

RESULTS OF SANCTION HEARING

RNS Number : 9396A
DX (Group) PLC
25 January 2024

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

RECOMMENDED CASH ACQUISITION

of

DX (GROUP) PLC

by

TRANSIT BIDCO LIMITED

an indirect wholly-owned subsidiary of funds advised or managed by H.I.G. Capital LLC or its affiliates, as advised or subadvised by H.I.G. European Capital Partners LLP

(to be implemented by way of a scheme of arrangement under Part 26 of the Companies Act 2006)

Court sanction of the Scheme

On 16 November 2023, the boards of directors of DX (Group) plc ("**DX**") and Transit Bidco Limited ("**Bidco**") announced that they had reached agreement on the terms and conditions of a recommended cash acquisition by Bidco, an indirectly wholly-owned subsidiary of funds advised or managed by H.I.G. Capital LLC ("**H.I.G.**") or its affiliates, as advised or subadvised by H.I.G. European Capital Partners LLP, of the entire issued and to be issued ordinary share capital of DX (the "**Acquisition**"). The Acquisition is intended to be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. A circular in relation to the Acquisition was published by DX on 11 December 2023 ("**Scheme Document**").

Further to the announcement of 9 January 2024, DX and Bidco are pleased to announce that the High Court in England and Wales has today issued the Court Order sanctioning the Scheme.

The Scheme will become Effective upon the delivery of a copy of the Court Order to the Registrar of Companies for registration which is expected to occur on 29 January 2024.

Next Steps

DX confirms that the Scheme Record Time will be 6.00 p.m. on 26 January 2024.

A request has been made for the suspension of dealings in DX Shares on the AIM Market of the London Stock Exchange with effect from 7:30 a.m. on 29 January 2024. The last day of dealing in DX Shares will therefore be 26 January 2024, and once suspended, it is not expected that trading in DX Shares will recommence.

It is expected that, subject to the Scheme becoming Effective on 29 January 2024, the cancellation of the admission to trading of DX Shares on AIM will become effective from 7.00 a.m. on 30 January 2024.

A further announcement will be made when the Scheme has become Effective.

All times shown are London times. If any of the expected times and/or dates above change, the revised times and/or dates will be notified to DX Shareholders by announcement through a Regulatory Information Service, with such announcement being made available on Bidco's website at <https://delta-offer.com/> and DX's website at www.investors.dxdelivery.com.

Capitalised terms in this announcement, unless otherwise defined, have the same meaning as set out in the Scheme Document published by DX on 11 December 2023.

Enquiries

DX

Paul Ibbetson, Chief Executive Officer	+44 20 3178 6378
David Mulligan, Chief Financial Officer	(c/o KTZ Communications)

Moelis & Company UK LLP (Lead Financial Adviser to DX) +44 20 7634 3500

Mark Aedy, Yorick van Slingelandt, Chris Raff

Liberum Capital Limited (Nominated Adviser and Joint Broker to DX) +44 20 3100 2000
Nick How

KTZ Communications (PR Adviser to DX) +44 20 3178 6378
Katie Tzouliadis/Robert Morton

Addleshaw Goddard LLP is acting as legal adviser to DX in connection with the Acquisition.

Important notices relating to financial advisers

Moelis & Company UK LLP ("Moelis"), which is regulated by the FCA in the United Kingdom, is acting exclusively for DX and no one else in connection with the Acquisition and other matters set out in this announcement and will not be responsible to anyone other than DX for providing the protections afforded to clients of Moelis, or for providing advice in connection with the Acquisition or any matter referred to herein. Neither Moelis nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Moelis in connection with this announcement, any statement contained herein or otherwise.

Liberum Capital Limited ("Liberum"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as nominated adviser and joint corporate broker to DX and for no one else in connection with the Acquisition or any matters referred to in this announcement and will not be responsible to anyone other than DX for providing the protections afforded to its clients nor for providing advice in relation to the Acquisition, the contents of this announcement or any other matters referred to in this announcement. Neither Liberum nor any of its affiliates, respective directors, officers, employees and agents owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person other than DX in connection with the matters referred to in this announcement, or otherwise.

Further information

This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise.

The Acquisition is subject to English law and to the applicable requirements of the Code, the Panel, AIM Rules, the London Stock Exchange and the FCA.

The Acquisition is made solely by the Scheme Document (or, in the event that the Acquisition is implemented by means of a Takeover Offer, the Offer Document), which, together with the Forms of Proxy, contains the full terms and conditions of the Acquisition including details of how to vote in respect of the Scheme. Any voting decision or response in relation to the Acquisition should be made solely on the basis of the Scheme Document. DX Shareholders are advised to read the formal documentation in relation to the Acquisition carefully. Each DX Shareholder is urged to consult their independent financial adviser regarding the tax consequences of the Acquisition.

This announcement does not constitute a prospectus or a prospectus equivalent document.

If you are in any doubt about the Acquisition, the contents of the Scheme Document or as to the action you should take, you are recommended to seek your own personal financial, tax and/or legal advice immediately from your stockbroker, bank manager, solicitor, accountant, or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or, if not, from another appropriately authorised independent adviser in the relevant jurisdiction.

Overseas jurisdictions

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are not resident in the United Kingdom or who are subject to the laws of any jurisdiction other than the United Kingdom (including Restricted Jurisdictions) should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with applicable legal or regulatory requirements of any jurisdiction may constitute a violation of securities laws or regulations in that jurisdiction. To the fullest extent permitted by applicable law or regulations, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

This announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England.

The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of acceptance of the Acquisition.

Further details in relation to DX Shareholders in overseas jurisdictions are contained in the Scheme

Further details in relation to DX shareholders in overseas jurisdictions are contained in the Scheme Document.

Notice to US Holders

The Acquisition relates to shares of a UK company and is being made by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act.

Accordingly, the Acquisition is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of the US tender offer and proxy solicitation rules. Furthermore, the payment and settlement procedure with respect to the Acquisition will comply with the relevant rules under the Code, which differ from US payment and settlement procedures, particularly with regard to the date of payment of consideration.

Bidco reserves the right, subject to the prior consent of the Panel and in accordance with the Co-operation Agreement, to elect to implement the Acquisition by means of a Takeover Offer for the entire issued and to be issued ordinary share capital of DX, as an alternative to the Scheme. If Bidco were to elect to implement the Acquisition by means of a Takeover Offer and determines to extend the Acquisition into the United States, such Takeover Offer would be made in compliance with all applicable US laws and regulations, including any applicable US tender offer regulations and in accordance with any applicable exemptions under the US Exchange Act.

In accordance with normal United Kingdom practice, Bidco or its nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of DX outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn, in compliance with applicable law, including the US Exchange Act. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchase shall be disclosed as required in the United Kingdom, shall be reported to the Regulatory Information Service and shall be available on the London Stock Exchange website at www.londonstockexchange.com.

The receipt of consideration by a US holder for the transfer of its DX Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes. Each DX Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to such holder, including, in the case of a US holder of DX Shares, under applicable US state and local tax laws, as well as overseas and other tax laws that may be applicable.

Some or all of DX's officers and directors reside outside the US, and some or all of its assets are or may be located in jurisdictions outside the US. Therefore, investors may have difficulty effecting service of process within the US upon those persons or recovering against DX or its officers or directors on judgments of US courts, including judgments based upon the civil liability provisions of the US federal securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgment. It may not be possible to sue DX or its officers or directors in a non-US court for violations of the US securities laws.

Neither the SEC nor any US state securities commission has approved or disapproved or passed judgment upon the fairness or the merits of the Acquisition or determined if this document is adequate, accurate or complete.

Financial information relating to DX included in or incorporated by reference into this document has been or will have been prepared in accordance with IFRS and may not therefore be comparable to the financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

Forward-looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, oral statements made regarding the Acquisition, and other information published by DX, any member of the DX Group, Bidco or any other member of the Bidco Group contain statements which are, or may be deemed to be, "forward looking statements". These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as, without limitation, "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "aim", "will", "may", "hope", "continue", "would", "could" or "should" or other words of similar meaning or the negative thereof. Forward-looking statements include, but are not limited to, statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, financial conditions, dividend policy, losses and future prospects, (ii) business and management strategies and the expansion and growth of the operations of DX, any member of the DX Group, Bidco or any other member of the Bidco Group, (iii) the effects of government regulation on the business of DX, any member of the DX Group, Bidco or any other member of the Bidco Group, (iv) negative effects relating to this document and/or status of the Acquisition, (v) the possibility that any of the conditions to the Acquisition will not be satisfied, and (vi) significant transaction costs or unknown liabilities. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among such factors are changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.

These forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which DX, any member of the DX Group, Bidco or any member of the Bidco Group shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. By their nature, these forward-looking statements involve known and unknown risks, and uncertainties because they relate to events

looking statements involve known and unknown risks, and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this document may cause the actual results, performance or achievements of any such person, or industry results and developments, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that such expectations will prove to have been correct and persons reading this document are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. None of DX, any member of the DX Group, Bidco or any other member of the Bidco Group, or their respective members, directors, officers, employees, advisers or any person acting on behalf of one or more of them, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur.

None of DX, any member of the DX Group, Bidco or any other member of the Bidco Group, or their respective members, directors, officers, employees, advisers or any person acting on behalf of one or more of them, has any intention or accepts any obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent legally required. All subsequent oral or written forward-looking statements attributable to DX, any member of the DX Group, Bidco or any other member of the Bidco Group or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

No profit forecasts, estimates or quantified financial benefits statements

No statement in this announcement is intended as a profit forecast or estimate for any period or a quantified financial benefits statement and no statement in this announcement should be interpreted to mean that earnings or earnings per ordinary share, for Bidco or DX, respectively for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share for Bidco or DX, respectively.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3:30 p.m. (London time) on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3:30 p.m. (London time) on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3. Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website and availability of hard copies

In accordance with Rule 26.1 of the Code, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Bidco's website at <https://delta-offer.com/> and DX's website at www.investors.dxdelivery.com and in any event by no later than 12:00 noon (London time) on the Business Day following the publication of this document. For the avoidance of doubt, the contents of those websites (including the content of any other website accessible from hyperlinks on such websites) are not incorporated into by reference, and do not form part of, this document.

In accordance with Rule 30.3 of the Code, DX Shareholders and persons with information rights may request a hard copy of this document (and any information incorporated into this document by reference) free of charge by contacting DX's registrar, Link Group, on 0371 664 0300 (from within the UK) or on +44 (0)371 664 0300 (from outside the UK), or by writing to Link Group at Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Link Group is open between 9:00 a.m. and 5:30 p.m., Monday to Friday, excluding public holidays in

Group is open between 08:00 and 17:00, Monday to Friday, excluding public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. Alternatively, a request in writing may be submitted to Link Group at Central Square, 29 Wellington Street, Leeds LS1 4DL. If you have received this document in electronic form, copies of this document and any document or information incorporated by reference into this document will not be provided unless such a request is made.

You may request that all future documents, announcements and information be sent to you in relation to the Acquisition in hard copy.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

Electronic communications

Please be aware that addresses, electronic addresses and certain other information provided by DX Shareholders, persons with information rights and other relevant persons for the receipt of communications from DX may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

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