shortly before the IPO in April 2017. David Facey was appointed as an independent non-executive director in April 2021 and Peter Nixon was appointed in December 2021. The Directors have determined that, given the size of the Board, it is not appropriate to appoint a senior independent non-executive director.

The Independence of Directors is reviewed annually, and the Board has determined that each of the Directors demonstrates strong independent judgement. In light of Peter Nixon's former role with DBAY the Board has concluded that he should not be considered independent. No other Director has a relationship that could materially interfere with the exercise of their independent judgement.

Since the appointment of DBAY, the Company has not had a Chief Executive and there is therefore no current document setting out a division of responsibilities. The Company has however published on its website a document describing the role of its Non-executive Chairman.

Skills and experience – QCA principle 6

The Board members bring a wealth of commercial and financial expertise to the Board from a variety of backgrounds. Please see the biographies of the Directors on page 9 for further information on their skills and experience.

Despite not having any executive Directors, the non-executive Directors believe the Board has an appropriate mix of skills and experience required for an AIM Investing Company, which currently has no operations. Each Director is aware of the importance of keeping their skills up to date. During the 2022 financial year, the Company Secretary provided briefings on developments in corporate governance and the regulatory framework and advisers have also provided briefings on regulatory obligations.

Time commitment – QCA principle 5

The time commitment expected of the non-executive Directors is commensurate with the size and complexity of the Company and as necessary to properly perform their duties. Attendance at a minimum of ten Board meetings a year and the Annual General Meeting is expected when appropriate.

Board Committees

The Board has established an Audit Committee and a Remuneration Committee. Given the size of the Board it is not considered necessary to establish a Nomination Committee.

During the 2022 financial year all non-executive Directors continued to be members of the Audit Committee and Remuneration Committee. As noted above, the terms of reference of these committees, which are available on the Company's website, have been updated to reflect the evolving governance structure of the Company as an Investing Company.

Board and Committee meetings and attendance – QCA principle 5

Board meetings are scheduled to be held monthly with ad hoc meetings called when needed. Eleven scheduled and five ad-hoc Board meetings were held in the financial year ended 30 November 2022 and ad-hoc meetings were held to facilitate Board oversight as matters required attention between regular scheduled meetings. Two committee meetings of the Board were held in the financial year ended 30 November 2022. All Directors attended all scheduled Board and Committee meetings they were entitled to attend during the year following appointment unless there were previously arranged engagements during the first year of appointment. The table below illustrates attendance by Directors at scheduled meetings in the 2022 financial year that they were entitled to attend as members.

Director	Board	Audit Committee	Remuneration Committee	Ad Hoc Board Meetings
Directors				
D Facey	11/11	4/4	0	5/5
A Collins	11/11	4/4	0	5/5
S Harley	11/11	4/4	0	4/5
P Nixon	10/11	3/4	0	4/5

Board activities

During 2022 the Board considered the strategic options available to the Company and addressed matters such as:

- in January 2022 a circular was published that contained details of a proposed reduction of capital, broadening of the investing policy and a share buyback;
- a further review of the share buyback policy and confirmation that another share buyback would be implemented (subject to all necessary approvals);
- in conjunction with DBAY a review of potential new investments.
- review of the replacement of the auditor;
- board structure; and
- review and consideration of:
    - o annual budget and monitoring performance against budget
    - o approval of 2021 annual report and financial statements
    - o approval of 2022 interim report and financial statements

Interactions with investors – QCA principle 2

Effective communication with investors is an important part of the Board's role. During the 2022 financial year, the Board focused, in particular, on keeping investors promptly informed, to the extent practicable, of all material matters as the Company made the ongoing transition towards becoming an Investing Company under the AIM rules.

The Board continues to be committed to giving shareholders the opportunity to raise questions and to interact with the Directors. Directors meet with investors on request and shareholders generally have the opportunity to raise matters at the Annual General Meeting. The AGM was held on 5 May 2022 and the next AGM will be held on 3 May 2023.

Performance evaluation – QCA principle 7

An internal self-assessment Board evaluation process was conducted during 2022. There were no material findings from this review and the same process will be completed during year ended 2023.

Audit Committee Report – QCA Principle 9

Audit Committee

David Facey, was appointed as Chairman of the Audit Committee upon his appointment to the Board in April 2021. The other three Directors are members of the Committee. A majority of the members are independent. David Facey is the member identified as having recent and relevant financial experience.

Meetings and attendance

The Audit Committee met four times during the financial year ended 30 November 2022. During the 2022 financial year, meetings were usually attended by the external Auditors.

Attendance by Directors at meetings during the 2022 financial year is set out in the table on page 13.

Activities of the Audit Committee during the 2022 financial year included:

- reviewing the financial results for the half year and full year 2022 for approval by the Board;
- considering the appropriateness of preparing the financial statements on a going concern basis;
- recommending the appointment of Haysmacintrye LLP as the Company's auditors, replacing PricewaterhouseCoopers LLP;
- approving the audit plan for the 2022 financial year;
- reviewing and considering principal risks faced, risk management and internal controls; and
- receiving reports and updates on potential control and legal/regulatory compliance issues.

Significant accounting judgements

The Audit Committee considered areas of significant accounting judgement in connection with the preparation of the 2022 financial statements, taking into account the views of the Company's external auditors.

External auditors

The Audit Committee oversees the relationship with the external auditors. Having conducted its annual review, the Committee concluded that PricewaterhouseCoopers LLP resign and Haysmacintyre LLP be appointed as auditors for the financial year ending 30 November 2022. The appointment of Haysmacintyre is to be proposed by an Ordinary Resolution at the AGM held on 3 May 2023.

Risk management, internal controls and internal audit – QCA principle 4

The Board had delegated to the Audit Committee the responsibility for reviewing the effectiveness of the Group's systems of internal control and oversight of its risk management system in 2022. This covered all material controls including financial, operational and compliance controls. The Group's risk management systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company does not have an operating business with no members of staff (as described on page 16 of this annual report). Administrative services are provided to the Company by IQ EQ Global (UK) Limited under an administration agreement. Asset management services are provided by DBAY under an Investment Management Agreement. In the light of this structure the Audit Committee has determined that it is not currently appropriate for the Company to engage any internal auditors in respect of the Company's internal controls. This decision will be regularly reviewed. The Committee recognises as the Company is an AIM Investing Company, it is likely to be appropriate for the Company to seek additional assurance about the Company's own internal control system and those of any material third party provider of services to the Company and also to seek information and assurance about the internal control and risk management system of any investee company.

Conflicts

The Committee undertakes an annual review of conflicts of interest of Directors. The Board has determined, based on the recommendation of the Audit Committee, that all Directors, with the exception of Peter Nixon, are independent. Peter Nixon was employed by a significant shareholder which is also the investment manager, DBAY, until the end of December 2021 and the Audit Committee have recommended that he should not be considered to be independent.

David Facey
Chairman of the Audit Committee

30 March 2023

Remuneration Committee Report

QCA principle 9

With the Company being an Investing Company, the role of the Remuneration Committee is more limited as the Company does not have an operating business and at the reporting date has no employees in addition to the Directors (as described on page 16 of this annual report). The Committee's responsibilities are currently to make recommendations to the Board as to the remuneration of Non-executive Directors and liaise with an investee company on remuneration matters if requested. This remuneration report focuses on the activities of the Committee and the approach to remuneration related matters in the 2022 financial year to the extent they are relevant.

Approach to remuneration

The main role of the Renumeration Committee is to set the Company's renumeration policy, determine each executive Director's and senior managements total individual renumeration package and set targets for performance-related pay. During 2022 and prior financial years the Company had no executive Directors or senior management, and therefore renumeration packages were not relevant. The only renumeration in the 2022 financial year relate to Non-executive Directors.

Directors' remuneration in the year ended 30 November 2022

The remuneration of the Directors during the year ended 30 November 2022 (current and former) is set out below together with comparable figures for the previous financial year.

	Salary/Fees[1] £'000		Benefits[2] £'000		Pension Costs £'000		Long-Term[3] Incentives £'000		Total £'000	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Current Directors										
A Collins	96	93	–	–	–	–	–	–	96	93
S Harley	61	61	–	–	–	–	–	–	61	61
D Facey	60	40	–	–	–	–	–	–	60	40
P Nixon	59	–	–	–	–	–	–	–	59	–

[1] This column sets out gross salary and fees received for the full financial years ended 30 November 2022 and 30 November 2021.

[2] No benefits were paid during the period under review, benefits would include private medical insurance, life assurance, car allowance and tax paid by the Company on such benefits.

[3] None of the Directors have received cash under any incentive arrangement in the financial years ended 30 November 2022 and 30 November 2021.

Membership

Throughout the 2022 financial year, the Remuneration Committee consisted of Adrian Collins as Chairman and the three other Directors, Stephen Harley (Independent non-executive Director) David Facey (Independent non-executive Director) and Peter Nixon (non-executive director). The majority of members throughout 2022 were independent non-executive Directors.

Meetings and attendance

The Remuneration Committee is expected to meet as required. The Committee did not meet in the 2022 financial year.

Activities

The Remuneration Committee has responsibility for determining, within the agreed terms of reference, the Company's policy on the remuneration packages of the Company's executive management, of which there is none. It will also have responsibility for recommending new appointments to the Board.

Our approach to remuneration in 2022

During the 2022 financial year the Company had no Executive Directors or senior management.

Long-term incentives

There are no Long-term incentives applicable to the Directors of the Company.

Annual bonus

No cash or share based bonuses were paid in 2022.

Salaries

With no Executive Directors there were no salaries or fees to pay to Directors in 2022 other than non-executive fees.

Directors' interests in shares

As at 30 March 2023, the latest practicable date prior to the approval of this Document, the Directors held the following interests in shares of the Company:

(i) Stephen Harley holds 1,010,000 ordinary shares of 1p each in the capital of the Company (2021: 1,010,000) representing approximately 0.15% of the Company's issued share capital (2021: 0.15%);

(ii) Adrian Collins holds 1,000,000 ordinary shares of 1p each in the capital of the Company (2021: 1,000,000) representing approximately 0.14% of the Company's issued share capital (2021: 0.14%); and

(iii) Peter Nixon holds 706,467 ordinary shares of 1p each in the capital of the Company (2021: 706,467) representing approximately 0.10% of the Company's issued share capital (2021: 0.10%).

No Directors disposed of shares in the 2022 financial year whilst they were Directors.

Letters of appointment

The non-executive Directors have letters of appointment for an initial three-year period, continuing thereafter subject to termination upon at least three months' notice by either party. The letters of appointment can be found on the Company's website www.ldgplc.com.

Directors' Report

The Directors submit their report and the audited financial statements of Logistics Development Group plc for the year ended 30 November 2022.

Results

The Company's underlying EBIT (see note 3) in the year was £1.1m (2021: £84.6m, before exceptional income of £0.1m) and statutory profit before tax was £1.1m (2021: profit before tax of £84.7m).

Dividends

The Company did not pay an interim dividend (2021: £Nil) and the Directors do not recommend a final dividend for the year (2021: £Nil).

Principal activities, business review and future developments

The Strategic Report on pages 2 to 8 describe the Company's principal activities and a review of the business during the 2022 financial year, as well as an indication of likely future developments.

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Stephen Harley	(appointed 4 April 2017)
Adrian Collins	(appointed 3 April 2020)
David Facey	(appointed 1 April 2021)
Peter Nixon	(appointed 9 December 2021)

Directors' fees are set out in the Remuneration report on pages 16 to 17. The Company has Directors' and Officers' liability insurance in place.

Share capital

Details of the authorised and issued share capital of the Company are set out in note 12 to the financial statements.

Environmental policy

Maintaining and improving the quality of the environment in which we live is an important concern for the Board. During 2022, the Company was primarily a cash shell and the Company's impact on the environment was minimal.

The Company is exempt from reporting under Streamlined Energy & Carbon Reporting as it consumed less than 40,000 kilowatt hours of energy in the financial reporting year.

Interests in voting rights

As at 30 March 2023, the latest practicable date prior to the approval of this document, the Company had been notified of the following interests held by significant shareholders amounting to 3% or more of the voting rights attaching to the Company's issued share capital:

Significant shareholders	**Percentage of Voting Rights Held**
DBAY Advisors Limited	25.58%
Stobart Group Limited	11.42%
Hargreaves Lansdown Asset Mgt (Nominee)	9.59%
Miura Holdings (UK)	5.50%
Mr Richard Griffiths	4.53%

Employee engagement, Disabled employees, Health, safety and wellbeing – QCA Principle 10

During the 2022 financial year there were no employees of the Company other than the Directors. If this changes the Board will introduce measures as appropriate.

Financial risk management

Information in respect of the financial risk management objectives and policies of the Group, is contained in note 11 of the financial statements.

Political donations

The Company made no political donations during the year.

Research and development activities

There were no research and development activities undertaken during the year.

Related party transactions

Any related party transactions required to be disclosed under the AIM rules are disclosed in note 13 to the financial statements.

Directors' indemnities

The Company's articles of association allow the indemnification of Directors out of the assets of the Company to the extent permitted by law.

Annual General Meeting – QCA Principle 10

The Annual General Meeting will be held on 3 May 2023 in London. Details of business to be conducted at this year's Annual General Meeting will be set out in the Notice of the Annual General Meeting, which will be communicated to shareholders separately. It is the opinion of the Directors that the passing of these resolutions are in the best interest of the shareholders.

Post balance sheet events

Post balance sheet events are disclosed in note 16 to the financial statements.

Engagement with stakeholders – QCA Principle 10

The Company keeps up to date with the views of its shareholders by dialogue and meetings with key investors and responding promptly to any questions or issues raised by shareholders.

Going concern

The Directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future and that it is appropriate to prepare the financial statements on the going concern basis. Please see note 1 to the financial statements on page 30 for further information.

This Directors' report was approved by the Board on 30 March 2023 and signed by its order by;

Sarah Wakeford
Company Secretary

Statement of Directors' Responsibilities in Respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and Accounts 2022 and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditor's Report to the members of Logistics Development Group plc

Opinion

We have audited the financial statements of Logistics Development Group plc (the "Company") for the year ended 30 November 2022 which comprise the Company Statement of Comprehensive Income, the Company Statement of Financial Position, the Company Statement of Changes in Equity, the Company Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards ("IFRS").

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 November 2022 and of the Company's profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered areas where subjective judgement was exercised by the directors, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. We also assessed the risk of management override of controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud. We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole, taking into account the accounting processes and controls, and the sector operated in. We have performed a full scope statutory audit on the Company. We communicated with the Board of directors our planned audit work via our audit planning report and our audit planning call.

We communicated audit progress with the directors through interim progress meetings. We have communicated all significant areas of our audit work with the Board of directors at the completion call, and through the issue of our audit findings report for review at this meeting.

Independent Auditor's Report to the members of Logistics Development Group plc

continued

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Accounting for new investments and valuation of these at the year-end date Share purchase transactions of both CareTech Holdings plc ("CareTech") and Finsbury Food Group plc ("Finsbury Food") were noted in the year. Accounting for such interest in a legal entity required management's use of judgement within the context of IAS 28 Investments in Associates and Joint Ventures. There is a risk that the Company's investments which are held at fair value are not measured appropriately in accordance with the applicable financial reporting standards.	We obtained management's assessment for the accounting for the investments acquired in the year. We agreed the original investment made from the Company into Fixtaia Limited ("Fixtaia") to relevant and appropriate supporting documentation and substantively tested balances that made up the net asset value of Fixtaia Limited. This involved challenging the assessment that all balances within the Fixtaia balance sheet represented their fair values at the financial reporting date. We audited the inputs and calculations used by management and challenged their approach to determining the fair value and profit and loss impact arising from the accounting for the Group's investment in CareTech Holdings plc ("CareTech") and Finsbury Food Group plc ("Finsbury Food"). We critically assessed the judgements made by management in forming this valuation to ensure that the treatment was appropriate, and no better alternatives existed. Our challenge of the year-end investments involved a recalculation of the gains within Fixtaia from the external investments as well as the overall gain recognised in the Company accounts from the investment in Fixtaia. We verified the percentage ownership in both CareTech and Finsbury Food via inspection of external documentation to ensure that management had appropriately applied the requirements of IAS 28 Investments in Associates and Joint Ventures. In our view, the treatment of this investment in the financial statements is materially appropriate and in line with the applicable financial reporting framework. We assessed the treatment of the additional Marcelos Limited ("Marcelos") distribution in the financial statements and agreed the distribution to the bank statements.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, in evaluating the effect of misstatements and in forming an opinion. For the purpose of determining whether the financial statements are free from material misstatement, we define materiality as the magnitude of a misstatement or an omission from the financial statements, or related disclosures, that would make it probable that the judgement of a reasonable person, relying on the information would have been changed or influenced by the misstatement or omission. We also determine a level of performance materiality, which we used to determine the extent of testing needed, to reduce to an appropriately low level the risk that the aggregate of uncorrected and undetected misstatement exceeds materiality for the financial statements as a whole.

Materiality for the Company financial statements was set at £1.7m. This was determined with reference to 1.5% of the gross assets of the company. This was selected as an appropriate measure of materiality on the basis that the Company is an investment company.

On the basis of our risk assessment and review of the control environment, performance materiality was set at 75% of materiality, being £1.275m.

The reporting threshold to the Board of directors was set as 5% of materiality, being £85k. If in our opinion differences below this level warranted reporting on qualitative grounds, these would also be reported.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our audit procedures to evaluate the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included, but were not limited to:

- undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the Company's ability to continue as a going concern;
- evaluating the methodology used by the directors to assess the Company's ability to continue as a going concern;
- reviewing the directors' going concern assessment and evaluating the key assumptions used and judgements applied to the cashflow produced;
- performing sensitivities on management's cashflow forecast to undertake the extent of any changes to assumptions on the position of the Company;
- verifying bank statements prior to the signing of the financial statements for any evidence of significant cash reduction post year-end which could significantly impact the cashflow forecast; and
- verifying further investments made post year-end and prior to signing of the financial statements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the members of Logistics Development Group plc

continued

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 20, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the company and investing regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined the principal risks. Audit procedures performed by the engagement team included:

- inspecting correspondence with regulators and tax authorities;
- discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluating management's controls designed to prevent and detect irregularities;
- identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities; and
- challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Cliffe (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 30 March 2023

Company Statement of Comprehensive Income

for the year ended 30 November 2022

	Note	Year ended 30 November 2022 £'000	Year ended 30 November 2021 £'000
Gain on investments measured at fair value through profit or loss - net	10	1,993	85,665
Other income		173	–
Net finance income		2,166	85,665
Administrative expenses: before exceptional items		(1,017)	(1,100)
Administrative expenses: exceptional items	5	–	90
Total administrative expenses		(1,017)	(1,010)
Profit before tax		1,149	84,655
Income tax charge	7	–	–
Profit and total comprehensive income for the year		1,149	84,655
Earnings per share			
Basic	9	0.2p	12.1p
Diluted	9	0.2p	12.1p

The accompanying notes form part of the financial statements.

Company Statement of Financial Position

as at 30 November 2022

	Note	30 November 2022 £'000	30 November 2021 £'000
Assets			
Non-current assets			
Investments at fair value through profit or loss	10	34,338	2,218
		34,338	2,218
Current assets			
Other receivables	11	179	114
Cash and cash equivalents	11	79,064	131,902
Amounts owed from related undertakings		173	–
		79,416	132,016
Total assets		113,754	134,234
Current liabilities			
Amounts owed to group undertakings	11	(652)	–
Other payables	11	(404)	(290)
		(1,056)	(290)
Total liabilities		(1,056)	(290)
Net assets		112,698	133,944
Equity			
Called up share capital	12	5,618	7,022
Share premium account	12	–	157,476
Own treasury shares	12	(11)	(857)
Retained earnings	12	107,091	(29,697)
Total shareholders' funds		112,698	133,944

The Company Financial Statements on pages 26 to 38 were approved by the Board of Directors on 30 March 2023 and were signed on its behalf by:

Adrian Collins
Director

30 March 2023

Company number 08922456

The accompanying notes form part of the financial statements.

Company Statement of Changes in Equity

for the year ended 30 November 2022

	Share capital £'000	Share premium £'000	Own treasury shares £'000	Retained earnings £'000	Total £'000
Balance at 1 December 2020	3,793	146,002	(2,611)	(114,075)	33,109
Profit for the year	–	–	–	84,655	84,655
Issue of share capital	3,229	12,951	–	–	16,180
Transfers - fund raise costs 2020	–	(1,477)	–	1,477	–
Transfers	–	–	1,754	(1,754)	–
Balance at 30 November 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 of own shares (note 12)	–	–	846	(791)	55
Balance at 30 November 2022	5,618	–	(11)	107,091	112,698

The accompanying notes form part of the financial statements.

Company Cash Flow Statement

for the year ended 30 November 2022

	Note	Year ended 30 November 2022 £'000	Year ended 30 November 2021 £'000
Cash flows from operating activities			
Profit for the year		1,149	84,655
Adjustments for:			
Gain on investments measured at fair value through profit or loss - net	10	(1,993)	(85,665)
Changes in:			
Increase in other receivables	11	(65)	(86)
Increase/(decrease) in other payables	11	114	(1,652)
Net outflow from operating activities		(795)	(2,748)
Cash flows from investing activities			
Dividends received	10	2,873	125,295
Purchase of investment	10	(33,000)	(6,000)
Amounts owed from related undertakings	11	(173)	–
Amounts owed to subsidiary	11	652	–
Net cash (outflow)/inflow from investing activities		(29,648)	119,295
Cash flows from financing activities			
Issuing share capital and share premium		–	16,180
Share issue costs paid		–	(1,477)
Share repurchase	12	(22,450)	–
Disposal of own shares	12	55	–
Net cash (outflow)/inflow from financing activities		(22,395)	14,703
Net (decrease)/increase in cash and cash equivalents		(52,838)	131,250
Cash and cash equivalents at the start of the financial year		131,902	652
Cash and cash equivalents at the end of the financial year		79,064	131,902

The accompanying notes form part of the financial statements.

Notes to the Company Financial Statements

for the year ended 30 November 2022

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 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 2022, the Company has one subsidiary. As the Company is defined under IFRS10 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.

Significant holdings in undertakings other than subsidiary undertakings

As at 30 November 2022 the Company had a significant holding in Fixtaia Limited ("Fixtaia"), incorporated in Jersey. Fixtaia has 331 ordinary shares in issue, which the Company holds entirely. Its registered address is 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, JE1 1GH, Jersey.

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 15 months to March 2024 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 reserve.

(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 treasury 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 Group has 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 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Notes to the Company Financial Statements

continued

2. Significant accounting policies continued

- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41) (effective for periods commencing on or after 1 January 2022); and
- References to Conceptual Framework (Amendments to IFRS 3) (effective for periods commencing on or after 1 January 2022).

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 Group's accounting years beginning on or after 1 January 2023 or later years and which the Group has decided not to adopt early:

- 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).

None of the above listed changes are anticipated to have a material impact on the Group'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 elected to measure 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.

Had the elections not been made, 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. 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 an investment in a listed entity, together with cash/cash equivalents. This listed investment is carried at the quoted price as at 30 November 2022.

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, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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:

	2022 £'000	2021 £'000
Profit before tax	1,149	84,655
Exceptional income	–	(90)
Underlying EBIT	1,149	84,565

	2022 (in thousands)	2021 (in thousands)
Weighted average number of Ordinary Shares – Basic	606,921	702,206
Weighted average number of Ordinary Shares – Diluted	606,921	702,206
Underlying Basic earnings per share for total operations	0.2p	12.0p
Underlying Diluted earnings per share for total operations	0.2p	12.0p

4. Employees and Directors

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

	2022 £'000	2021 £'000
Staff and Director costs for the Company during the year		
Wages and salaries	276	250
Social security costs	22	19
	298	269
Average monthly number of employees and Directors		
Employees and Directors	4	4

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

	2022 £'000	2021 £'000
Emoluments, bonus and benefits in kind	276	194
Total Directors' remuneration	276	194

Remuneration of the highest paid Director is detailed below:

	2022 £'000	2021 £'000
Emoluments, bonus and benefits in kind	96	93

Notes to the Company Financial Statements

continued

5. Exceptional items

There were no exceptional items incurred during the reporting period. During the prior year, the Company recognised exceptional income in relation to a VAT refund of £90k associated with the disposal of GWSA.

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:

	2022 £'000	2021 £'000
Fees payable for the audit of the Company's annual financial statements	66	119
Audit-related assurance services	–	–
Total fees payable to Company's auditors	66	119

7. Income tax charge

The Company did not recognise current and deferred income tax charge or credit (2021: £Nil). In 2022, the deferred tax asset of £578k (2021: £412k) was not recognised as the Directors do not consider that there is sufficient certainty over its recovery. The underlying tax losses can be carried forward indefinitely.

The income tax charge 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:

	2022 £'000	2021 £'000
Profit before tax	1,149	84,655
Expected tax charge/(credit) based on a corporation tax rate of 19% (2021: 19%)	218	16,084
Effect of expenses not deductible in determining taxable profit	52	98
Effect of income not taxable in determining taxable profit	(378)	(16,276)
Unused tax losses for which no deferred tax asset has been recognised	108	94
Income tax charge	–	–

The current effective UK corporation tax rate for the financial year is 19%. The UK corporation tax rate will now remain at 19% until 31 March 2023. From 1 April 2023, the main rate for corporation tax will increase to 25%, for companies with profits over £250k, and a small profits rate will be introduced 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 (2021: £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.

	2022 £'000	2021 £'000
Profit attributed to equity shareholders	1,149	84,655

	2022 (in thousands)	2021 (in thousands)
Weighted average number of Ordinary Shares – Basic	606,921	702,206
Weighted average number of Ordinary Shares – Diluted	606,921	702,206
Basic earnings per share for total operations	0.2p	12.1p
Diluted earnings per share for total operations	0.2p	12.1p

10. Investments at fair value through profit or loss

	Alpha Persei Limited £'000	Marcelos Limited £'000	Fixtaia Limited £'000	Total investments £'000
1 December 2020	–	35,848	–	35,848
Additions during the year	6,000	–	–	6,000
Change in fair value	287	85,378	–	85,665
Dividends	(6,287)	(119,008)	–	(125,295)
30 November 2021	–	2,218	–	2,218
Additions during the year	–	–	33,000	33,000
Change in fair value	–	655	1,338	1,993
Dividends	–	(2,873)	–	(2,873)
30 November 2022	–	–	34,338	34,338

During the prior year, the Company announced the disposal of its interest in GWSA Group, held through its investments in Marcelos and Marcelos' wholly owned subsidiary Alpha Cassiopeiae Limited. In the prior year, the disposal resulted in the Company receiving a dividend of £6.3m from Alpha Persei Limited and a dividend of £119.0m from Marcelos. These dividends were considered to be a return of capital and were offset against the carrying value of the investment. As at 30 November 2021, the Company's investment in Marcelos was revalued to £2.2m as a result of a dividend proposed to be paid to the Company from Marcelos during 2022.

During the current year, the dividend of £2.2m was received from Marcelos, as well as a further dividend of £655k. Upon the advice that the further dividend of £655k was to be received, the investment in Marcelos was revalued to £655k, resulting in a revaluation gain. These dividend payments totalling of £2.9m were considered to be a return of capital and have been offset against the carrying value of the investment, resulting in an investment of £nil as at 30 November 2022.

Notes to the Company Financial Statements

continued

10. Investments at fair value through profit or loss continued

On 7 March 2022, the Company acquired 100% of the share capital, consisting of 1 share of £1.00, of Fixtaia Limited ("Fixtaia"), a company incorporated in Jersey, for consideration of £1.00. On 21 March 2022, the Company purchased 300 additional shares in Fixtaia for cash consideration of £30.0m to enable Fixtaia to buy shares in CareTech Holdings for a total consideration of £13.1m. On 28 September 2022, the shares in CareTech Holdings were disposed of, resulting in a realised profit of £1.7m.

On 18 August 2022, through Fixtaia, the Company began to acquire shares in Finsbury Food. As at 30 November 2022 11,457,000 shares in Finsbury Food were held, for a total consideration of £9.1m.

On 28 November 2022, the Company invested a further £3.0m in Fixtaia for the allotment of 30 additional shares which were subsequently allotted on 7 December 2022.

As at 30 November 2022, the investment in Fixtaia was revalued to £34.3m as per the net asset value of Fixtaia, resulting in a net revaluation gain of £1.3m.

11. Financial assets and liabilities

	2022 £'000	2021 £'000
Financial assets at fair value through the profit or loss		
Investments (see note 10)	34,338	2,218
Financial assets at amortised cost		
Amounts owed by related undertakings (see note 13)	173	–
Other receivables	179	114
Total financial assets	34,690	2,332
Financial liabilities at amortised cost		
Amounts owed to related undertakings (see note 13)	(652)	–
Other payables	(404)	(290)
Total financial liabilities	(1,056)	(290)
Cash and cash equivalents	79,064	131,902
Net funds	79,064	131,902

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 and prepayments. Other payables include accruals of £295k (2021: £216k).

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:

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. There are no related undertakings in the current year.

Capital management
Capital comprises share capital of £5.6m (2021: £7.0m) and share premium of £Nil (2021: £157.5m).

12. Capital and reserves

	No of Shares '000	Called up share capital £'000	Share premium account £'000
Ordinary shares of 1p each in issue at 30 November 2021	702,206	7,022	157,477
Ordinary shares of 1p each in issue at 30 November 2022	561,765	5,618	–

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

During February 2022, there was a reduction in share premium of £157.5m, and this was transferred to retained earnings, resulting in share premium of £Nil as at the end of 2022.

Share repurchase
During March and April 2022, the Company repurchased a total of 140,441,180 of its shares from shareholders and these were subsequently cancelled, resulting in share capital of £5.6m from 30 April 2022 onwards. The shares were purchased for a premium, and transaction costs were incurred, resulting in a reduction of retained earnings of £21.0m.

Own treasury shares
Included in the total number of ordinary shares outstanding above are 6,708 (2021: 535,440) 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 are treated as Own shares in the Company's Balance Sheet in accordance with IAS 32.

In June 2021, the Company disposed of 528,732 Own Shares, however this was not reflected in the accounts at the time. As this error of omission is deemed to be immaterial, a prior period adjustment has not been made and the disposal has been recognised as at the current year end, resulting in a reduction of Own Shares of £846k. The shares were sold for a lower price than their cost, and as such the disparity between the cost and the sales price has been recognised in retained earnings of £791k. The balance of Own Shares as at 30 November 2022 is 6,708 shares held at a cost of £1.60 per share.

13. Related party transactions

	Transactions with related parties 2022 £'000	Amounts owed by related parties 2022 £'000	Amounts owed to related parties 2022 £'000
Related party			
DBAY Advisors Limited	161	173	–

	Transactions with group undertakings 2022 £'000	Amounts owed by group undertakings 2022 £'000	Amounts owed to group undertakings 2022 £'000
Group undertaking			
Fixtaia Limited	–	–	(652)

During the year, the Company generated income from related party DBAY Advisors Limited in the form of a monitoring fee of £173k. This amount was outstanding as at 30 November 2022. Also during the year, the Company reimbursed DBAY Advisors Limited £12k for expenses it paid on the behalf of the Company.

Notes to the Company Financial Statements

continued

13. Related party transactions continued

The amount due to Fixtaia as at 30 November 2022 of £652k represents the outstanding consideration payable for the Company's investment in Fixtaia.

During the year, Fixtaia incurred performance fee of £352k from DBAY Advisors Limited, of which £195k are outstanding at the year end.

During the prior year, the Company settled the amount due to related party GWSA as at the prior year end, for the value £1.2m. The Company did not enter into any other related party transactions.

14. Capital commitments

At 30 November 2022, the Company had no commitments (2021: £Nil).

15. Contingent liabilities

At 30 November 2022, the Company had no contingent liabilities (2021: £Nil).

16. Subsequent events

On 1 December 2022, an investment of €18.5m (c.£15.9m) was made into Synsion TopCo, which is the private holding company of a group of companies formed by DBAY specifically to invest in SQLI S.A. (ENXTPA:SQI) ("SQLI"). This investment was made by the Company via its subsidiary Fixtaia. The investment into Synsion TopCo was initially made by way of an €18.5m loan which has been converted into an approximate 11.1% equity interest in Synsion TopCo (the "Company's Interest"). Subsequent to the aforementioned purchase of SQLI shares, the Synsion Group has drawn on available debt funding, as a result of which the implied equity value of the Company's Interest was re valued at c.€14.4m. Consequently, under the terms of an agreement between Fixtaia and Synsion TopCo, Synsion TopCo has capitalised the loan in return for the issue of the Company's Interest and made payment in cash of c.€4.1m to Fixtaia.

On 1 December 2022, the Company, via its subsidiary Fixtaia, began acquiring shares in Alliance Pharma Plc ("Alliance"). Alliance is an international healthcare group founded in 1996 and headquartered in the United Kingdom. Alliance acquires, markets and distributes consumer healthcare and prescription medicine products. To date, via the investment in Fixtaia, the Company indirectly holds 33,763,047 shares, which is 6.25% of Alliance, for a consideration of £19.1m.

At a general meeting held on 6 March 2023, the Company's shareholders approved the commencement of a share buyback and capital reduction:

1) It is the intention to acquire Ordinary Shares in the market (the "Further Buyback"), representing approximately 20% of the Company's issued share capital, which the Board believes may serve to reduce the observed discount to NAV per Ordinary Share. The Board, however, expects to limit the total consideration for the Further Buyback to an aggregate of £15.0m. Through the Further Buyback, the Company intends to implement a discount management policy, targeting a share price discount to NAV per share of no more than 15% 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.

2) The 140,411,180 ordinary shares of £0.01 each which were subject to the buyback effected by the Company between 25 February 2022 and 6 April 2022 (the "Capital Reduction"), which was approved by shareholders on 6 March 2023, was sanctioned by the High Court of England and Wales ("High Court") on 28 March 2023. 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 28 March 2023. The Capital Reduction will then become effective upon the registration of the Court order by the Registrar of Companies.

Following the Capital Reduction, the issued share capital of the Company consists of 561,764,720 ordinary shares of £0.01 each.

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	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 9
EPS	Earnings per share
Fixtaia	Fixtaia Limited, a company incorporated in Jersey (company no. 140806), whose registered office is at 2nd Floor, Gaspé House, 66-72 Esplanade, St. Helier, JE1 1GH, Jersey
FY21	Financial Year ended 30 November 2021
FY22	Financial Year ended 30 November 2022
GWSA	GreenWhiteStar Acquisitions Limited, the operational holding company of the Eddie Stobart trading entities; Eddie Stobart Limited, iForce Limited, The Pallet Network Limited and The Logistic People Limited
GWSA Group	GreenWhiteStar Acquisitions Limited and all of its subsidiaries from time to time
HY21	Six month period ended 31 May 2021
HY22	Six month period ended 31 May 2022
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards

Glossary

continued

Term	Definition
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 5 and 6
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

Advisors

Registrars for Logistics Development Group plc
Link Group
Central Square
29 Wellington Street
Leeds
LS1 4DL

Nomad
Strand Hanson Limited
26 Mount Row
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