

# Moelis

**Moelis & Company UK LLP**

First Floor  
Condor House  
10 St. Paul's Churchyard  
London, UK EC4M 8AL

11 December 2023

The Directors  
DX (Group) plc  
Ditton Park  
Riding Court Road  
Datchet  
Slough  
United Kingdom  
SL3 9GL

## **Scheme Document Consent Letter**

Ladies & Gentlemen,

**Recommended cash acquisition of the entire issued and to be issued ordinary share capital of DX (Group) plc (the "Company") by Transit Bidco Limited ("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.**

We refer to the document that is to be sent to shareholders of the Company on or around the date hereof containing, amongst other things, details of the recommended cash offer made by Bidco for the entire issued and to be issued ordinary share capital of the Company (the "**Acquisition**"), to be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme Document**").

Additionally, we refer to the letters (the "**Rule 15 Letters**") to be sent to the participants in the Company's Share Plans on or around the date hereof.

We attach, for the purposes of identification, a copy of the Scheme Document and Rule 15 Letters in substantially final form.

We hereby consent to the inclusion in the Scheme Document and the Rule 15 Letters of references to our name in the form and context in which they appear in the attached drafts.

This letter is for information only and should not be relied upon by any other person.

Yours faithfully,

**MOELIS & COMPANY UK LLP**

By:   
Name: Chris Raff  
Title: Managing Director

First Floor | Condor House, 10 St. Paul's Churchyard | London, UK EC4M 8AL

Moelis & Company UK LLP doing business as Moelis. Moelis & Company UK LLP is a limited liability partnership registered in England & Wales with registered number OC340005 and is authorised and regulated by the United Kingdom Financial Conduct Authority. A list of LLP members is available at [www.moelis.com/disclaimers/email](http://www.moelis.com/disclaimers/email) or for inspection at the address set out above, which address should be used for all communications.

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE ADMISSION OF DX SHARES TO TRADING ON AIM, THE MARKET OF THAT NAME OPERATED BY THE LONDON STOCK EXCHANGE.**

**If you are in any doubt about the Acquisition, the contents of this 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.**

If you have sold or otherwise transferred all of your DX Shares, please send this document (but not the accompanying personalised Forms of Proxy) at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee. However, this document should not be forwarded, distributed or transmitted, directly or indirectly, in, into or from any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. If you have sold or otherwise transferred part only of your holding of DX Shares, please retain this document (and the accompanying Forms of Proxy) and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

The release, publication or distribution of this document and/or the accompanying Forms of Proxy (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document (and/or the accompanying Forms of Proxy) comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, DX and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.

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## **Recommended Cash Acquisition of**

# **DX (Group) plc**

by

## **Transit Bidco Limited**

*an indirectly 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 effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006**

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**This document and the information incorporated by reference into this document, together with the accompanying Forms of Proxy, should be read as a whole.**

**Your attention is drawn to the letter from the Chairman of DX in Part I (*Letter from the Chairman of DX*) of this document, which contains the unanimous recommendation of the DX Directors that you vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting. A letter from Moelis explaining the Scheme appears in Part II (*Explanatory Statement*) of this document and constitutes an explanatory statement in compliance with section 897 of the Companies Act.**

**It is important that Scheme Shareholders use their votes so that the Court can be satisfied that there is a fair and reasonable representation of their views.**

## ACTION TO BE TAKEN

The action to be taken by DX Shareholders is set out on pages 9 to 11 of this document. The BLUE Form of Proxy is to be used in connection with the Court Meeting and the WHITE Form of Proxy is to be used in connection with the General Meeting. Whether or not you intend to attend the Meetings in person, DX Shareholders are asked to complete and sign the enclosed BLUE and WHITE Forms of Proxy in accordance with the instructions printed thereon and return them, either by post or, during normal business hours only, by hand to DX's registrar, Link Group so as to be received as soon as possible and, in any event, not later than 48 hours before the relevant Meeting, excluding any part of a day that is not a Business Day. For your convenience, a freepost facility (for use in the UK only) has been provided with respect to Forms of Proxy. Alternatively, the Forms of Proxy can be submitted electronically using the Signal Shares share portal service at [www.signalshares.com](http://www.signalshares.com). DX Shareholders who hold DX Shares in uncertificated form (that is, in CREST) may also appoint a proxy through the CREST electronic proxy appointment service by following the instructions set out on page 10 of this document. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io) and refer to page 10 of this document. If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, a copy of the completed and signed BLUE Form of Proxy may be handed to the representatives of Link Group or the Chairman of the Court Meeting before the start of that meeting and will still be valid. However, in the case of the General Meeting, if the WHITE Form of Proxy is not lodged by the relevant time, it will be invalid.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number representing not less than 75 per cent. in value of those Scheme Shareholders present and voting in person or by proxy.

At the General Meeting, voting on the Resolution will be by poll and each DX Shareholder present in person or by proxy will be entitled to one vote for each DX Share held as at the Voting Record Time. The approval required for the Resolution to be passed is at least 75 per cent. of the votes cast on the Resolution in person or by proxy.

If you have any questions about this document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through Proxymity or the CREST electronic proxy appointment service or online, please contact DX's registrar, Link Group on 0371 664 0300 (from within the UK) or on +44 (0)371 664 0300 (from outside the UK). 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. The helpline is open between 9:00 a.m. and 5:30 p.m., 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.

### Notices of the Court Meeting and General Meeting

Notices of the Court Meeting and the General Meeting of DX, each of which will be held at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG on 9 January 2024 are set out in Part VIII (*Notice of Court Meeting*) and Part IX (*Notice of General Meeting*) respectively of this document. The Court Meeting will start at 10:00 a.m. on that date and the General Meeting at 10:15 a.m. on that date (or as soon thereafter as the Court Meeting is concluded or adjourned).

Scheme Shareholders and DX Shareholders are strongly encouraged to appoint "the Chair of the meeting" as their proxy. If any other person is appointed as proxy, he or she will be able to attend, submit written questions and/or any objections and vote at the relevant Meeting. The completion and return of a Form of Proxy will not prevent DX Shareholders from attending, voting and speaking in person at either the Court Meeting, or the General Meeting, if they so wish and are so entitled.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. Whether or not you intend to attend in person and/or vote at the Meetings, you are therefore strongly advised to sign and return your BLUE Form of Proxy (by post) or transmit a proxy appointment and voting instruction (electronically, online or through CREST) for the Court Meeting as soon as possible. The completion and return of the Forms of Proxy (by post) (or transmission of a proxy appointment or voting instruction electronically, online, through CREST, Proximity or by any other procedure described in this document) will not prevent you from attending in person, submitting written questions and/or any objections (in the case of the Court Meeting) and voting at the Court Meeting or the General Meeting, if you are entitled to and wish to do so.**

### **Important Notices**

Deutsche Numis, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Bidco and for no one else in connection with the Acquisition and/or any other matter referred to in this document and will not be responsible to anyone other than Bidco for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this document, or any other matters referred to in this document. Neither Deutsche Numis nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Numis in connection with this document, any statement or other matter or arrangement referred to herein or otherwise.

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 document 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 document, any statement contained herein or otherwise.

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 document 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 document or any other matters referred to in this document. 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 document, or otherwise.

**Certain terms used in this document are defined in Part VII (*Definitions*).**

This document is dated 11 December 2023.

## IMPORTANT NOTICES

The release, publication or distribution of this document and any other accompanying documents 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. In particular, the ability of persons who are not resident in the United Kingdom or who are subject to the laws of another jurisdiction to vote their DX Shares in respect of the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. 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.

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 document and any accompanying 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.

This document and any accompanying Forms of Proxy have 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 document had been prepared in accordance with the laws of jurisdictions outside England. The Acquisition will be subject to English law and to the applicable requirements of the Code, the Panel, AIM Rules, the London Stock Exchange and the FCA.

Neither this document nor any of the accompanying documents do or are intended to constitute or form any part of an offer, invitation or the solicitation of an offer to purchase or subscribe, otherwise acquire, subscribe for, exchange, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document does not constitute a prospectus or a prospectus equivalent document.

Each DX Shareholder is recommended to seek their own independent financial advice immediately from their bank manager, solicitor, accountant or from an independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended).

### ***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](http://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.

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 document (including information incorporated by reference in this document), 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 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 or estimates**

No statement in this document is intended as a profit forecast or estimate for Bidco or DX for any period and no statement in this document should be interpreted to mean that cash flow from operations, earnings, or earnings per share or income of those persons (where relevant) for the current or future financial years would necessarily match or exceed the historical published cash flow from operations, earnings, earnings per share or income of those persons (as appropriate).

#### **Dealing disclosure requirements**

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](http://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.

### **Rounding**

Certain figures included in this document 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 the figures that precede them.

### **Publication on website and availability of hard copies**

In accordance with Rule 26.1 of the Code, a copy of this document and the documents required to be published by Rule 26 of the Code 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 <https://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 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.

### **Scheme process**

In accordance with Rule 5 of Appendix 7 to the Code, DX will announce through a Regulatory Information Service key events in the Scheme process including the outcomes of the Meetings and the Sanction Hearing.

Unless otherwise consented to by the Court and the Panel, any modification or revision to the Scheme will be made no later than the date which is 14 days prior to the Meetings (or any later date to which such Meetings are adjourned).

### **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.

## ACTION TO BE TAKEN

THE DX DIRECTORS RECOMMEND UNANIMOUSLY THAT YOU VOTE, OR PROCURE THE VOTE, IN FAVOUR OF THE SCHEME AT THE COURT MEETING AND IN FAVOUR OF THE RESOLUTION TO BE PROPOSED AT THE GENERAL MEETING AS THE DX DIRECTORS WHO ARE INTERESTED IN DX SHARES HAVE IRREVOCABLY UNDERTAKEN TO DO IN RESPECT OF THEIR OWN BENEFICIAL HOLDINGS OF DX SHARES.

### 1 Documents you have received

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting on 9 January 2024;
- a WHITE Form of Proxy for use in respect of the General Meeting on 9 January 2024; and
- a pre-paid envelope for use in the UK only for the return of the BLUE Form of Proxy and the WHITE Form of Proxy.

If you are a DX Shareholder and you have not received all of these documents, please contact the shareholder helpline on the number indicated below.

### 2 Voting at the Court Meeting and the General Meeting

**IT IS IMPORTANT THAT, FOR THE COURT MEETING IN PARTICULAR, AS MANY VOTES AS POSSIBLE ARE CAST SO THAT THE COURT MAY BE SATISFIED THAT THERE IS A FAIR REPRESENTATION OF SCHEME SHAREHOLDERS' OPINION. YOU ARE THEREFORE STRONGLY URGED TO COMPLETE, SIGN AND RETURN YOUR FORMS OF PROXY OR APPOINT A PROXY ONLINE OR THROUGH PROXYMITY OR THE CREST ELECTRONIC PROXY APPOINTMENT SERVICE (AS APPROPRIATE) AS SOON AS POSSIBLE.**

The Scheme will require approval at a meeting of the Scheme Shareholders convened pursuant to an order of the Court (the **Court Meeting**) to be held at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG on at 10:00 a.m. on 9 January 2024. Implementation of the Scheme will also require the passing of the Resolution by DX Shareholders at the General Meeting to be held at 10:15 a.m. on 9 January 2024 (or as soon as reasonably practicable thereafter as the Court Meeting shall have been concluded or adjourned). The General Meeting will be held in the same location as the Court Meeting. Notices of the Court Meeting and the General Meeting are set out in Part VIII (*Notice of Court Meeting*) and Part IX (*Notice of General Meeting*) of this document, respectively.

DX Shareholders entitled to attend in person and vote at the Meetings are entitled to appoint a proxy (or proxies) to exercise all or any of their rights to attend in person, speak and vote at the Meetings (as applicable). A proxy need not be an DX Shareholder.

Scheme Shareholders and DX Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST or Proxymity) set out below. Scheme Shareholders and DX Shareholders are also strongly encouraged to appoint "the Chair of the meeting" as their proxy. If any other person is appointed as proxy, he or she will be able to attend, submit written questions and/or any objections and vote at the relevant Meeting.

#### 2.1 *Sending Forms of Proxy by post or by hand*

You should:

- complete, sign and return the BLUE Form of Proxy for use at the Court Meeting so as to be **received no later than 10:00 a.m. on 5 January 2024**; and
- complete, sign and return the WHITE Form of Proxy for use at the General Meeting so as to be **received no later than 10:15 a.m. on 5 January 2024**,

or, in the case of an adjourned meeting, not less than 48 hours before the time and date set for such adjourned meeting, excluding any part of a day that is not a Business Day.

The Forms of Proxy may be returned by post or, during normal business hours only, by hand to DX's registrar, Link Group, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. For your convenience, a freepost facility (for use in the UK only) has been provided with respect to the Forms of Proxy.

If the BLUE Form of Proxy for the Court Meeting is not returned by the above time, a copy of the completed and signed BLUE Form of Proxy may be handed to representatives of Link Group or the Chair of the Court Meeting before the start of the meeting and will still be valid. However, in the case of the General Meeting, if the WHITE Form of Proxy is not returned so as to be received by the time mentioned above and in accordance with the instructions on the Form of Proxy it will be invalid.

DX Shareholders are entitled to appoint a proxy in respect of some or all of their DX Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. DX Shareholders who wish to appoint more than one proxy in respect of their holding of DX Shares should contact Link Group for further Forms of Proxy. Alternatively, you may photocopy the enclosed Form(s) of Proxy.

## *2.2 Electronic appointment of proxies through CREST or Proxymity*

CREST members who wish to appoint a proxy or proxies for the Meetings through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Link Group (participant ID: RA10) not later than 10:00 a.m. on 5 January 2024 in the case of the Court Meeting and not later than 10:15 a.m. on 5 January 2024 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours before the time and date set for the adjourned meeting, excluding any part of a day that is not a Business Day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

DX may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

**Proxymity Voting** – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 10:00 a.m. on 5 January 2024 in the case of the Court Meeting and by 10:15 a.m. on 5 January 2024 in the case of the General Meeting in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have

agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

### *2.3 Online appointment of proxies*

Forms of Proxy may alternatively be submitted electronically using the Signal Shares share portal service at [www.signalshares.com](http://www.signalshares.com), with DX Shareholders and Scheme Shareholders using their Investor Code and PIN as shown on the Form of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by Link Group no later than 10:00 a.m. on 5 January 2024 in respect of the BLUE Form of Proxy for the Court Meeting and no later than 10:15 a.m. on 5 January 2024 in respect of the WHITE Form of Proxy for the General Meeting (or in the case of adjournment(s), not later than 48 hours, (excluding any part of a day that is not a Business Day) before the time fixed for the adjourned meeting(s)).

If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, a copy of the completed and signed BLUE Form of Proxy may be handed to the representatives of Link Group or the Chair of the Court Meeting before the start of the meeting and it will still be valid. However, in the case of the General Meeting, if the WHITE Form of Proxy is not lodged by the relevant time, it will be invalid.

## **3 Results of the Meetings**

The results of the Court Meeting and the General Meeting will be announced through a Regulatory Information Service and also published on DX's website at <https://investors.dxdelivery.com> once the votes have been counted and verified.

## **4 Shareholder helpline**

If you have any questions about this document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through Proxymity or the CREST electronic proxy appointment service or online, please contact DX's registrar, Link Group on 0371 664 0300 (from within the UK) or on +44 (0)371 664 0300 (from outside the UK). 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. The helpline is open between 9:00 a.m. and 5:30 p.m., 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.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable sets out expected dates for the implementation of the Scheme.

<b>Event</b>	<b>Time and/or date (2024)</b>
<b>Latest time for lodging Forms of Proxy for the:</b>	
Court Meeting (BLUE form)	10:00 a.m. on 5 January <sup>(1)</sup>
General Meeting (WHITE form)	10:15 a.m. on 5 January <sup>(2)</sup>
Voting Record Time for the Court Meeting and the General Meeting	6:00 p.m. on 5 January <sup>(3)</sup>
<b>Court Meeting</b>	10:00 a.m. on 9 January
<b>General Meeting</b>	10:15 a.m. on 9 January <sup>(4)</sup>
<b>The following dates are indicative only and are subject to change<sup>(5)</sup></b>	
Sanction Hearing	A date expected to be in the first quarter of 2024 (“D”)
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, DX Shares	D+1 Business Day
Scheme Record Time and Date	6:00 p.m. on D+1 Business Day
Dealings in DX Shares suspended	7:30 a.m. on D+2 Business Days
Effective Date of the Scheme	D+2 Business Days
Cancellation of admission of DX Shares to trading on the AIM Market	By 8:00 a.m. on D+3 Business Days
Latest date for despatch of cheques and crediting of CREST for Cash Consideration due under the Scheme	Within 14 days of the Effective Date
Long Stop Date	31 May <sup>(6)</sup>

**Notes:**

- (1) It is requested that BLUE Forms of Proxy for the Court Meeting be lodged not later than 48 hours before the time appointed for the Court Meeting, excluding any part of a day that is not a Business Day. A copy of a completed and signed BLUE Form of Proxy not so lodged may be handed to the representatives of Link Group or the Chair of the Court Meeting before it is due to commence and it will still be valid.
- (2) WHITE Forms of Proxy for the General Meeting must be lodged not later than 48 hours before the time appointed for the General Meeting, excluding any part of a day that is not a Business Day. WHITE Forms of Proxy for the General Meeting not lodged by this time will be invalid.
- (3) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be 6:00 p.m. on the day which is two days before the date of the adjourned Meeting, excluding any part of a day that is not a Business Day.
- (4) To commence at 10:15 a.m. or as soon as the Court Meeting shall have concluded or been adjourned.
- (5) These dates and times are indicative only and will depend, among other things, on the date upon which: (i) the Conditions are satisfied or (if capable of waiver) waived; (ii) the Court sanctions the Scheme; and (iii) a copy of the Court Order is delivered to the Registrar of Companies.
- (6) This is the latest date by which the Scheme may become Effective unless Bidco and DX agree (and the Panel and, if required, the Court permit) a later date.

All references in this document to times are to London time unless otherwise stated.

The dates and times given are indicative only and are based on DX’s and Bidco’s current expectations and may be subject to change (including as a result of changes to the regulatory timetable). 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 <https://investors.dxdelivery.com>.



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**PART I**  
**LETTER FROM THE CHAIRMAN OF DX**



*Incorporated in England and Wales with registered number 08696699*

*Directors:*

Mark Hammond  
Paul Ibbetson  
David Mulligan  
Jonathan Kempster  
Alison O'Connor  
Michael Russell

*Registered Office:*

Ditton Park Riding Court Road,  
Datchet, Slough, England  
SL3 9GL

11 December 2023

*To DX Shareholders and, for information only, to DX Share Plan participants and persons with information rights*

Dear Shareholder,

**Recommended cash offer for DX (Group) plc by Transit Bidco Limited**

**1 Introduction**

On 16 November 2023, Bidco, a wholly-owned indirect 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, and the DX Directors announced that they had agreed the terms of a recommended cash offer for the entire issued and to be issued ordinary share capital of DX by Bidco.

I am writing to you today to set out the background to the Acquisition and the reasons why the DX Directors consider the terms of the Acquisition to be fair and reasonable and are unanimously recommending that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that DX Shareholders vote in favour of the Resolution to be proposed at the General Meeting. In addition, paragraphs 3 and 7 of this letter set out, respectively, Bidco's reasons for making the Acquisition and its intentions with regard to the management, employees, research and development and locations of business of DX. I also draw your attention to the letter from Moelis set out in Part II (*Explanatory Statement*) of this document which gives details about the Acquisition and the Scheme and to the additional information set out in Part VI (*Additional Information on DX and Bidco*) of this document.

In order to approve the terms of the Acquisition, Scheme Shareholders will need to vote in favour of the Scheme at the Court Meeting to be held on 9 January 2024, and pass the Resolution which is to be proposed at the General Meeting (which is also to be held on 9 January 2024), in each case by the requisite majority. Details of the actions you are asked to take are set out on pages 9 to 11 and paragraph 15 of Part II (*Explanatory Statement*) of this document. The recommendation of the DX Directors is set out in paragraph 14 of this letter.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholders' opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy or appoint a proxy online or through Proximity or the CREST electronic proxy appointment service (as appropriate) as soon as possible.**

Further details of the Scheme and the Meetings are set out in paragraphs 7 and 8 of Part II (*Explanatory Statement*) of this document and the terms of the Scheme are set out in full in Part IV (*The Scheme of Arrangement*).

## 2 Terms of the Acquisition

Under the terms of the Acquisition, DX Shareholders will be entitled to receive:

**for each DX Share 48.5 pence in cash (the “Acquisition Value”)**

The Acquisition Value comprises, for each DX Share:

**47.5 pence in cash (the “Cash Consideration”)**

and

**the final dividend of 1 penny for DX’s financial year ended 1 July 2023**, paid on 7 December 2023 to DX Shareholders on DX’s register as at 17 November 2023 and which was not conditional on the Acquisition becoming Effective (the “**Permitted Dividend**”).

DX announced the Permitted Dividend on 3 October 2023 and DX Shareholders on DX’s register of members on 17 November 2023 were entitled to receive the Permitted Dividend regardless of whether the Acquisition becomes Effective (and without any reduction in the Cash Consideration if the Acquisition does become Effective). The Permitted Dividend was approved by DX Shareholders at DX’s Annual General Meeting on 23 November 2023, and was paid on 7 December 2023 to DX Shareholders on DX’s register of members at 17 November 2023.

The Acquisition Value values DX’s entire issued and to be issued share capital at approximately £314.8 million.

The Acquisition Value represents a premium of approximately:

- 32.9 per cent. to the Closing Price per DX Share of 36.5 pence on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period);
- 34.8 per cent. to the volume weighted average Closing Price per DX Share of 36.0 pence for the one month period ended on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period);
- 67.0 per cent. to the volume weighted average Closing Price per DX Share of 29.0 pence for the twelve-month period ended on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period); and
- 30.0 per cent. to the highest Closing Price between 13 November 2015 and 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period) of 37.3 pence per DX Share.

The DX Shares will be acquired by Bidco (or its nominee) with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing at the date of the Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of the Announcement and prior to the Effective Date in respect of the DX Shares.

Save for the Permitted Dividend, if any dividend, distribution or other return of value in respect of the DX Shares is announced, authorised, declared, made or paid in respect of the DX Shares on or after the date of the Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each DX Share by the amount of all or part of any such dividend or other distribution. In such circumstances, DX Shareholders shall be entitled to retain such dividend, distribution or other return of value.

The Acquisition is subject to the Conditions and certain further terms set out, respectively, in Part A and Part B of Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this document, including the approval of the Scheme at the Court Meeting and the passing of the Resolution at the General Meeting, in each case by the requisite majority. Merger control clearance in Ireland was received on 7 December 2023. Subject to the satisfaction or (where applicable) waiver of the Conditions and to the further terms set out in Part B of Part III (*Conditions to the*

Implementation of the Scheme and to the Acquisition) of this document, it is expected that the Scheme will become Effective in Q1 2024.

Further information about the Acquisition is provided in Part II (*Explanatory Statement*) of this document.

### **3 Background to and reasons for the Acquisition**

Bidco believes that there is a compelling strategic and financial rationale for undertaking the Acquisition. DX operates in attractive niche markets with supportive secular market trends to continue its trajectory of growth. Bidco recognises the strong performance and progress made by DX in recent years, with the operational and financial improvements being a testament to the strong execution capabilities and service delivery of the management team. However, Bidco believes that DX's Shares continue to suffer from limited secondary market liquidity, which disincentivises potential new investors to take interest in the stock and prevents existing DX Shareholders from recognising value for their investments. Bidco believes that DX can better reach its full potential in a private market setting with a greater focus on longer term value creation, enabled by the acceleration of investment in growth to continue building on the progress the management team has achieved to date.

The Acquisition presents H.I.G. with the opportunity to enter new markets. H.I.G. has a strong and complementary track record in the Business Services and Logistics sectors deploying capital and expertise into growth-oriented businesses and supporting their management teams in achieving their strategic ambitions. H.I.G. has considerable capital resources and deep industry-specific knowledge, allowing it to support driving the next phase of growth for DX.

### **4 Background to and reasons for the recommendation**

DX is a well-established provider of a wide range of delivery services to business and residential addresses across the UK and Ireland. It has developed from its roots as a Document Exchange service to the legal sector, into a UK leader in a wide range of overnight delivery and logistics services. In recent years, DX has successfully executed a highly-successful turnaround and capitalised on favourable market tailwinds, with strong momentum in sales, profitability and margin improvement.

In 2018, DX had revenue of £300m and negative operating profit. The DX Board is proud of the substantial improvement in revenue and profitability that followed, supported by a revised commercial strategy, increased local management responsibility, substantial investment in the business, and an emphasis on driving service levels. In 2023, DX reported revenue of £471m and adjusted operating profit of £31m (before share-based payments charge), as well as a strategic agreement to secure 15 sites from the administrators of one of its key competitors, Tuffnells.

While the DX Directors are highly confident in the long-term prospects of the business as an independent listed company, the DX Board also notes the compelling proposition offered to DX shareholders by the Acquisition against a backdrop of macroeconomic uncertainty. The DX Board did not solicit an offer for DX, but regularly considers all options for driving and improving shareholder value. Bidco's offer of an Acquisition Value of 48.5 pence per share followed the Directors having received and rejected a series of unsolicited proposals, with the first approach made in June 2023. Prior proposals were not at a level that the DX Board felt adequately reflected an appropriate valuation for DX, whereas the DX Directors believe that the terms of the Acquisition are at a level that they can recommend to shareholders to accept.

In evaluating the financial terms of the Acquisition, and determining whether they reflect an appropriate valuation for DX and proposal for DX Shareholders, the DX Board considered a number of factors, namely that:

- Bidco's offer of an Acquisition Value of 48.5 pence per share represents an opportunity for shareholders to crystallise their holdings in cash and in full at a significant premium to both recent and long-term trading levels, against a backdrop of historically limited trading liquidity;
- it represents a premium of 32.9 per cent. to the Closing Price, and 67.0 per cent. to the volume weighted average price in the 12 months to 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period);
- it implies an enterprise value of approximately 8.8 times DX's EBITDA for the 52 weeks to 1 July 2023 on a pre-IFRS 16 basis;

- the certainty of the Acquisition should be weighed against the inherent uncertainty of the delivery of future value that exists in the business, given an unsure and weakening macroeconomic backdrop in the UK;
- after careful consideration together with its advisers, Moelis, the DX Board believes that the Acquisition reflects the strength of the business today and its prospects, whilst delivering immediate value to shareholders; and
- two large shareholders, representing in aggregate approximately 31.6 per cent. of DX's issued share capital, indicated their willingness to provide, and have subsequently provided irrevocable undertakings to vote in favour of the Acquisition at the Court Meeting and the General Meeting (or, if the Acquisition is implemented by way of a Takeover Offer, to accept such offer).

The DX Directors also acknowledge the benefits of private ownership, including greater access to capital to pursue new growth opportunities, such as M&A-led growth.

In considering the Acquisition, the DX Directors have taken into account Bidco's stated intentions for the business and its employees. The DX Board believe that the Acquisition represents an opportunity which results in a positive outcome for all its stakeholders, including customers, employees, and shareholders.

Accordingly, after careful consideration of the above factors, the DX Directors are pleased to confirm their unanimous recommendation that DX Shareholders vote in favour of the Acquisition at the Court Meeting and the General Meeting (or in the event that the Acquisition is implemented by way of a Takeover Offer, accept or procure acceptance of such Takeover Offer), as the DX Directors have committed to do in respect of their DX Shares (where applicable).

## **5 Irrevocable undertakings and letters of intent**

Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting from the DX Directors who have an interest in DX Shares, in respect of their entire beneficial holdings, amounting to 8,777,914 DX Shares, in aggregate, representing approximately 1.5 per cent of the issued share capital of DX as at the Last Practicable Date.

Bidco has also received irrevocable undertakings to vote (or, in relation to DX CFDs, to use reasonable endeavours to procure votes) in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting from Gatemore Capital Management LLP and Lloyd Dunn in respect of 177,864,992 DX Shares and 13,250,000 DX CFDs. The total number of DX Shares which are subject to irrevocable undertakings received by Bidco from Gatemore Capital Management and Lloyd Dunn is 177,864,992 DX Shares, representing approximately 29.4 per cent of the issued share capital of DX as at the Last Practicable Date. The total number of DX Shares and DX CFDs which are subject to irrevocable undertakings received by Bidco from Gatemore Capital Management LLP and Lloyd Dunn is 191,114,992 DX Shares and DX CFDs, representing approximately 31.6 per cent of the issued share capital of DX as at the Last Practicable Date.

Bidco has also received letters of intent to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting from Canaccord Genuity Asset Management and Lombard Odier Asset Management (Europe) Limited in respect of 89,602,908 DX Shares, in aggregate, representing approximately 14.8 per cent of the issued share capital of DX as at the Last Practicable Date.

In aggregate, therefore, Bidco has received irrevocable undertakings and letters of intent to vote (or, in relation to DX CFDs, to use reasonable endeavours to procure votes) in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting from the holders of 276,245,814 DX Shares and 13,250,000 DX CFDs. The total number of DX Shares which are subject to irrevocable undertakings and letters of intent received by Bidco from holders of DX Shares is 276,245,814 DX Shares, representing approximately 45.7 per cent. of the issued share capital of DX as at the Last Practicable Date. The total number of DX Shares and DX CFDs which are subject to irrevocable undertakings and letters of intent received by Bidco from holders of DX Shares and DX CFDs is 289,495,814 DX Shares and DX CFDs, representing approximately 47.9 per cent. of the issued share capital of DX as at the Last Practicable Date.



Further details of these irrevocable undertakings and letters of intent (including the circumstances in which the irrevocable undertakings will cease to be binding or otherwise fall away) are set out in paragraph 7 of Part VI (*Additional Information on DX and Bidco*) of this document.

## **6 Current trading**

On 3 October 2023, DX announced its final audited results of the year ended 1 July 2023. In that announcement, it announced the following in relation to the DX Group's outlook and opportunities:

*"We are encouraged by the progress the Group has made over the past financial year and, in particular, by the strong profit and margin growth at both DX Freight and DX Express, which has been underpinned by our focus on high levels of customer service.*

*The agreement to take over 15 former Tuffnells depots and the new relationships we have established with former customers of Tuffnells since it entered into administration is a major development for the Group. The process of optimising the depot network and absorbing these new depots is well under way, with six sites now reopened.*

*We expect to make further progress in the current financial year. This will be supported by our disciplined allocation of capital, which is prioritising ongoing investment in the business to support growth, including our strategic investment in the new regional hub at Nottingham.*

*The business has secured strong levels of new business in the first quarter of the current financial year and has a good pipeline of opportunities. It is also in a strong financial position, with healthy levels of net cash and good cash flows. While we are conscious of the current economic headwinds, the Board remains encouraged about growth prospects for the Group in the current financial year and beyond."*

On 6 November 2023, DX announced that it had reopened 14 of the 15 former Tuffnells depots that DX took over from the administrator of Tuffnells in late June 2023.

On 23 November 2023, in an annual general meeting statement, DX announced the following:

*"Turning to the Company's current trading performance, as announced on 3 October, when the Group reported its final results, the business secured strong levels of new business in the first quarter of the new financial year and has a good pipeline of further opportunities. Overall trading since then has continued to be in line with management expectations. In addition, DX has made very good progress operationally with its investment plans, including a significant number of new site openings, in line with its strategic objectives.*

*While the current economic headwinds point to some softening of consumer-orientated volumes, the Board continues to remain encouraged about growth prospects, supported by its consistent high service level offering and the commercial opportunities available."*

## **7 Strategic plans and intentions with regard to assets, management, employees and pensions**

### ***Bidco's strategic plans for DX***

As set out in Section 3 (*Background to, and reasons for, the Acquisition*), Bidco believes that the Acquisition has compelling strategic and financial rationale.

In line with market practice for a UK public takeover, Bidco completed a short period of confirmatory due diligence on DX prior to the date of the Announcement. However, Bidco has not yet had access to sufficiently detailed operational information to formulate a detailed strategy for DX. As is customary for new H.I.G. acquisitions, H.I.G. intends to review DX's business and operations following the Scheme becoming Effective. Bidco is supportive of DX's strategy and believes there are further initiatives that would help accelerate its existing strategy and which it intends to confirm during the review, including: (i) sourcing and executing financially and strategically accretive incremental M&A opportunities; (ii) continued operational and financial improvements; and (iii) continued investment in the management and employee team.

Bidco expects that the review will be completed within approximately six months from the Effective Date.

### ***Employees, management, existing rights and pensions***

Bidco attaches great importance and value to the skills, experience and commitment of the existing management and employees of DX and believes that they will be a key factor in maximising the

success and growth of the business going forward. Bidco has no intention to make any changes to the conditions of employment or the balance of the skills and functions of DX's employees or management.

Bidco confirms that, following the completion of the Acquisition, the existing contractual and statutory employment rights, including in relation to pensions, of all management and employees of the DX Group will be safeguarded in accordance with applicable law.

Bidco reiterates its commitment to DX's employees. Whilst Bidco's post-completion strategic review will seek to formulate an optimal strategy for DX within six months, Bidco does not expect the outcome of the review to result in any material reductions to DX's headcount. Any headcount reductions are expected to arise for the most part as a result of DX ceasing to be admitted to trading on AIM and will be carried out in accordance with applicable law.

It is expected that, on the Effective Date, each non-executive DX Director will resign with immediate effect.

Following completion of the Acquisition, Bidco does not intend to make any changes with regard to the agreed employer contributions into DX's existing defined contribution pension scheme(s) or other pension schemes. The DX Group does not participate in any defined benefit pension scheme.

Bidco has not entered into, and has not had discussions on proposals to enter into, any form of incentivisation or any other arrangements with members of DX's management. It is the intention to put in place appropriate arrangements for management of DX following completion of the Acquisition.

#### ***Headquarters, locations, research and development and fixed assets***

Bidco does not intend to change the location of DX's headquarters or places of business or to redeploy the fixed assets of DX.

DX has no research and development functions, and Bidco has no plans in this regard.

#### ***Trading facilities***

Prior to the Scheme becoming Effective, it is intended that applications will be made to the London Stock Exchange to cancel trading in the DX Shares on AIM, with effect from or shortly following the Effective Date and to re-register DX as a private company.

No statements in this paragraph 7 (*Strategic plans and intentions with regard to assets, management, employees and pensions*) constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

#### ***Views of the DX Directors***

In considering the recommendation of the Acquisition to DX Shareholders, the DX Directors have given due consideration to Bidco's intentions for the business, management, employees and locations of business of DX.

The DX Directors are pleased that Bidco has confirmed its intention to support DX's existing strategic ambitions and its affirmation of the importance of DX's management and employees and recognition of their important contribution. In particular, the DX Directors welcome Bidco's confirmation that it does not intend to initiate any material headcount reductions or changes in location of DX's existing headquarters or places of business. The DX Directors welcome Bidco's confirmation that, following completion of the Acquisition, the existing contractual and statutory employment rights, including pension rights, of DX employees will be fully safeguarded in accordance with applicable law.

## **8 DX Share Plans**

The impact of the Scheme in relation to options outstanding under the DX Share Plans is summarised in paragraph 6 of Part II (*Explanatory Statement*) of this document. DX Share Plan participants will be contacted separately regarding the effect of the Acquisition on their rights under the DX Share Plans and, where required, appropriate proposals will be made to such participants in accordance with Rule 15 of the Code.

## 9 Dividends

Save for the Permitted Dividend, if any dividend, distribution or other return of value is announced, authorised, declared, made or paid in respect of DX Shares on or after the date of the Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each DX Share by the amount of all or part of any such dividend, distribution or other return of value. In such circumstances, DX Shareholders shall be entitled to retain any such dividend, distribution or other return of value.

## 10 Overseas DX Shareholders

Overseas DX Shareholders should refer to paragraph 14 of Part II (*Explanatory Statement*) of this document.

## 11 United Kingdom taxation

Your attention is drawn to paragraph 13 of Part II (*Explanatory Statement*) of this document headed "United Kingdom taxation". Although this document contains certain tax-related information, it is intended only as a general guide and is not advice. Accordingly, if you are in any doubt about your own tax position or you are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriately qualified independent professional adviser immediately.

## 12 Actions to be taken by DX Shareholders

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by DX Shareholders in respect of the Scheme are set out on pages 9 to 11 and in paragraph 15 of Part II (*Explanatory Statement*) of this document.

## 13 Further information

**You are advised to read the whole of this document and not just rely on the summary information contained in this letter or the Explanatory Statement.**

Your attention is drawn in particular to the further information contained in Part II (*Explanatory Statement*), Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*), Part IV (*The Scheme of Arrangement*) and Part VI (*Additional Information on DX and Bidco*) and the notices of the Meetings set out in Part VIII (*Notice of Court Meeting*) and Part IX (*Notice of General Meeting*) of this document, which provides further details concerning the Scheme.

A copy of this document (and all information incorporated into this document by reference to another source), as well as all the documents required to be published by Rule 26 of the Code are and will be available, subject to certain restrictions relating to Restricted Jurisdictions, for inspection on DX's website at <https://investors.dxdelivery.com>.

## 14 Recommendation

The DX Directors, who have been so advised by Moelis as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the DX Directors, Moelis has taken into account the commercial assessments of the DX Directors.

**Accordingly, the DX Directors unanimously recommend that DX Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Acquisition at the General Meeting, as the DX Directors who have an interest in DX Shares have irrevocably undertaken to do in respect of their entire beneficial holdings of 8,777,914 DX Shares, in aggregate, representing approximately 1.5 per cent. of DX's issued share capital as at the Last Practicable Date.**

Yours faithfully,

Mark Hammond  
Chairman  
DX (Group) plc

**PART II**  
**EXPLANATORY STATEMENT**

*(in compliance with section 897 of the Companies Act 2006)*

**Moelis**

1st Floor Condor House  
10 St Paul's Churchyard  
London  
EC4M 8AL

11 December 2023

*To the holders of DX Shares and, for information only, to DX Share Plan participants and persons with information rights*

Dear Shareholder

**Recommended cash offer for DX (Group) plc by Transit Bidco Limited**

**1 Introduction**

On 16 November 2023, Bidco, a wholly-owned indirect 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, and the DX Directors announced that they had agreed the terms of a recommended cash offer for the entire issued and to be issued ordinary share capital of DX by Bidco.

**Your attention is drawn to the letter from the Chairman of DX set out in Part I (*Letter from the Chairman of DX*) of this document, which forms part of this Explanatory Statement. The letter contains, among other things: (a) information on the reasons for and effect of the Acquisition on the DX Group; and (b) the unanimous recommendation by the DX Directors to vote in favour of the Scheme at the Court Meeting and to vote in favour of the Resolution to be proposed at the General Meeting.**

We have been authorised by the DX Directors to write to you to explain the terms of the Acquisition and to provide you with other relevant information. In giving its advice, Moelis is advising the DX Directors in relation to the Acquisition and is not acting for any DX Director in their personal capacity nor for any DX Shareholder in relation to the Acquisition. Moelis will not be responsible to any such person for providing the protections afforded to its clients or for advising any such person in relation to the Acquisition. In particular, Moelis will not owe any duties or responsibilities to any particular DX Shareholder concerning the Acquisition.

This Explanatory Statement contains a summary of the provisions of the Scheme. The terms of the Scheme are set out in full in Part IV (*The Scheme of Arrangement*) of this document. Your attention is also drawn to the other parts of this document, which are deemed to form part of this Explanatory Statement, including Part I (*Letter from the Chairman of DX*), the Conditions and certain further terms set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) and the additional information set out in Part VI (*Additional Information on DX and Bidco*) of this document.

## 2 Terms of the Acquisition

The Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between DX and Scheme Shareholders under Part 26 of the Companies Act. Under the terms of the Acquisition, which will be subject to the terms and conditions set out in Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

**for each DX Share 48.5 pence in cash (the “Acquisition Value”)**

The Acquisition Value comprises, for each DX Share:

**47.5 pence in cash (the “Cash Consideration”)**

and

the **final dividend of 1 penny for DX’s financial year ended 1 July 2023**, paid on 7 December 2023 to DX Shareholders on DX’s register as at 17 November 2023 and which was not conditional on the Acquisition becoming Effective (the **“Permitted Dividend”**).

DX announced the Permitted Dividend on 3 October 2023 and DX Shareholders on DX’s register of members at 17 November 2023 were entitled to receive the Permitted Dividend regardless of whether the Acquisition becomes Effective (and without any reduction in the Cash Consideration if the Acquisition does become Effective). The Permitted Dividend was approved by DX Shareholders at DX’s Annual General Meeting on 23 November 2023, and was paid on 7 December 2023 to DX Shareholders on DX’s register of members at 17 November 2023.

The terms of the Acquisition value DX’s issued and to be issued share capital at approximately £314.8 million.

The terms of the Acquisition represent a premium of approximately:

- 32.9 per cent. to the Closing Price per DX Share of 36.5 pence on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period);
- 34.8 per cent. to the volume weighted average Closing Price per DX Share of 36.0 pence for the one month period ended on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period);
- 67.0 per cent. to the volume weighted average Closing Price per DX Share of 29.0 pence for the twelve-month period ended on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period); and
- 30.0 per cent. to the highest Closing Price between 13 November 2015 and 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period) of 37.3 pence per DX Share.

The DX Shares will be acquired by Bidco (or its nominee) with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing at the date of the Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of the Announcement and prior to the Effective Date in respect of the DX Shares.

Save for the Permitted Dividend, if any dividend, distribution or other return of value in respect of the DX Shares is announced, authorised, declared, made or paid in respect of the DX Shares on or after the date of the Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each DX Share by the amount of all or part of any such dividend or other distribution. In such circumstances, DX Shareholders shall be entitled to retain such dividend, distribution or other return of value.

## 3 Information on Bidco and H.I.G.

### ***Bidco***

Bidco is a private limited company incorporated in England which is indirectly wholly-owned by funds advised or managed by H.I.G. or its affiliates, as advised or subadvised by H.I.G. European Capital Partners LLP. Bidco was formed for the purposes of the Acquisition and has not traded



since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

### **H.I.G.**

H.I.G. is one of the world's largest middle-market private equity investment firms with \$59 billion of assets under management. H.I.G. invests in companies across a wide range of industries and geographies and combines operational, strategic and financial expertise in partnership with senior management to create significant value to its portfolio companies. H.I.G. provides the resources and capital to execute both organic growth initiatives, as well as strategic, add on acquisitions. Since its founding in 1993, H.I.G. has completed more than 350 control investments.

## **4 Information on DX**

DX is a well-established provider of a wide range of delivery services to both business and residential addresses across the UK and Ireland. First established in 1975 as a Document Exchange service to the legal sector, DX provides a wide range of overnight delivery services, as well as logistics services.

The Group operates through two divisions, DX Freight and DX Express.

- DX Freight comprises DX 1-Man, and 2-Man/Logistics, with the Division being one of only a small number of operators that provides an overnight delivery service for irregular dimension and weight freight ("IDW").
- DX Express comprises DX Parcels and DX Exchange and Mail, with the Division specialising in the express delivery, including pre-9am, of parcels and documents.

## **5 Financing and cash confirmation**

Bidco intends to finance the Cash Consideration payable to DX Shareholders pursuant to the Acquisition from a combination of: (a) indirect capital contributions to Bidco by funds advised or managed by H.I.G. or its affiliates, as advised or subadvised by H.I.G. European Capital Partners LLP (in connection with which an equity commitment letter has been entered into with Bidco); and (b) debt to be provided by Nomura International PLC, PGIM Senior Loan Opportunities (Levered) II, L.P. and PGIM Senior Loan Opportunities (Unlevered) II, L.P. as Original Interim Lenders pursuant to the Interim Facilities Agreement.

Deutsche Numis, as financial adviser to Bidco, is satisfied that sufficient resources are available to Bidco to enable it to satisfy in full the Cash Consideration payable to DX Shareholders under the terms of the Acquisition.

## **6 DX Share Plans**

DX Share Plan participants will be contacted separately on or around the date of this document regarding the effect of the Scheme on their rights under the DX Share Plans and will be provided with details of the appropriate proposals being made by Bidco in accordance with Rule 15 of the Code ("**Share Plan Letters**").

A summary of the effect of the Scheme on the rights of the DX Share Plan participants and the proposals being made by Bidco is set out below. In the event of any conflict between the summary set out below and the rules of the relevant DX Share Plan, the terms of the Share Plan Letters and/or the proposed amendments to the DX Articles (if approved at the General Meeting), then the rules of the relevant DX Share Plan, the terms of the Share Plan Letters and/or the amendments to the DX Articles (if approved at the General Meeting) (as the case may be) will prevail.

Subject to the proposed amendments to the DX Articles being approved at the General Meeting, the Scheme will apply to any DX Shares which are unconditionally allotted, issued or transferred to satisfy the exercise of options under the DX Share Plans on or after the passing of the Resolution and before the Scheme Record Time.

Additionally, the proposed amendments to the DX Articles will mean that any DX Shares issued on or after the Scheme Record Time to satisfy the exercise of options under the DX Share Plans after the Scheme Record Time will (subject to the Scheme becoming Effective), immediately following their issuance, be transferred immediately to Bidco (and/or such other nominee(s) of Bidco as it may determine) in exchange for the same consideration per DX Share as Scheme Shareholders were entitled to receive under the Scheme. Further information in respect of the proposed

amendments to the DX Articles is contained in the Notice of General Meeting in Part IX (*Notice of General Meeting*) of this document.

### **SAYE Plan**

Options granted under the SAYE Plan ("**SAYE Options**") will (in consequence of the Acquisition and in accordance with participants' contractual rights under the rules of the SAYE Plan), become exercisable (to the extent not already exercisable) upon the Scheme being sanctioned by the Court at the Sanction Hearing. SAYE Options will only be exercisable in respect of the number of DX Shares that may be purchased with the accumulated savings from the participant's related savings contract at the applicable option exercise price as at the date the exercise of the SAYE Option takes effect. SAYE Options will remain exercisable for the period of 20 days following the date of the Sanction Hearing (and will lapse thereafter in accordance with the rules of the SAYE Plan).

Under the appropriate proposal set out in the Share Plan Letter relating to the SAYE Plan, participants are invited to exercise their SAYE Options conditional on the Scheme being sanctioned by the Court, with such exercise to take effect at the latest possible time during the exercise period in order to maximise the savings contributions they can make under their related savings contract. If the exercise of a SAYE Option takes effect prior to the Scheme Record Time in accordance with the proposal, the DX Shares transferred or issued prior to the Scheme Record Time to satisfy the SAYE Option exercise will be acquired by Bidco pursuant to the Scheme. If the exercise of a SAYE Option takes effect after the Scheme Record Time (but before the expiry of the 20-day exercise period following the date of the Sanction Hearing) in accordance with the proposal, the DX Shares issued after the Scheme Record Time to satisfy the SAYE Option exercise will be acquired automatically by Bidco (and/or such other nominee(s) of Bidco as it may determine) pursuant to the proposed amendments to the DX Articles (if approved at the General Meeting).

### **PSP**

All options under the PSP ("**PSP Options**") will (in consequence of the Acquisition and in accordance with participants' contractual rights under the rules of the PSP and the determination of the DX Remuneration Committee), vest in full and become exercisable (to the extent not already exercisable) upon the Scheme being sanctioned by the Court at the Sanction Hearing. All PSP Options will remain exercisable for the period of one month following the date of the Sanction Hearing and will then lapse to the extent not exercised.

Under the appropriate proposal set out in the Share Plan Letter relating to the PSP, participants are invited to exercise their PSP Options to the greatest extent possible conditional on the Scheme being sanctioned by the Court. If a participant exercises their PSP Option in accordance with the proposal, the DX Shares transferred or issued prior to the Scheme Record Time to satisfy the PSP Option exercise will be acquired by Bidco pursuant to the Scheme. If a participant exercises their PSP Option after the Scheme Record Time (but before the expiry of the one month exercise period following the date of the Sanction Hearing), the DX Shares issued after the Scheme Record Time to satisfy the PSP Option exercise will be acquired automatically by Bidco (and/or such other nominee(s) of Bidco as it may determine) pursuant to the proposed amendments to the DX Articles (if approved at the General Meeting).

The DX Remuneration Committee has determined that, with effect from the date of the Scheme Sanction Hearing, in respect of all participants in the PSP (other than the DX Directors), DX will bear the cost of all employer's National Insurance contributions ("**NICs**") that arises in connection with the exercise of such PSP Options (including the employer's NICs arising in respect of the part of the gain above 40p per DX Share). The DX Directors will still be required to pay any employer's NICs that arises on the exercise of their PSP Options in respect of the part of the gain above 40p per DX Share. Further, the DX Remuneration Committee has determined that, with effect from the date of the Scheme Sanction Hearing, any employer's NICs paid at any time by the DX Group in connection with the exercise of PSP Options (whether such exercise took place before or on or after the date of the Scheme Sanction Hearing) will not be subject to potential claw back from any participant on termination of employment (or otherwise), and that the terms of the options be amended accordingly.

## **7 Description of the Scheme**

The Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement between DX and the Scheme Shareholders who are on the Company's register of members of DX at the Scheme Record Time, under Part 26 of the Companies Act. The procedure requires approval by Scheme Shareholders at the Court Meeting and approval of the Resolution at the General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part IV (*The Scheme of Arrangement*) of this document.

The purpose of the Scheme is to provide for Bidco to become the owner of the entire issued and to be issued share capital of DX. This is to be achieved by the transfer of the Scheme Shares held by the Scheme Shareholders to Bidco in consideration for which the Scheme Shareholders will receive the Cash Consideration on the basis described in this Part II (*Explanatory Statement*).

The implementation of the Scheme is subject to the Conditions and certain further terms set out in Part III (*Conditions to the implementation of the Scheme and to the Acquisition*) of this document, and will only become Effective if, among other things, the following events occur on or before 11.59 p.m. on the Long Stop Date (or such later date as Bidco and DX may, with the consent of the Panel, agree and, if required, the Court may approve):

- a resolution to approve the Scheme is passed by a majority in number of Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting representing at least 75 per cent. in value of the Scheme Shares voted by such holders;
- the Resolution is passed by the requisite majority of DX Shareholders at the General Meeting (which will require the approval of DX Shareholders representing at least 75 per cent. of the votes cast at the General Meeting either in person or by proxy);
- following the Court Meeting and General Meeting, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by Bidco and DX); and
- following such sanction, a copy of the Court Order is delivered to the Registrar of Companies.

Once the necessary approvals from the Scheme Shareholders and the DX Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has been approved by the Court, the Scheme will become Effective upon delivery of the Court Order to the Registrar of Companies.

Upon the Scheme becoming Effective: (i) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour of, or against, or abstained from voting on the Scheme at the Court Meeting or the Resolution to be proposed at the General Meeting); (ii) share certificates in respect of DX Shares will cease to be valid; and (iii) entitlements to DX Shares held within the CREST system will be cancelled. The Cash Consideration payable under the Scheme will be dispatched to Scheme Shareholders by Bidco no later than 14 days after the Effective Date.

Any DX Shares issued before the Scheme Record Time will be subject to the terms of the Scheme. The Resolution, amongst other matters, provides that the Articles be amended to incorporate provisions requiring any DX Shares issued after the Scheme Record Time (other than to Bidco and/or their nominees) to be automatically transferred to Bidco on the same terms as under the Acquisition (other than terms as to timings and formalities). The provisions of the Articles (as amended) will avoid any person (other than Bidco and its nominees) holding shares in the capital of DX after the Effective Date.

If the Scheme does not become Effective on or before 11.59 p.m. on the Long Stop Date (or such later date as DX and Bidco may, with the consent of the Panel, agree and, if required, the Court may approve), it will lapse and the Acquisition will not proceed.

## **8 The Meetings**

Before the Court's sanction can be sought for the Scheme, the Scheme will require the approval of Scheme Shareholders at the Court Meeting. The resolution must be approved by a majority in number of the Scheme Shareholders present and voting, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders. In addition, the Resolution must be passed at the General Meeting to authorise the DX Directors to

implement the Scheme and to amend the articles of association of DX as described in paragraph 9 of this Part II (*Explanatory Statement*) below (which requires the approval of DX Shareholders present and voting representing at least 75 per cent. of the votes cast at the General Meeting (either in person or by proxy)).

The Court Meeting will be held on 9 January 2024 at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG at 10:00 a.m., with the General Meeting held at the same location on the same day at 10:15 a.m. (or as soon as reasonably practicable thereafter as the Court Meeting shall have been concluded or adjourned).

Notices of both the Court Meeting and the General Meeting are set out in Part VIII (*Notice of Court Meeting*) and Part IX (*Notice of General Meeting*) of this document. Entitlement to attend and vote at these Meetings and the number of votes which may be cast will be determined by reference to the register of members of DX at the Voting Record Time.

**If the Scheme becomes Effective, it will be binding on all DX Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and irrespective of whether or not they voted in favour of, or against, or abstained from voting on the Scheme at the Court Meeting or the Resolution to be proposed at the General Meeting).**

Any DX Shares which Bidco or any other member of the Wider Bidco Group (or their respective nominees) may acquire before the Court Meeting will not be Scheme Shares and therefore none of Bidco or any other member of the Wider Bidco Group (or their respective nominees) would be entitled to vote at the Court Meeting in respect of any DX Shares held or acquired by it or them.

### ***Court Meeting***

The Court Meeting has been convened at the direction of the Court for 10:00 a.m. on 9 January 2024 to enable Scheme Shareholders to consider and, if thought fit, approve the Scheme. At the Court Meeting, voting will be by poll and each Scheme Shareholder present (in person or by proxy), will be entitled to one vote for each Scheme Share held at the Voting Record Time. The approval required at the Court Meeting is a majority in number of Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting representing at least 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholders' opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy, in particular your BLUE Form of Proxy for use in respect of the Court Meeting, or appoint a proxy online or through Proxymity or the CREST electronic proxy appointment service (as appropriate) as soon as possible, in each case appointing the chair of the Court Meeting as your proxy. Scheme Shareholders are strongly encouraged to vote by appointing the chair of the Court Meeting as your proxy to ensure that your appointed proxy is permitted to attend the Court Meeting and to cast votes on your behalf. Doing so will not prevent you from attending, speaking and/or voting at the Court Meeting or any adjournment of the Court Meeting, if you so wish and are so entitled.**

Due to the length of time anticipated to be required to calculate the results of the poll, the result of the vote at the Court Meeting will be announced by DX via a Regulatory Information Service as soon as practicable after the Court Meeting.

You will find the notice of Court Meeting in Part VIII (*Notice of Court Meeting*) of this document.

### ***General Meeting***

In addition, the General Meeting has been convened for 10:15 a.m. on 9 January 2024 (or as soon as reasonably practicable thereafter as the Court Meeting shall have been concluded or adjourned) to consider and, if thought fit, pass the Resolution to approve:

- A. the authorisation of the DX Directors to take all such actions as they may consider necessary or appropriate to give effect to the Scheme; and
- C. the amendment of the DX Articles in the manner described in paragraph 9 of this Part II (*Explanatory Statement*) below.

The Resolution will require votes in favour from DX Shareholders representing at least 75 per cent. of the votes cast at the General Meeting either in person or by proxy. The vote of DX Shareholders

at the General Meeting will be held by way of a poll. Each DX Shareholder who is entered on the register of members of DX at the Voting Record Time and is present in person or by proxy will be entitled to one vote for each DX Share held by them.

Due to the length of time anticipated to be required to calculate the results of the poll, the result of the vote at the General Meeting will be announced by DX via a Regulatory Information Service as soon as practicable after the General Meeting.

You will find the Notice of the General Meeting in Part IX (*Notice of General Meeting*) of this document.

### ***Scheme Sanction Hearing***

Under the Companies Act, the Scheme requires the sanction of the Court. DX will give adequate notice of the date and time of the Scheme Sanction Hearing, once known, by issuing an announcement through a Regulatory Information Service.

The Scheme Sanction Hearing is expected to be held at The Royal Courts of Justice, The Rolls Buildings, Fetter Lane, London, EC4A 1NL. Scheme Shareholders are entitled to attend and be heard at the Scheme Sanction Hearing to support or oppose the sanction of the Scheme, should they wish to do so, in person or represented by counsel.

Following the sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is expected to occur two Business Days after the date of the Scheme Sanction Hearing, subject to satisfaction (or, where applicable, waiver) of the Conditions.

**If the Scheme becomes Effective, it will be binding on all DX Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and irrespective of whether or not they voted in favour of, or against, or abstained from voting on the Scheme at the Court Meeting or the Resolution to be proposed at the General Meeting).**

### ***Entitlement to vote at the Meetings***

Each DX Shareholder who is entered in DX's register of members at 6:00 p.m. on 5 January 2024 will be entitled to attend (in person or by proxy), speak and/or submit any objections (in the case of the Court Meeting) and/or vote on all resolutions to be proposed at the Court Meeting and the General Meeting.

If either Meeting is adjourned, only those DX Shareholders on the register of members of DX at 6:00 p.m. on the day which is two days (excluding any part of a day that is not a Business Day) before the adjourned meeting will be entitled to attend in person and/or vote. Each eligible DX Shareholder is entitled to appoint a proxy or proxies to attend in person and, on a poll, to vote instead of him or her. A proxy need not be an DX Shareholder. However, DX Shareholders are strongly encouraged to appoint "the Chair of the meeting" as their proxy for each Meeting. If any other person is appointed as proxy, he or she will be able to attend, speak and vote at the Meetings.

The completion and return of a Form of Proxy, by post (or the appointment of a proxy appointment or voting instruction electronically, online, through CREST or Proxymity or by any other procedure described in this document) shall not prevent an DX Shareholder from attending, speaking and/or voting at either Meeting or any adjournment of a Meeting if such shareholder wishes and is entitled to do so.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings, please call the shareholder helpline 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 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

Further information on the actions to be taken is set out in paragraph 15 of this Part II and on pages 9 to 11 of this document.



## **Modifications to the Scheme**

The Scheme contains a provision for DX and Bidco jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be adverse to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances.

## **9 Amendments to the DX Articles**

DX Shares issued after the Scheme Record Time will not be subject to the Scheme. Accordingly, it is proposed, as part of the Resolution, to amend the DX Articles to ensure that any DX Shares issued under the DX Share Plans or otherwise on or after the Voting Record Time and before the Scheme Record Time will be subject to and bound by the Scheme. It is also proposed to amend the DX Articles so that any DX Shares issued to any person other than Bidco (and/or its nominee(s)) on or after the Scheme Record Time will be acquired automatically by Bidco on the same terms as Scheme Shares under the Scheme. This will avoid any person (other than Bidco (and/or its nominee(s))) being left with DX Shares after dealings in such shares have ceased (the final day of dealings in the DX Shares is expected to be the Business Day after the Scheme Sanction Hearing). The Resolution set out in the notice of General Meeting on pages 78 to 82 of this document seeks the approval of DX Shareholders for such amendment at the General Meeting.

## **10 Offer-related arrangements**

### ***Confidentiality Agreement***

DX and H.I.G. entered into a confidentiality agreement on 14 September 2023 (the “**Confidentiality Agreement**”), pursuant to which H.I.G. has undertaken to keep confidential information relating to DX and not to disclose it to third parties (with certain exceptions) unless required by law or regulation or permitted pursuant to limited carve-outs to the obligations of confidentiality. The Confidentiality Agreement also includes customary standstill and non-solicitation obligations applicable to H.I.G..

The confidentiality obligations will remain in force until the Scheme becomes Effective or, in the event the Scheme does not become Effective, until the date falling eighteen months from the date of the Confidentiality Agreement.

### ***Co-operation Agreement***

Pursuant to a co-operation agreement dated 16 November 2023 (the “**Co-operation Agreement**”): (a) Bidco and DX have agreed to co-operate to assist with the satisfaction of certain regulatory conditions; (b) Bidco has agreed to provide DX with certain information for the purposes of this document and to otherwise assist with its preparation; (c) Bidco and DX have agreed certain arrangements in respect of the DX Share Plans; and (d) the parties have agreed to certain provisions if the Acquisition should switch to a Takeover Offer.

The Co-operation Agreement will terminate, amongst other things, if: (a) agreed in writing between Bidco and DX; (b) prior to the Long Stop Date, any Condition becomes incapable of satisfaction; (c) the DX Directors withdraw their recommendation of the Acquisition or if the DX Directors recommend a competing proposal by a third party; (d) the Acquisition is withdrawn or lapses; or (e) the Scheme does not become Effective by the Long Stop Date.

## **11 The DX Directors and the effect of the Scheme on their interests**

The names of the DX Directors and details of their interests are set out in Part VI (*Additional Information on DX and Bidco*) of this document.

Save as set out in this document, the effect of the Scheme on the interests of DX Directors does not differ from its effect on the like interests of any other Scheme Shareholder or DX Share Plans Participant.

## **12 Delisting of DX Shares and re-registration**

Prior to the Scheme becoming Effective, it is intended that DX will make an application to the London Stock Exchange to cancel the trading of the DX Shares on AIM, to take effect after the Effective Date once the Scheme Shares have been transferred to Bidco. The last day of dealings in DX Shares on AIM is expected to be the Business Day immediately after the Scheme Sanction Hearing and no transfers will be registered after 6:00 p.m. on that date other than to Bidco (or as Bidco may direct) pursuant to the DX Articles, as proposed to be amended by the Resolution at the General Meeting.

It is also intended that, following the Scheme becoming Effective, DX will be re-registered as a private limited company under the Companies Act.

### **Settlement**

Subject to the Scheme becoming Effective, settlement of the Cash Consideration to which any DX Shareholder is entitled under the Scheme will be effected in the following manner:

#### **A. *DX Shares in uncertificated form (that is, in CREST)***

Where, at the Scheme Record Time, a Scheme Shareholder holds DX Shares in uncertificated form, the Cash Consideration to which such Scheme Shareholder is entitled will be transferred to such person through CREST by Bidco procuring that Link Group creates through Euroclear an assured payment obligation in favour of the appropriate CREST account through which the Scheme Shareholder holds such uncertificated DX Shares in respect of the Cash Consideration due to him, her or it.

The CREST payment obligations will be created within 14 days after the Effective Date. As from the Scheme Record Time, each holding of DX Shares credited to any stock account in CREST will be disabled and all DX Shares will be removed from CREST in due course.

Bidco reserves the right to pay all, or any part of, the Cash Consideration referred to above to all or any Scheme Shareholder(s) who hold DX Shares in uncertificated form in the manner referred to in sub-paragraph (B) below if, for any reason, it wishes to do so or if, for any reason, it is not able to effect settlement in accordance with this sub-paragraph (A).

#### **B. *DX Shares in certificated form (that is, not in CREST)***

Where, at the Scheme Record Time, a Scheme Shareholder holds DX Shares in certificated form, settlement of the Cash Consideration due under the Scheme in respect of the Scheme Shares will be despatched by first class post (or international standard post, if overseas), by cheque drawn on a branch of a UK clearing bank.

All such cash payments will be made in Sterling. Payments made by cheque will be payable to the Scheme Shareholder(s) concerned or, in the case of joint holders, to the joint holder whose name stands first in the register of members of DX in respect of such joint holding (save that, in the case of joint holders Bidco reserves the right to make such payments to all joint holders on the register of members of DX). Cheques will be despatched no later than the 14th day following the Effective Date to the person(s) entitled to them at the addresses as appearing in the register of members of DX at the Scheme Record Time. None of DX, Bidco, the Wider Bidco Group, any nominee(s) of Bidco or any of their respective agents shall be responsible for any loss or delay in the transmission of cheques sent in this way and such cheques shall be sent at the risk of the persons entitled to them. The encashment of any such cheque as is referred to in this paragraph shall be a complete discharge for the moneys represented by it.

#### **C. *DX Share Plans acquired by DX Share Plan participants***

In the case of DX Shares acquired by DX Share Plan participants, after the Scheme Sanction Hearing and prior to Scheme Record Time, pursuant to the exercise of options under the DX Share Plans, settlement of the Cash Consideration shall be processed by DX (including, but not limited to, procuring that payments are made through payroll (net of any exercise price, income tax and employee National Insurance contributions (or its overseas equivalent)) which DX or any member of the DX Group is required to account to the relevant tax authority, on the next practicable DX payroll date following receipt of the proceeds by DX, in accordance with the Share Plan Letters and the rules of the relevant DX Share Plan). For the avoidance of doubt, the payment of any Cash Consideration by DX through payroll shall be effected on the

next practicable payroll date following receipt of the proceeds by DX (but is not required to be effected within 14 days following the Effective Date).

*D. General*

All documents and remittances sent to DX Shareholders will be sent at their own risk.

On and from the Effective Date, each certificate representing a holding of Scheme Shares will have ceased to be a valid document of title and should be destroyed or, at the request of DX, delivered up to DX, or to any person appointed by DX to receive the same for cancellation. If the Scheme lapses or is withdrawn, all documents of title will be returned to DX Shareholders as soon as practicable (and in any event within 14 days of such lapsing or withdrawal) and the receiving agent will immediately give instructions for the release of relevant securities held in escrow. On and from the Effective Date, entitlements to Scheme Shares held within CREST will be cancelled.

Except with the consent of the Panel and subject to the provisions of sub-paragraph (E) below, settlement of the Cash Consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme free of any lien, right of set-off, counterclaim or other analogous right to which Bidco might otherwise be, or claim to be, entitled against such Scheme Shareholder.

No fractional payments shall be made, so where Scheme Shareholders are otherwise entitled to receive a payment of 0.5 pence, that entitlement shall be rounded down to the nearest penny.

*E. Dividends*

With the exception of the Permitted Dividend, if any dividend and/or other distribution and/or other return of value is declared, made or paid or becomes payable in respect of the DX Shares, Bidco shall be entitled to reduce the Cash Consideration payable under the terms of the Acquisition for the DX Shares by an amount equivalent to such dividend and/or distribution and/or return of value, in which case any reference in this document to the Cash Consideration payable under the terms of the Acquisition will be deemed to be a reference to the Cash Consideration as so reduced. If Bidco exercises its right to reduce the Cash Consideration payable under the terms of the Scheme for the DX Shares by an amount equivalent to such dividend and/or distribution and/or return of value that has not been paid, DX Shareholders will be entitled to receive and retain the amount of such dividend and/or other distribution and/or other return of value by reference to the amount by which the Cash Consideration payable under the terms of the Scheme is so reduced. To the extent that any such dividend and/or distribution and/or other return of value is declared, made or paid or becomes payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco alone to receive the dividend or distribution and to retain it; or (ii) cancelled, the Cash Consideration payable under the terms of the Acquisition will not be subject to change in accordance with this paragraph. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.

### **13 United Kingdom taxation**

The statements set out below are intended only as a general guide to certain aspects of current UK tax law and the published practice of HM Revenue and Customs (“**HMRC**”) as at the date of this document, both of which may change (possibly with retroactive effect). HMRC’s published practice may not be binding on it. The statements set out below do not purport to be a complete analysis or description of all the potential UK tax consequences of the Scheme. They are not, and should not be taken as being, advice.

The statements below apply only to Scheme Shareholders who are resident (and, in the case of individuals, domiciled) for tax purposes solely in the United Kingdom and to whom split year treatment does not apply, save where express reference is made to non-UK resident Scheme Shareholders. They do not apply to Scheme Shareholders who are not the absolute beneficial owners of both their Scheme Shares and any dividends paid on them. They apply only to Scheme Shareholders who hold their Scheme Shares as an investment (other than in an individual savings account or a self-invested personal pension) and not to persons holding Scheme Shares in connection with a trade, profession or vocation. They do not apply to Scheme Shareholders who

are subject to special tax rules, including dealers in securities, brokers, insurance companies, trustees, investment companies and collective investment schemes, tax exempt institutions, persons holding Scheme Shares in connection with an employment or office (including pursuant to the DX Share Plans), or persons holding Scheme Shares as part of hedging transactions.

**IF YOU ARE IN ANY DOUBT ABOUT YOUR TAX POSITION, AND IN PARTICULAR IF YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UNITED KINGDOM, YOU SHOULD CONSULT AN APPROPRIATELY QUALIFIED INDEPENDENT PROFESSIONAL ADVISOR IMMEDIATELY.**

### ***UK taxation of chargeable gains***

The transfer of Scheme Shares under the Scheme in return for cash should be treated as a disposal of the Scheme Shareholder's Scheme Shares for the purposes of United Kingdom tax on chargeable gains. As a result, the transfer may, depending on the particular circumstances of that Scheme Shareholder (including the availability of any exemptions, reliefs and/or allowable losses), give rise to a liability to UK tax on chargeable gains or, alternatively, to an allowable capital loss.

### ***Individual Scheme Shareholders***

Subject to available reliefs or allowances, gains arising on a disposal of Scheme Shares by an individual Scheme Shareholder will be subject to capital gains tax ("CGT") at the rate of (for the 2023/24 tax year) 10 per cent. or 20 per cent. depending on the individual Scheme Shareholder's personal circumstances including other taxable income in the relevant tax year.

No indexation allowance will be available to an individual Scheme Shareholder in respect of any disposal of Scheme Shares. The CGT annual exempt amount may, however, be available to individual Scheme Shareholders to offset against chargeable gains realised on the disposal of their Scheme Shares. The current annual exempt amount for individuals is £6,000 for the 2023/24 tax year.

### ***Corporate Scheme Shareholders***

Subject to available reliefs or allowances, chargeable gains arising on a disposal of Scheme Shares by a Scheme Shareholder within the charge to UK corporation tax will be taxed at the rate of corporation tax applicable to that Scheme Shareholder.

For Scheme Shareholders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding exemption in respect of their Scheme Shares), indexation allowance may be available in respect of part of the period of ownership of the Scheme Shares to reduce any chargeable gain arising (but not to create or increase any allowable loss) on the disposal of their Scheme Shares under the Scheme in return for cash. For disposals on or after 1 January 2018, indexation allowance is calculated only up to and including December 2017, irrespective of the date of disposal of Scheme Shares.

The substantial shareholding exemption may apply to exempt from corporation tax on chargeable gains any gain (or disallow any loss) arising to Scheme Shareholders within the charge to UK corporation tax where a number of conditions are satisfied, including that the applicable corporate Scheme Shareholder (together with certain associated companies) has held not less than 10 per cent. of the issued ordinary share capital of DX for a continuous period of at least one year beginning not more than six years prior to the date of disposal.

### ***UK stamp duty and stamp duty reserve tax (SDRT)***

No UK stamp duty or SDRT should be payable by Scheme Shareholders on the transfer of their Scheme Shares under the Scheme.

## **14 Overseas Shareholders**

The availability of the Scheme and the Acquisition to DX Shareholders who are not resident in the UK ("**Overseas Shareholders**") may be affected by the laws and/or regulations of the relevant jurisdiction in which they are located. Therefore, Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements in their jurisdiction. If you are in any doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

It is the responsibility of all Overseas Shareholders to satisfy themselves as to the full compliance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any

governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

The release, publication or distribution of this document and/or any accompanying documents in or into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the UK to vote their DX Shares with respect to the Scheme at the Court Meeting or the General Meeting, or to appoint another person as proxy may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This document and any accompanying documents have been prepared for the purposes 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 document had been prepared in accordance with the laws of jurisdictions outside of England and Wales.

Unless otherwise determined by Bidco and DX or required by the Code, and permitted by applicable law and regulation, no person may vote in favour of the Acquisition by any use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction, and persons receiving this document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

## **15 Actions to be taken by DX Shareholders**

### ***Documents received by you***

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting on 9 January 2024;
- a WHITE Form of Proxy for use in respect of the General Meeting on 9 January 2024; and
- a pre-paid envelope for use in the UK only for the return of the BLUE Form of Proxy and the WHITE Form of Proxy.

If you are a DX Shareholder and you have not received all of these documents, please contact the shareholder helpline on the number indicated below.

### ***Voting at the Court Meeting and the General Meeting***

The Scheme will require approval at the Court Meeting to be held at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG at 10:00 a.m. on 9 January 2024. Implementation of the Scheme will also require the passing of the Resolution by DX Shareholders at the General Meeting to be held at the same location at 10:15 a.m. on 9 January 2024 (or as soon as reasonably practicable thereafter as the Court Meeting shall have been concluded or adjourned). Notices of the Court Meeting and the General Meeting are set out in Part VIII (*Notice of Court Meeting*) and Part IX (*Notice of General Meeting*) of this document, respectively.

DX Shareholders entitled to attend and vote at the Meetings are entitled to appoint a proxy (or proxies) to exercise all or any of their rights to attend, speak and vote at the Meetings (as applicable). A proxy need not be an DX Shareholder. However, DX Shareholders are strongly encouraged to appoint “the Chair of the meeting” as their proxy for each Meeting. If any other person is appointed as proxy, he or she will be able to attend, speak and vote at the Meetings.

### ***Sending Forms of Proxy by post or by hand***

You should:

- A. complete, sign and return the BLUE Form of Proxy for use at the Court Meeting so as to be **received no later than 10:00 a.m. on 5 January 2024**; and



B. complete, sign and return the WHITE Form of Proxy for use at the General Meeting so as to be **received no later than 10:15 a.m. on 5 January 2024**,

or, in the case of an adjourned meeting, not less than 48 hours before the time and date set for such adjourned meeting, excluding any part of a day that is not a Business Day.

The Forms of Proxy may be returned by post or, during normal business hours only, by hand to DX's registrar, Link Group, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. For your convenience, a freepost facility (for use in the UK only) has been provided with respect to the Forms of Proxy.

If the BLUE Form of Proxy for the Court Meeting is not returned by the above time, a copy of the completed and signed BLUE Form of Proxy may be handed to the representatives of Link Group or the Chair of the Court Meeting before the start of the meeting and it will still be valid. However, in the case of the General Meeting, if the WHITE Form of Proxy is not returned so as to be received by the time mentioned above and in accordance with the instructions on the WHITE Form of Proxy it will be invalid.

Scheme Shareholders and DX Shareholders are entitled to appoint a proxy in respect of some or all of their DX Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Scheme Shareholders and DX Shareholders who wish to appoint more than one proxy in respect of their holding of DX Shares should contact Link Group for further Forms of Proxy. Alternatively, you may photocopy the enclosed Form(s) of Proxy.

#### *Electronic appointment of proxies through CREST or Proxymity*

CREST members who wish to appoint a proxy or proxies for the Meetings through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Link Group (participant ID: RA10) not later than 10:00 a.m. on 5 January 2024 in the case of the Court Meeting and not later than 10:15 a.m. on 5 January 2024 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours before the time and date set for the adjourned meeting, excluding any part of a day that is not a Business Day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

DX may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

**Proxymity Voting** – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to



www.proxymity.io. Your proxy must be lodged by 10:00 a.m. on 5 January 2024 in the case of the Court Meeting and by 10:15 a.m. on 5 January 2024 in the case of the General Meeting in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

#### *Online appointment of proxies*

Forms of Proxy may alternatively be submitted electronically using the Signal Shares share portal service at [www.signalshares.com](http://www.signalshares.com), with DX Shareholders and Scheme Shareholders using their Investor Code and PIN as shown on the Form of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by Link Group no later than 10:00 a.m. on 5 January 2024 in respect of the BLUE Form of Proxy for the Court Meeting and no later than 10:15 a.m. on 5 January 2024 in respect of the WHITE Form of Proxy for the General Meeting (or in the case of adjournment(s), not later than 48 hours, (excluding any part of a day that is not a Business Day) before the time fixed for the adjourned meeting(s)).

If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, a copy of the completed and signed BLUE Form of Proxy may be emailed to the representatives of Link Group or the Chair of the Court Meeting before the start of the meeting and it will still be valid. However, in the case of the General Meeting, if the WHITE Form of Proxy is not lodged by the relevant time, it will be invalid.

#### ***Court Meeting***

The Court Meeting has been convened at the direction of the Court for 10:00 a.m. on 9 January 2024 to enable Scheme Shareholders to consider and, if thought fit, approve the Scheme. At the Court Meeting, voting will be by poll and each Scheme Shareholder present (in person or by proxy), will be entitled to one vote for each Scheme Share held at the Voting Record Time. The approval required at the Court Meeting is a majority in number of Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, at the Court Meeting representing at least 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders.

**It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholders' opinion. You are therefore strongly urged to complete, sign and return your Forms of Proxy, in particular your BLUE Form of Proxy for use in respect of the Court Meeting, or appoint a proxy online or through Proxymity or the CREST electronic proxy appointment service (as appropriate) as soon as possible, in each case appointing the chair of the Court Meeting as your proxy. Scheme Shareholders are strongly encouraged to vote by appointing the chair of the Court Meeting as your proxy to ensure that your appointed proxy is permitted to attend the Court Meeting and to cast votes on your behalf. Doing so will not prevent you from attending, speaking and/or voting at the Court Meeting or any adjournment of the Court Meeting, if you so wish and are so entitled.**

Due to the length of time anticipated to be required to calculate the results of the poll, the result of the vote at the Court Meeting will be announced by DX via a Regulatory Information Service as soon as practicable after the Court Meeting.

You will find the notice of Court Meeting in Part VIII (Notice of Court Meeting) of this document.

#### ***Results of the Meetings***

The results of the Court Meeting and the General Meeting will be announced through a Regulatory Information Service and also published on DX's website at <https://investors.dxdelivery.com> once the votes have been counted and verified.

#### ***Shareholder helpline***

If you have any questions about this document, the Court Meeting or the General Meeting or how to complete the Forms of Proxy or to appoint a proxy through Proxymity or the CREST electronic proxy appointment service or online, please contact 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. The helpline is open between 9:00 a.m. and 5:30 p.m., 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.

## **16 Further information**

The terms of the Scheme are set out in full in Part IV (*The Scheme of Arrangement*) of this document. Further information regarding DX and Bidco is set out in Part VI (*Additional Information on DX and Bidco*) of this document. Documents made available on DX's and Bidco's websites are listed in paragraph 14 of Part VI (*Additional Information on DX and Bidco*) of this document.

Yours faithfully,

Mark Aedy

Duly authorised, for and on behalf of Moelis & Company UK LLP

## PART III

### CONDITIONS TO THE IMPLEMENTATION OF THE SCHEME AND TO THE ACQUISITION

The Acquisition is subject to the Conditions and further terms set out in this Part III (*Conditions to the Implementation of the Scheme and to the Acquisition*) of this document.

#### Part A

##### Conditions to the Acquisition

1. The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the Code, by no later than 11.59 p.m. on the Long Stop Date.

##### Scheme approval

2. The Scheme will be conditional upon:
  - (a) (i) its approval by a majority in number representing not less than 75 per cent. in value of the DX Shareholders (or the relevant class or classes thereof, if applicable) in each case present, entitled to vote and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting; and
  - (ii) the Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before 31 January 2024 (being the 22nd day after the date of the Court Meeting set out in this document) (or such later date, if any, as Bidco and DX may agree and the Court may allow);
  - (b) (ii) all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the General Meeting or at any adjournment of that meeting; and
  - (ii) the General Meeting or any adjournment of that meeting being held on or before 31 January 2024 (being the 22nd day after the date of the General Meeting set out in this document) (or such later date, if any, as Bidco and DX may agree and the Court may allow); and
  - (c) (i) the sanction of the Scheme by the Court (with or without modification (but subject to any such modification being acceptable to Bidco and DX)) and the delivery of a copy of the Court Order to the Registrar of Companies; and
  - (ii) the Scheme Sanction Hearing being held on or before the 22nd day after the expected date of the Scheme Sanction Hearing as will be announced by DX (or such later date, if any, as Bidco and DX may agree and the Court may allow).

##### Other Conditions

3. The Acquisition is also conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where capable of waiver, waived:

##### General third party clearances

- (a) the waiver (or non-exercise within any applicable time limits) by any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction (each a "**Third Party**") of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider DX Group or the Wider Bidco Group taken as a whole) arising as a result of or in connection with the Acquisition including, without limitation, its implementation and

financing or the proposed direct or indirect acquisition of any shares or other securities in, or control of, DX by Bidco or any member of the Bidco Group;

- (b) no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps which would or might reasonably be expected to:
- (i) require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Bidco Group or any member of the Wider DX Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which in any such case would be material in the context of the Wider DX Group or Wider Bidco Group taken as a whole;
  - (ii) require, prevent or materially delay, or materially alter the terms envisaged for, any proposed divestiture by any member of the Wider Bidco Group of any shares or other securities in DX;
  - (iii) impose any material limitation on, or result in a delay in, the ability of any member of the Wider Bidco Group directly or indirectly to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider DX Group or the Wider Bidco Group or to exercise management control over any such member, in each case, to an extent which is material in the context of the Wider DX Group or the Wider Bidco Group;
  - (iv) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Bidco Group or of any member of the Wider DX Group to an extent which is material in the context of the Wider Bidco Group or the Wider DX Group, in either case taken as a whole;
  - (v) make the Acquisition or its implementation or the acquisition or proposed acquisition by Bidco or any member of the Wider Bidco Group of any shares or other securities in, or control of DX void, illegal, or unenforceable under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, materially restrain, restrict, prohibit, delay or otherwise interfere with the same, or impose material additional conditions or obligations with respect thereto, or otherwise challenge or interfere therewith;
  - (vi) require (save as envisaged by the Acquisition) any member of the Wider Bidco Group or the Wider DX Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider DX Group or the Wider Bidco Group owned by any third party where such acquisition would be material in the context of the Wider DX Group taken as a whole or, as the case may be, the Wider Bidco Group taken as a whole;
  - (vii) impose any limitation on the ability of any member of the Wider Bidco Group to integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider DX Group which is adverse to and material in the context of the Wider DX Group or the Wider Bidco Group, in each case taken as a whole in the context of the Acquisition; or
  - (viii) result in any member of the Wider DX Group ceasing to be able to carry on business under any name under which it presently does so, and all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any DX Shares having expired, lapsed or been terminated;

- (c) all necessary filings or applications having been made in connection with the Acquisition and all necessary statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition or the acquisition by any member of the Wider Bidco Group of any shares or other securities in, or control of, DX and all authorisations, orders, recognitions, grants, consents, licences, determinations confirmations, clearances, permissions, exemptions and approvals or the proposed acquisition of any shares or other securities in, or control of, DX by any member of the Wider Bidco Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or persons with whom any member of the Wider DX Group has entered into contractual arrangements and all such authorisations, orders, recognitions, grants, consents, licences, determinations, confirmations, clearances, permissions, exemptions and approvals together with all authorisations orders, recognitions, grants, licences, confirmations, clearances, permissions and approvals necessary or appropriate to carry on the business of any member of the Wider DX Group, in each case which is material in the context of the Wider Bidco Group or the Wider DX Group as a whole, remaining in full force and effect and all material filings necessary for such purpose have been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;

**Certain matters arising as a result of any arrangement, agreement etc.**

- (d) except as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider DX Group is a party or by or to which any such member or any of its assets are or may be bound, entitled or subject, which, in each case as a consequence of the Acquisition or the proposed acquisition of any shares or other securities in DX or because of a change in the control or management of DX or otherwise, would or would reasonably be expected to result in (in each case to an extent which is material in the context of the Wider DX Group as a whole, or in the context of the Acquisition):
- (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any onerous obligation or liability arising or any action being taken or arising thereunder;
  - (iii) any assets or interests of any such member being or falling to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member other than in the ordinary course of business;
  - (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any such member;
  - (v) the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
  - (vi) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;

- (vii) any such member ceasing to be able to carry on business under any name under which it presently does so;
- (viii) the creation of any liability, actual or contingent, by any such member (including any material tax liability or any obligation to obtain or acquire any material authorisation, notice, waiver, concession, agreement or exemption from any Third Party or any person), other than trade creditors or other liabilities incurred in the ordinary course of business; or
- (ix) any liability of any such member to make any severance, termination, bonus or other payment to any of its directors or other officers,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider DX Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (ix) of this Condition (d), in each case which is or would be material in the context of the Wider DX Group taken as a whole;

**No material transactions, claims or changes in the conduct of the business of the DX Group**

- (e) except as Disclosed, no member of the Wider DX Group having, since 1 July 2023:
  - (i) save as between DX and wholly-owned subsidiaries of DX or for DX Shares issued pursuant to the exercise of options or vesting of awards granted under the DX Share Plans, issued, authorised or proposed the issue of additional shares of any class or transferred or sold any shares out of treasury;
  - (ii) save as between DX and wholly-owned subsidiaries of DX or for the grant of options and awards and other rights under the DX Share Plans, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
  - (iii) save for the Permitted Dividend and other than to another member of the DX Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;
  - (iv) save for intra-DX Group transactions, authorised, implemented or announced any merger or demerger with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business;
  - (v) save for intra-DX Group transactions, made or authorised or proposed or announced an intention to propose any material change in its loan capital;
  - (vi) issued, authorised or proposed the issue of, or made any change in or to, any debentures or (save for intra-DX Group transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any liability (actual or contingent);
  - (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
  - (viii) implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or entered into or changed the terms of any contract with any director or senior executive;



- (ix) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or could be restrictive on the businesses of any member of the Wider DX Group or the Wider Bidco Group or which involves an obligation of such a nature or magnitude or which is other than in the ordinary course of business and which, in any such case, is material in the context of the Wider DX Group or the Wider Bidco Group taken as a whole;
- (x) been unable or deemed unable, or admitted in writing that it is unable, to pay its debts as they fall due or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which, in any such case, is material in the context of the Wider DX Group taken as a whole;
- (xi) (other than in respect of a member of the Wider DX Group which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, manager, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed;
- (xii) commenced negotiations with any of its creditors or taken any step, in each case in connection with financial difficulties of the DX Group, with a view to rescheduling or restructuring any of its indebtedness or entered into a composition, compromise, assignment or arrangement with any of its creditors whether by way of a voluntary arrangement, scheme of arrangement, deed of compromise or otherwise, or entered into any agreement with any of its creditors to refinance, reschedule or restructure any of its indebtedness;
- (xiii) waived, settled or compromised any claim otherwise than in the ordinary course of business and which is material in the context of the Wider DX Group taken as a whole;
- (xiv) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (e) and which is material in the context of the Wider DX Group taken as a whole;
- (xv) made any alteration to its constitutional documents (other than in connection with the Scheme) which is material and adverse to the interests of Bidco in the context of the Acquisition;
- (xvi) made or agreed or consented to any significant change to:
  - (A) the terms of the trust deeds, scheme rules or other documentation constituting the pension scheme(s) established by any member of the Wider DX Group for its directors, employees or their dependents;
  - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
  - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made, in each case, to the extent which is material in the context of the Wider DX Group taken as a whole;
- (xvii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of

employment of any person employed by the Wider DX Group and in each case which is material in the context of the Wider DX Group taken as a whole; or

- (xviii) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of DX Shareholders in a general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;

**No adverse change, litigation or regulatory enquiry**

- (f) except as Disclosed, since 1 July 2023:
  - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Wider DX Group which is material in the context of the Wider DX Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal or regulatory proceedings to which any member of the Wider DX Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider DX Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider DX Group which is material in the context of the Wider DX Group taken as a whole;
  - (iii) no contingent or other liability having arisen or become apparent to Bidco which would be likely to adversely affect any member of the Wider DX Group, taken as a whole;
  - (iv) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider DX Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which has had, or would reasonably be expected to have, a material adverse effect of the Wider DX Group taken as a whole or in the context of the Acquisition; and
  - (v) no member of the Wider DX Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the Wider DX Group taken as a whole;

**No discovery of certain matters**

- (g) except as Disclosed, Bidco not having discovered:
  - (i) that any financial, business or other information concerning the Wider DX Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider DX Group is misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading; or
  - (ii) that any member of the Wider DX Group is subject to any liability (actual or contingent) which is not disclosed in the annual report and accounts of DX for the financial year ended 1 July 2023,

in each case, to the extent which is material in the context of the Wider DX Group taken as a whole;

- (h) except as Disclosed, Bidco not having discovered that:
  - (i) any past or present member of the Wider DX Group has failed to comply in any material respect with any or all applicable legislation or regulations, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair materially the environment (including property) or harm human health or animal health or

otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which storage, carriage, disposal, spillage, release, discharge, leak or emission which would be likely to give rise to any material liability (actual or contingent) or material cost on the part of any member of the Wider DX Group; or

- (ii) there is, or is likely to be, for that or any other reason whatsoever, any material liability (actual or contingent) of any past or present member of the Wider DX Group to make good, remediate, repair, reinstate or clean up any property now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider DX Group, under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction; or
- (iii) circumstances exist (whether as a result of the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Bidco Group, or any present or past member of the Wider DX Group, would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider DX Group (or on its behalf) or by any person for which a member of the Wider DX Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the DX Group taken as a whole; or

#### **Anti-corruption, economic sanctions, criminal property and money laundering**

- (i) save as Disclosed, Bidco not having discovered that:
  - (i) any past or present member, director, officer or employee of the Wider DX Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti bribery law, rule or regulation or any other law, rule or regulation concerning improper payments or kickbacks, or any person that performs or has performed services for or on behalf of the Wider DX Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption law, rule or regulation or any other law, rule or regulation concerning improper payments or kickbacks; or
  - (ii) any asset of any member of the Wider DX Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule or regulation concerning money laundering or proceeds of crime or any member of the Wider DX Group is found to have engaged in activities constituting money laundering under any applicable law, rule or regulation concerning money laundering; or
  - (iii) any past or present member, director, officer or employee of the DX Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt with, engaged in any business with, made any investments in, made

any funds or assets available to or received any funds or assets from: (a) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the US Office of Foreign Assets Control, or HM Treasury in the UK; or (b) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the US, the UK, the European Union or any of its member states; or

- (iv) any past or present member, director, officer or employee of the Wider DX Group, or any other person for whom any such person may be liable or responsible (a) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, (b) has engaged in conduct which would violate any relevant anti-boycott law, rule or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State, (c) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour, or (iv) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality or international organisation or found to have violated any applicable law, rule or regulation concerning government contracting or public procurement; or
- (v) any member of the DX Group is or has been engaged in any transaction which would cause Bidco to be in breach of any law or regulation upon its acquisition of DX, including but not limited to the economic sanctions of the US Office of Foreign Assets Control, or HM Treasury & Customs in the UK, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the US, the UK, the European Union or any of its member states,

in each case, to the extent which is material in the context of the Wider DX Group taken as a whole.

## **Part B**

### **Waiver and invocation of the Conditions**

1. Subject to the requirements of the Panel in accordance with the Code, Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions in Part A above, except for Conditions 2(a)(i), 2(b)(i) and 2(c)(i) (*Scheme Approval*), which cannot be waived. If any of Conditions 2(a)(i), 2(b)(i) and 2(c)(i) (*Scheme Approval*) is not satisfied by the relevant deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadline or agreed with DX to extend the relevant deadline.
2. The Acquisition is subject to the satisfaction (or waiver, if permitted) of the Conditions in Part A above, and to certain further terms set out in Part D below, and to the full terms and conditions as set out in this document.
3. Conditions 2(a)(i), 2(b)(i) and 3(a) to (i) (inclusive) must be fulfilled, determined by Bidco to be or to remain satisfied or (if capable of waiver) waived, by no later than 11.59 p.m. on the date immediately preceding the date of the Scheme Sanction Hearing, failing which the Acquisition will lapse. Bidco shall be under no obligation to waive or treat as satisfied any of Conditions 3(a) to (i)(inclusive) by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions to the Acquisition may

at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.

4. Under Rule 13.5(a) of the Code, Bidco may not invoke a Condition so as to cause the Acquisition not to proceed, to lapse or be withdrawn without the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. Conditions 1 and 2 of Part A (and, if applicable, any acceptance condition adopted on the basis specified in paragraph 2 of Part C below in relation to any Takeover Offer) are not subject to this provision of the Code. Each other Condition will be subject to Rule 13.5(a) of the Code and may be waived by Bidco.

## **Part C**

### **Implementation by way of a Takeover Offer**

1. Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme with the consent of the Panel and subject to the terms of the Co-operation Agreement.
2. In such event, such Takeover Offer will be implemented on the same terms and conditions or, if Bidco so decides, on such other terms and conditions being no less favourable, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments to reflect the change in method of effecting the Takeover Offer, including (without limitation) the inclusion of an acceptance condition set at 75 per cent. of the DX Shares to which the Takeover Offer relates or such lesser percentage as Bidco, with the consent of the Panel, decides, being in any case more than 50 per cent. of the DX Shares to which the Takeover Offer relates.

## **Part D**

### **Certain further terms of the Acquisition**

1. The Acquisition will lapse if the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date.
2. The availability of the Acquisition to persons not resident in the UK may be affected by the laws and regulations of the relevant jurisdictions. Persons who are not resident in the UK should inform themselves about, and observe, any applicable requirements. DX Shareholders who are in any doubt about such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay and observe any applicable requirements.
3. This Acquisition will be governed by English law and be subject to the jurisdiction of the English courts and to the Conditions set out in this document. The Acquisition is subject to the applicable rules and regulations of the FCA, the London Stock Exchange, the Panel and the Code.
4. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
5. The DX Shares will be acquired by Bidco (or its nominee) with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing at the date of the Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the DX Shares.
6. Save for the Permitted Dividend, if any dividend, distribution or other return of value is announced, authorised, declared, made or paid in respect of the DX Shares on or after the

date of the Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable pursuant to the Acquisition in respect of each DX Share by the amount of all or part of any such dividend, distribution or other return of value. In such circumstances, DX Shareholders shall be entitled to retain such dividend, distribution or other return of value.

7. If Bidco is required by the Panel to make an offer for DX pursuant to Rule 9 of the Code, Bidco may make such alterations to any of the above Conditions and terms of the Acquisition as are necessary to comply with the provisions of the Code.



**PART IV**  
**THE SCHEME OF ARRANGEMENT**

**IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (ChD)**

**CR-2023-005568**

**IN THE MATTER OF DX (GROUP) PLC  
AND IN THE MATTER OF THE COMPANIES ACT 2006**

**SCHEME OF ARRANGEMENT**

(under Part 26 of the Companies Act 2006)

Between

**DX (GROUP) PLC**

and

**THE HOLDERS OF THE SCHEME SHARES**

(as defined below)

**PRELIMINARY**

A. In this Scheme, unless inconsistent with the subject or context, the following expressions bear the following meanings:

<b>£, Sterling, penny, pence, or p</b>	the lawful currency of the United Kingdom;
<b>Articles</b>	the articles of association of DX (as amended from time to time);
<b>Announcement Date</b>	16 November 2023;
<b>Bidco</b>	Transit Bidco Limited, a company incorporated in England with its registered office at 10 Grosvenor Street, London, United Kingdom, W1K 4QB;
<b>Business Day</b>	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London;
<b>Certificated form or in certificated form</b>	in relation to a Scheme Share, one which is not in uncertificated form (that is, not in CREST);
<b>Closing Price Code</b>	the closing middle market quotation of a share derived from the Daily Official List of the London Stock Exchange; the City Code on Takeovers and Mergers;
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time;
<b>Conditions</b>	the conditions to the implementation of the Acquisition, as set out in Part A of Part III ( <i>Conditions to the Implementation of the Scheme and to the Acquisition</i> ) of this document;
<b>Court</b>	the High Court of Justice in England and Wales;

<b>Court Meeting</b>	the meeting or meetings of the DX Shareholders to be convened by the Court pursuant to Section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by Bidco and DX), notice of which is set out in Part VIII ( <i>Notice of Court Meeting</i> ) of this document, for the purpose of approving (with or without modification) the Scheme, including any adjournment, postponement or reconvention thereof;
<b>Court Order</b>	the order of the Court sanctioning this Scheme under section 899 of the Companies Act;
<b>CREST</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations);
<b>CREST Manual</b>	the CREST Manual published by Euroclear, as amended from time to time;
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended;
<b>DX</b>	DX (Group) plc, a public limited company incorporated in England and Wales with registered number 08696699;
<b>DX Directors</b>	the directors of DX;
<b>DX Group</b>	DX and its subsidiary undertakings from time to time and, where the context permits, each of them;
<b>DX Shareholders</b>	the holders of DX Shares from time to time;
<b>DX Shares</b>	the ordinary shares of 1 penny each in the capital of DX;
<b>DX Share Plans</b>	the PSP and SAYE Plan;
<b>Effective</b>	this Scheme having become effective in accordance with its terms;
<b>Effective Date</b>	the date on which this Scheme becomes effective;
<b>Effective Time</b>	the time on the Effective Date at which this Scheme becomes Effective in accordance with clause 6;
<b>Euroclear</b>	Euroclear UK & International Limited, incorporated in England and Wales with registered number 02878738;
<b>Excluded Shares</b>	any DX Shares registered: (a) in the name of or beneficially owned by Bidco or its nominees or any member of the Wider Bidco Group; or (b) held in treasury by DX, in each case at the Scheme Record Time;
<b>H.I.G.</b>	H.I.G. Capital LLC;
<b>Last Practicable Date</b>	8 December 2023;
<b>Link Group</b>	a trading name of Link Market Services Limited, DX registrar, of Central Square, 29 Wellington Street, Leeds, LS1 4DL
<b>Long Stop Date</b>	31 May 2024 or such later date (if any) as Bidco and DX may agree, with the consent of the Panel, and which (if required) the Court may allow;
<b>Offer Holder</b>	a registered holder and includes any person(s) entitled by transmission;
<b>Panel</b>	the Panel on Takeovers and Mergers;

<b>PSP</b>	the DX Performance Share Plan 2017, adopted on 21 December 2017;
<b>Registrar of Companies</b>	the registrar of companies in England and Wales;
<b>SAYE</b>	the DX Group Save As You Earn Scheme, established on 8 January 2021;
<b>Scheme</b>	this scheme of arrangement under Part 26 of the Companies Act between DX and the Scheme Shareholders in its present form or with or subject to any modification, addition or condition which is approved or imposed by the Court (where relevant) and agreed to by DX and Bidco;
<b>Scheme Record Time</b>	6:00 p.m. on the Business Day immediately prior to the Effective Date or such later time as Bidco and DX may agree;
<b>Scheme Sanction Hearing</b>	the hearing of the Court at which the Court Order will be sought, including any adjournments thereof;
<b>Scheme Shareholders</b>	holders of any Scheme Shares at any relevant date or time;
<b>Scheme Shares</b>	the DX Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of this document;</li> <li>(b) if any, issued after the date of this document and before the Voting Record Time; and</li> <li>(c) if any, issued at or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by this Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by this Scheme,</li> </ul> but, in each case, other than Excluded Shares;
<b>Significant Interest</b>	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of: (a) the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking; or (b) the relevant partnership interest;
<b>Subsidiary undertaking</b>	shall be construed in accordance with the Companies Act;
<b>Voting Record Time</b>	6:00 p.m. on the day which is two days (excluding any part of a day that is not a Business Day) before the date of the Court Meeting or, if the Court Meeting is adjourned, 6:00 p.m. on the day which is two days (excluding any part of a day which is not a Business Day) before the date of such adjourned meeting; and
<b>Wider Bidco Group</b>	Bidco and its parent undertakings and its and such parent undertakings' subsidiary undertakings, H.I.G. and their respective associated undertakings, and any other body corporate, partnership, joint venture or person in which Bidco and all such undertakings (aggregating their interests) have a Significant Interest.

and where the context so admits or requires, all references in this document to the singular include the plural and vice versa.

- B. References to clauses, sub-clauses and paragraphs are to clauses, sub-clauses and paragraphs of this Scheme.
- C. Any phrase introduced by the term 'including' or any similar expression is to be construed as illustrative only and does not limit the sense of the words preceding those terms.
- D. The issued share capital of DX as at the Last Practicable Date was £6,049,004.91 divided into 604,900,491 ordinary shares of 1 penny each, all of which were credited as fully paid, none of which were held by DX in treasury.

- E. Outstanding options to acquire DX Shares granted under the DX Share Plans may be exercised in connection with the Acquisition, to the extent permitted in accordance with the relevant DX Share Plan rules and any other terms on which they were granted. In total 45,134,944 DX Shares may be issued pursuant to options granted under the DX Share Plans.
- F. As at the Last Practicable Date, no member of the Wider Bidco Group holds any DX Shares.
- G. Bidco has, subject to the satisfaction or, where capable, waiver of the Conditions, agreed to appear by Counsel at the Scheme Sanction Hearing to sanction this Scheme and to undertake to the Court to be bound by the provisions of this Scheme and to execute and do, or procure to be executed and done, all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.
- H. References to times are to London time.

## **1 Transfer of Scheme Shares**

- 1.1 Upon and with effect from the Effective Time, Bidco (and/or such other nominee(s) of Bidco) shall acquire all the Scheme Shares fully paid up with full title guarantee, free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights or interests whatsoever, and together with all rights at the Effective Time or thereafter attached to such Scheme Shares, including, without limitation, voting rights and the right to receive and retain in full (subject to sub-clause 2.2) all dividends and other distributions (if any) declared, made or paid or which becomes payable or any other return of value (whether made by a reduction of share capital or share premium account or otherwise) by DX made by reference to a record date on or after the Effective Time in respect of the Scheme Shares.
- 1.2 For the purposes of such acquisition, the Scheme Shares shall be transferred from the Scheme Shareholders to Bidco (and/or such other nominee(s) of Bidco as it may determine) by means of a form or forms of transfer or other instrument or instruction of transfer or by means of CREST and, to give effect to such transfers, any person may be appointed by Bidco as attorney and/or agent and/or otherwise on behalf of the holder or holders concerned, and is authorised as such attorney and/or agent and/or otherwise on behalf of the holder or holders concerned, to execute and deliver as transferor a form of transfer or other instrument (by deed or otherwise) or instruction of transfer of, or to procure the transfer by means of CREST or otherwise give any instructions to transfer, all of the Scheme Shares and every form, instrument or instruction of transfer so executed or instruction so given or transfer procured shall be as effective as if it had been executed or given or procured by the holder or holders of the Scheme Shares thereby transferred. Such form, instrument or instruction of transfer shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Bidco (and/or its nominee(s)), together with the legal interest in such Scheme Shares, pursuant to such form, instrument or instruction of transfer, or by means of CREST.
- 1.3 Pending the registration of Bidco (or its nominee(s)) as the holder of any Scheme Share to be transferred pursuant to this Scheme in the register of members of DX, each Scheme Shareholder irrevocably:
  - 1.3.1 appoints Bidco (and/or its nominee(s)), and Bidco shall be empowered upon and with effect from the Effective Time to act, as attorney or, failing that, as agent and/or otherwise on behalf of each holder of any such Scheme Share to exercise on behalf of each Scheme Shareholder (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any and all rights and privileges (including the right to requisition the convening of a general meeting of the Company or of any class of its shareholders) attaching to its Scheme Shares and to receive any distribution or other benefit accruing or payable in respect thereof;
  - 1.3.2 appoints Bidco (and/or its nominee(s)) and any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any documents, and do all such things, as may in the opinion of Bidco and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to its Scheme Shares, including, without limitation, an authority to

sign any consent to short notice of a general or separate class meeting of DX as attorney or agent for, and on behalf of, such Scheme Shareholder and/or to attend and/or execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Bidco and/or any one or more of its directors or agents to attend any general and separate class meetings of DX (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf; and

1.3.3 to take such action as otherwise sees fit in relation to any dealings with or disposal of such Scheme Shares (or any interest in such Scheme Shares),

such that from the Effective Time, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or (subject to sub-clause 2.2) any other rights or privileges attaching to the Scheme Shares without the consent of Bidco and shall not appoint a proxy or representative for or to attend any general meeting, separate class meeting or other meeting of DX.

- 1.4 The authorities granted pursuant to sub-clauses 1.2 and 1.3 shall be treated for all purposes as having been granted by deed.
- 1.5 DX shall register, or procure the registration of, any transfer(s) of Scheme Shares effected in accordance with sub-clauses 1.1 and 1.2 of this Scheme.

## **2 Consideration for the transfer of Scheme Shares**

- 2.1 In consideration for the transfer of the Scheme Shares to Bidco (and/or such other nominee(s) of Bidco) referred to in clause 1, Bidco shall, subject as provided below, pay, or procure that there shall be paid, to or for the account of each Scheme Shareholder (as appearing in the register of members of DX at the Scheme Record Time) an amount of 47.5 pence in cash for each Scheme Share held by such Scheme Shareholder at the Scheme Record Time. No fractional payments shall be made and Scheme Shareholders who would otherwise have received a 0.5 fraction of a penny will instead receive an amount in cash rounded down to the nearest penny.
- 2.2 Subject to sub-clause 2.4, if any dividend, other distribution or return of capital is authorised, declared, made, paid or becomes payable by DX in respect of the DX Shares on or after the Announcement Date and before the Effective Date, Bidco shall have the right to reduce the consideration per Scheme Share (as set out in sub-clause 2.1 above) by an amount up to the amount of such dividend and/or distribution and/or return of capital (as the case may be), except where the Scheme Share is, or will be, acquired pursuant to the Scheme on a basis which entitles Bidco to receive such dividend, distribution or other return of capital (as the case may be) and to retain it.
- 2.3 If Bidco exercises its right referred to in sub-clause 2.2 to reduce the consideration payable per Scheme Share by an amount up to the amount of a dividend and/or distribution and/or return of capital (as the case may be), then: (a) Scheme Shareholders shall be entitled to receive and retain that dividend, other distribution or return of capital in respect of the Scheme Shares they hold; (b) any reference in this Scheme to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced; and (c) the exercise of such rights shall not be regarded as constituting any revision or variation of the terms of this Scheme.
- 2.4 If and to the extent that any such dividend, other distribution or return of capital is authorised, declared, made or paid and it is cancelled prior to the Effective Date, the consideration payable under the Scheme shall not be subject to change under sub-clause 2.2.

## **3 Share certificates and cancellation of CREST entitlements**

With effect from, or as soon practicable after, the Effective Time:

- 3.1 all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised in the certificates and every holder of Scheme Shares shall be bound, at the request of DX, to deliver up the same to DX (or any person appointed by DX to receive them), or, as it may direct, to destroy the same;

- 3.2 DX shall procure that entitlements to Scheme Shares held within CREST are disabled and Euroclear is instructed to cancel or transfer the entitlements of Scheme Shareholders to Scheme Shares in uncertificated form; and
- 3.3 following the cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, DX's registrar, Link Group, shall be authorised to re-materialise entitlements to such Scheme Shares; and
- 3.4 subject to completion, delivery and, if applicable, stamping of any form of transfer or other instrument or instruction of transfer as may be required in accordance with sub-clause 1.2 above, DX will make, or procure to be made, appropriate entries in its register of members of DX to reflect the transfer of Scheme Shares to Bidco (and/or its nominee(s)) in accordance with clause 1 and DX shall comply with its obligations set out in sub-clause 1.5 in this respect.

#### **4 Despatch of consideration**

- 4.1 As soon as practicable after the Effective Date, and in any event no later than 14 days after the Effective Date (or such other period as may be agreed between DX and Bidco and approved by the Panel), Bidco shall, subject to clause 4.2:
  - 4.1.1 in the case of Scheme Shares which at the Scheme Record Time are in certificated form, despatch, or procure to be despatched, to the persons entitled to such Scheme Shares (or as they may direct) in accordance with the provisions of sub-clauses 4.3 and 4.4, cheques for the sums payable to them respectively in accordance with clause 2; and
  - 4.1.2 in the case of Scheme Shares which at the Scheme Record Time are in uncertificated form, procure that Euroclear is instructed to create an assured payment obligation in favour of the appropriate payment bank of the persons entitled to the sums payable in accordance with clause 2 and in accordance with the CREST assured payment arrangements (as set out in the CREST Manual), provided that Bidco shall be entitled to make payment of the consideration by cheque as aforesaid in sub-clause 4.1.1 if, for any reason, it wishes to do so or if, for any reason, it is not able to effect settlement in accordance with this sub-clause 4.1.2.
- 4.2 In the case of DX Shares acquired following the sanction of the Scheme pursuant to the exercise of options granted under the DX Share Plans, settlement of the consideration payable to DX Share Plan participants under the Scheme or the Articles shall be made by cheque or through payroll (net of any exercise price, income tax and National Insurance contributions (or its overseas equivalent) which DX or any member of the DX Group is required to account to the relevant tax authority) in accordance with the proposals being made to the DX Share Plan participants.
- 4.3 All deliveries of cheques required to be made pursuant to this Scheme shall be effected by sending the same by first class post (or by international standard post, if overseas) in pre-paid envelopes addressed to the persons entitled to them at their respective registered addresses as appearing in the register of members of DX at the Scheme Record Time (or in the case of any joint holders, at the address of the joint holder whose name stands first in the register of members of DX in respect of such joint holding at the Scheme Record Time) and none of DX, Bidco, any member of the Wider Bidco Group and their respective parent undertakings, or their respective agents or nominees or DX's registrar, Link Group, shall be responsible for any loss or delay in the transmission of any cheques sent in accordance with this sub-clause 4.3 which shall be sent at the risk of the person or persons entitled to them.
- 4.4 All cheques shall be in Sterling drawn on a UK clearing bank and shall be made payable to the Scheme Shareholder concerned or, in the case of joint holders, the joint holder whose name stands first in the register of members of DX in respect of such joint holding at the Scheme Record Time standard to whom, in accordance with the foregoing provisions of this clause 4, the envelope containing the same is addressed (save that, in the case of joint holders, Bidco reserves the right to make the cheque payable to all joint holders), and the encashment of any such cheque shall be a complete discharge of Bidco's obligation under this Scheme to pay the monies represented thereby.



- 4.5 If any Scheme Shareholders have not encashed the cheques within six months of the Effective Date, Bidco and DX shall procure that the cash consideration due to such Scheme Shareholders under this Scheme shall be held on trust for such Scheme Shareholders for a period of 12 years from the Effective Date, and such Scheme Shareholders may claim the consideration due to them (plus any interest accrued thereon, but net of any expenses and taxes) by written notice to DX in a form which DX determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date.
- 4.6 In respect of payments made through CREST, Bidco shall procure that Euroclear is instructed to create an assured payment obligation in accordance with the CREST assured payment arrangements. The creation of such an appropriate assured payment obligation as set out in sub-clause 4.1.2 shall be a complete discharge of Bidco's obligation under this Scheme with reference to payments made through CREST.
- 4.7 No fractional payments shall be made, so where Scheme Shareholders are otherwise entitled to receive a payment of 0.5 pence, that entitlement shall be rounded down to the nearest whole penny.
- 4.8 The preceding paragraphs of this clause 4 shall take effect subject to any prohibition or condition imposed by law.

## **5 Mandates**

Each mandate (including, without limitation, relating to the payment of dividends on any Scheme Shares) and other instructions (including communication preferences) given to DX by a Scheme Shareholder in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

## **6 Operation of this Scheme**

- 6.1 This Scheme shall become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration.
- 6.2 Unless this Scheme has become Effective on or before 11.59 p.m. on the Long Stop Date, or such later time and date (if any) as Bidco and DX may agree and the Court and (if required) the Panel may allow, this Scheme shall never become Effective.

## **7 Modification**

DX and Bidco may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Code.

## **8 Governing law**

This Scheme and all rights and obligations arising from it are governed by English law. Any dispute of any kind whatsoever arising directly or indirectly as a result of or in connection with this Scheme initiated by DX, Bidco, any present or future shareholder of DX, or any director of DX or Bidco, irrespective of the causes of action, including whether based on contract or tort, shall be exclusively submitted to the courts of England and Wales.

Dated: 11 December 2023

## PART V

### FINANCIAL AND RATINGS INFORMATION

#### 1 Bidco financial information

As Bidco was incorporated on 26 October 2023 for the purpose of implementing the Acquisition, no financial information is available or has been published in respect of it. Bidco has not traded since its date of incorporation, has paid no dividends and has not entered into any obligations other than in connection with the Acquisition.

Completion of the Acquisition would result in the earnings, assets and liabilities of the DX Group being consolidated into the earnings, assets and liabilities of the Bidco Group. This is expected by H.I.G. to have a positive impact on the earnings and net assets of the Bidco Group.

#### 2 DX financial information incorporated by reference

The following sets out financial information in respect of DX as required by Rule 24.3 of the Code:

- the audited consolidated accounts of DX for the financial year ended 1 July 2023 which are set out on pages 57 to 91 (both inclusive) of DX's Annual Report and Accounts 2023 which are available from DX's website at: <https://investors.dxdelivery.com/websites/dxgroup/English/4020/annual-reports.html>;
- the audited consolidated accounts of DX for the financial year ended 2 July 2022 which are set out on pages 54 to 88 (both inclusive) of DX's Annual Report and Accounts 2022 which are available from DX's website at: <https://investors.dxdelivery.com/websites/dxgroup/English/4020/annual-reports.html>;

The above documents, the contents of which have previously been announced through a Regulatory Information Service, are incorporated by reference into this document pursuant to Rule 24.15 of the Code.

#### 3 Ratings information

##### *Bidco*

As Bidco was incorporated on 26 October 2023 for the purpose of implementing the Acquisition, there are no ratings or outlooks publicly accorded to Bidco by rating agencies.

##### *DX*

No ratings agency has publicly accorded DX with any current credit rating or outlook.

#### 4 Publication on website and hard copies

A copy of this document and the documents required to be published by Rule 26 of the Code 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 <https://investors.dxdelivery.com>. 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). 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.

## PART VI

### ADDITIONAL INFORMATION ON DX AND BIDCO

#### 1 Responsibility

- 1.1 The DX Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in, or incorporated by reference into, this document (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 1.2 and 1.3 below. To the best of the knowledge and belief of the DX Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Bidco Directors, whose names are set out in paragraph 2.2 below, accept responsibility for the information contained in, or incorporated by reference into, this document (including any expressions of opinion and statements of intention) relating to Bidco, the Bidco Group, the Bidco Directors and the close relatives, related trusts of and persons connected with the Bidco Directors and persons acting in concert (as such term is defined in the Code) with Bidco. To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The H.I.G. Responsible Persons, whose names are set out in paragraph 2.3 below, accept responsibility for the information contained in, or incorporated by reference into, this document (including any expressions of opinion and statements of intention) relating to H.I.G., Bidco, the Wider Bidco Group, themselves and their respective close relatives, related trusts of and other connected persons and persons acting in concert (as such term is defined in the Code) with Bidco. To the best of the knowledge and belief of the H.I.G. Responsible Persons (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2 Directors and Responsible Persons

- 2.1 The DX Directors and their respective positions are:

<b>Name</b>	<b>Position</b>
Mark Hammond	Chairman
Paul Ibbetson	Chief Executive Officer
David Mulligan	Chief Financial Officer
Jonathan Kempster	Non-Executive Director
Alison O'Connor	Non-Executive Director
Michael Russell	Non-Executive Director

The registered office of DX and the business address of each of the DX Directors is Ditton Park, Riding Court Road, Datchet, Slough, England, SL3 9GL. The Company Secretary of DX is Simon Blunt.

- 2.2 The Bidco Directors and their respective positions are:

<b>Name</b>	<b>Position</b>
Tobias Borkowski	Director
Timothy Vesterberg	Director

The primary address of Bidco and the business address of each of the Bidco Directors is 10 Grosvenor Street, London, United Kingdom, W1K 4QB.

2.3 The H.I.G. Responsible Persons and their respective positions are:

<b>Name</b>	<b>Position</b>
Sami Mnaymneh	Founder and Co-CEO
Tony Tamer	Founder and Co-CEO
Rick Rosen	Co-President
Wolfgang Biedermann	Executive Managing Director & Head of Private Equity, EU
Markus Noe-Nordberg	Managing Director & Head of EU Middle Market LBO Fund

### **3 Interests and dealings in relevant securities**

#### ***Definitions used in this section***

3.1 For the purposes of this paragraph 3:

- (a) **“acting in concert”** has the meaning given to it in the Code;
- (b) **“close relative”** has the meaning given to it in the Code;
- (c) **“dealing”** has the meaning given to it in the Code;
- (d) **“derivative”** has the meaning given to it in the Code;
- (e) **“disclosure period”** means the period beginning on 11 September 2022 (being the date that is 12 months before the start of the Offer Period) and ending on the Last Practicable Date;
- (f) **“financial collateral arrangements”** are arrangements of the kind referred to in Note 4 on Rule 4.6 of the Code;
- (g) **“interest”** or **“interests”** in relevant securities shall have the meaning given to it in the Code and references to interests of the Bidco Directors, interests of the H.I.G. Responsible Persons or interests of the DX Directors in relevant securities shall include all interests of any other person whose interests in such securities the Bidco Directors, the H.I.G. Responsible Persons or, as the case may be, the DX Directors, are taken to be interested in pursuant to Part 22 of the Companies Act;
- (h) **“Note 11 arrangement”** means any indemnity or other dealing arrangement, including any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant Bidco securities which may be an inducement to deal or refrain from dealing;
- (i) **“relevant Bidco securities”** means relevant securities (such term having the meaning given to it in the Code in relation to an offeror) of Bidco including equity share capital of Bidco (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
- (j) **“relevant DX securities”** means relevant securities (such term having the meaning given to it in the Code in relation to an offeree) of DX including equity share capital of DX (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;
- (k) **“relevant securities”** means relevant Bidco securities and relevant DX securities; and
- (l) **“short position”** means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

**Interests and dealings in relevant securities of DX**

- 3.2 As at the Last Practicable Date, and in addition to those interests disclosed at paragraph 3.3 below, the DX Directors (and their close relatives and related trusts) held the following interests in, or rights to subscribe in respect of, relevant DX securities:

DX Director	Number of DX Shares
Mark Hammond	700,000
Paul Ibbetson	3,826,041
David Mulligan	4,251,873

- 3.3 As at the Last Practicable Date, the DX Directors held the following outstanding options over relevant DX securities under the DX Share Plans set out below:

Name	DX Share Plan	Description of Award	Number of DX Shares under option	Date of grant	Exercise period	Exercise price per DX Share (p)
Mark Hammond	SAYE Plan	2023 option	36,976	3 April 2023	1 May 2026 – 31 October 2026	24.34
			333,943	25 May 2018	21 December 2023 – 24 May 2028	1
Paul Ibbetson	PSP	2018 award	4,113,442	25 May 2018	21 December 2024 – 24 May 2028	1
			2,000,000	5 April 2023	21 December 2024 – 4 April 2033	1
	SAYE Plan	2023 option	36,976	3 April 2023	1 May 2026 – 31 October 2026	24.34
	SAYE Plan	2021 option	34,856	28 January 2021	1 March 2024 – 31 August 2024	25.82
David Mulligan	PSP In Holding Period	2023 option	166,971	25 May 2018	21 December 2023 – 24 May 2028	1
			2,056,721	25 May 2018	21 December 2024 – 24 May 2028	1
	PSP	2018 award	1,000,000	3 March 2023	21 December 2024 – 2 March 2033	1
			36,976	3 April 2023	1 May 2026 – 31 October 2026	24.34
	SAYE Plan	2021 option	34,856	28 January 2021	1 March 2024 – 31 August 2024	25.82

Under the rules of the DX Performance Share Plan 2017, on the vesting of an award a participant is entitled to additional shares equal in value to the dividends that would have been paid on the vested shares over the period since the grant of the award. The number of such dividend equivalent shares is calculated by reference to the number of shares that could have been acquired with the relevant dividend at the closing mid-market price on each relevant ex-dividend date, and as increased with assumed re-investment of amounts. The number of dividend equivalent shares for each director (assuming full vesting of their outstanding awards) is as follows:

Paul Ibbetson: 214,069 DX Shares

David Mulligan: 124,058 DX Shares

**General**

- 3.4 Save as disclosed in this document (including in paragraphs 3 or 8 of this Part VI (*Additional Information*)), as at the Last Practicable Date:

- (a) none of Bidco, any Bidco Director or any other person acting in concert with Bidco had any interest in, right to subscribe in respect of, or short position in respect of, relevant



DX securities, and no such person has dealt in any relevant DX securities during the disclosure period;

- (b) none of Bidco or any person acting in concert with either of them had borrowed or lent any relevant DX securities (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (c) neither any DX Director, nor any other person acting in concert with DX, had any interest in, right to subscribe in respect of, or short position in respect of, relevant DX securities and no such person has dealt in any relevant DX securities during the Offer Period;
- (d) neither DX nor any DX Director had any interest in, right to subscribe in respect of, or short position in respect of, relevant Bidco securities, and no such person has dealt in any relevant Bidco securities during the Offer Period;
- (e) neither DX nor any person acting in concert with it had borrowed or lent any relevant DX securities (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (f) save for the Irrevocable Undertakings described in paragraph 7 below, neither Bidco, nor any person acting in concert with either of them has any Note 11 arrangement with any other person; and
- (g) neither DX nor any person acting in concert with DX has any Note 11 arrangement with any other person.

3.5 No relevant securities of DX have been redeemed or purchased by DX during the Offer Period.

#### **4 DX Directors' service contracts and emoluments**

##### ***Executive DX Directors***

##### **4.1 Paul Ibbetson, Chief Executive Officer of DX:**

- (a) Paul Ibbetson is employed under an executive service agreement dated 31 January 2023. His appointment as Chief Executive Officer commenced on 1 February 2023.
- (b) The appointment is terminable by either the employer or Mr Ibbetson with no less than 12 months' notice in writing. Notwithstanding this, the employer reserves the right at any time to notify Mr Ibbetson and terminate his appointment with immediate effect. In such a case, the employer will make a payment in lieu of notice within 28 days, or the first payment (in equal monthly instalments) in lieu to Mr Ibbetson. This will be equal to the basic salary received under the agreement less income tax and national insurance contributions. For any alternative income received by Mr Ibbetson during this period, the instalment payments will be reduced by the employer by the amount of such income. Alternatively, following service of the termination notice, the employer may place Mr Ibbetson on garden leave for the whole or part of the remainder of the appointment and continue to pay the basic salary and contractual benefits during this period.
- (c) Mr Ibbetson is paid an annual salary of £290,000. This is subject to review by the Remuneration Committee and any deductions to be made to account for any sums owed to the employer.
- (d) Further to his basic salary, Mr Ibbetson is eligible to participate in DX's PSP and discretionary bonus scheme.
- (e) Mr Ibbetson is also entitled to DX's life assurance scheme in which dependants are paid a sum equal to four times of the salary received under the agreement in the event of his death during the appointment. This is subject to the terms of DX's life assurance scheme and/or the insurance policy relating to it.
- (f) Under the agreement, Mr Ibbetson is also entitled to join DX's car scheme at the band applicable to the appointment. In the alternative, Mr Ibbetson can elect to receive a car allowance of £18,000 per annum and to be paid in the same manner as the basic salary. The cash allowance is not treated as part of the basic salary for any purpose and is not pensionable.

- (g) Mr Ibbetson is eligible for DX's Family BUPA private medical insurance scheme.
- (h) In respect of pension contributions, the employer is obligated to pay Mr Ibbetson an amount equal to 10% of his salary during each year of the appointment. This comprises a £4,000 fixed contribution to the existing DX scheme subject to the scheme rules, tax reliefs and exemptions available from HM Revenue & Customs. Further, this includes a balance of the 10% contribution after deducting the payment on the fixed contribution as a cash allowance in lieu of the pension contribution. In addition to the basic salary, both such payments will be made monthly in arrears by the employer to Mr Ibbetson.
- (i) Mr Ibbetson is subject to post-termination restrictions for a period of 12 months after termination.

#### 4.2 **David Mulligan, Chief Financial Officer**

- (a) David Mulligan is employed under an executive service agreement dated 9 April 2018. His appointment as Chief Financial Officer commenced on 9 April 2018.
- (b) The appointment is terminable by either the employer or Mr Mulligan giving the other not less than 6 months' prior written notice. Notwithstanding this, the employer reserves the discretion to terminate the appointment with immediate effect by making a payment to Mr Mulligan in lieu of the notice period equivalent to the salary, car allowance and pension allowance received. Payment will be subject to income tax and national insurance contributions and excludes bonus for the notice period. Alternatively, following service of the termination notice, the employer may place Mr Mulligan on garden leave and continue to pay the salary and contractual benefits during this period. The employer may deduct any payment due to Mr Mulligan to account for sums owed to DX.
- (c) Mr Mulligan is paid an annual basic salary of £260,000 or a greater amount subject to the review of the DX Board.
- (d) In respect to pension arrangements by the employer, this is available to Mr Mulligan in compliance with the applicable auto enrolment requirements of the Pensions Act 2008. Appropriate deductions may be made to the salary accordingly.
- (e) Mr Mulligan is also entitled to join DX's private medical cover and life assurance schemes. This is subject to scheme rules and applicable insurance policy.
- (f) Mr Mulligan is eligible to participate in a discretionary bonus scheme under which the DX Board has the discretion to award bonus payments for amounts up to 50% of the basic salary.
- (g) Mr Mulligan receives a car and communications allowance of £14,000 per annum. The cash allowance is not treated as part of the basic salary and is not pensionable.
- (h) In accordance with the rules of the PSP 2017, DX arranges for Mr Mulligan to be granted an award of shares.
- (i) Mr Mulligan is subject to post-termination restrictions for a period of 12 months after termination.

#### ***Non-executive DX Directors***

The DX Directors have entered into letters of appointment with DX, as follows:

#### 4.3 **Mark Hammond, Director, Non-Executive Chairman**

- (a) Mr Hammond initially joined the DX Board as Director and Executive Chairman on 15 November 2022. Since then, Mr Hammond's terms of appointment have been amended whereby he remains a DX Director, but serves as Non-Executive Chairman. The effective date of Mark Hammond's appointment as Non-Executive Chairman is 1 February 2023.
- (b) Mr Hammond receives a fee of £120,000 per annum for performing his duties which is paid monthly in arrears. The arrangement is subject to income tax and statutory deductions. The fee covers all duties, including service on any DX Board committee, with

the exception of chairing committees and additional responsibilities appointed from time to time.

- (c) The appointment of Mr Hammond is for an initial term of three years. The DX Board has the discretion to invite Mr Hammond to serve an additional period. This includes the possibility of serving as a non-executive director of the board of any of DX's subsidiaries or joint ventures.
- (d) The appointment is terminable by either the employer or Mr Hammond giving the other three months' prior written notice.
- (e) Mr Hammond does not participate in any of DX's or the DX Group's remuneration or benefit programmes, arrangements, schemes or plans.

#### **4.4 Jonathan Kempster, non-executive DX Director, Senior Independent Director and Chairman of the Audit and Risk Committee**

- (a) The effective date of Jonathan Kempster's appointment as non-executive DX Director is 11 July 2022.
- (b) Mr Kempster receives a fee of £46,000 per annum for acting as a DX Director which is paid monthly in arrears. The arrangement is subject to income tax and statutory deductions. The fee covers all duties, including service on any DX Board committee, with the exception of chairing committees and additional responsibilities appointed from time to time.
- (c) Mr Kempster is also appointed as the Chair to the Audit and Risk Committee and a member of the Remuneration Committee and the Nomination Committee. Mr Kempster receives an additional fee for chairing the board committee of £6,000 per annum and therefore receives a total annual remuneration of £52,000.
- (d) The appointment of Mr Kempster as a non-executive DX Director is for an initial term of three years. The DX Board has the discretion to invite Mr Kempster to serve for an additional period.
- (e) The appointment is terminable by either the employer or Mr Kempster giving the other three months' prior written notice.

#### **4.5 Michael Russell, non-executive DX Director and Chairman of the Remuneration Committee**

- (a) The effective date of Michael John Russell's appointment as non-executive DX Director is 11 July 2022.
- (b) Mr Russell receives a fee of £46,000 per annum for acting as a DX Director which is paid monthly in arrears. The arrangement is subject to income tax and statutory deductions. The fee covers all duties, including service on any DX Board committee, with the exception of chairing committees and additional responsibilities appointed from time to time.
- (c) Mr Russell is also appointed as the Chair to the Remuneration Committee, Chair to the Nomination Committee and a member of the Audit and Risk Committee. Mr Russell receives an additional fee for chairing the board committee of £6,000 per annum and therefore receives a total annual remuneration of £52,000.
- (d) The appointment of Mr Russell as a non-executive DX Director is for an initial term of three years. The DX Board has the discretion to invite Mr Russell to serve for an additional period.
- (e) The appointment is terminable by either the employer or Mr Russell giving the other three months' prior written notice.

#### **4.6 Alison O'Connor, non-executive DX Director**

- (a) The effective date of Alison O'Connor's appointment as non-executive DX Director is 2 October 2023.

- (b) Mrs O'Connor receives a fee of £46,000 per annum for acting as a DX Director which is paid monthly in arrears. The arrangement is subject to income tax and statutory deductions. The fee covers all duties, including service on any DX Board committee, with the exception of chairing committees and additional responsibilities appointed from time to time.
- (c) Mrs O'Connor is also appointed as a member of the Remuneration Committee, the Nomination Committee and the Audit and Risk Committee.
- (d) The appointment of Mrs O'Connor as a non-executive Director is for an initial term of three years. The DX Board has the discretion to invite Mrs O'Connor to serve for an additional period.
- (e) The appointment is terminable by either the employer or Mrs O'Connor giving the other three months' prior written notice.

4.7 **The details of such letters or appointment are summarised in the table below:**

<b>Name</b>	<b>Date of appointment</b>	<b>Date of letter of appointment</b>	<b>Current fees (£) per annum</b>
Mark Hammond	15 November 2022	15 November 2022	120,000
Michael Russell	11 July 2022	11 July 2022	52,000
Jonathan Kempster	11 July 2022	11 July 2022	52,000
Alison O'Connor	2 October 2023	28 September 2023	46,000

**General**

- 4.8 Save as set out in this document, the effect of the Scheme on the interests of DX Directors does not differ from its effect on the like interests of any other Scheme Shareholder or DX Share Plans Participant.

**5 Market Quotations**

- 5.1 The following table lists the Closing Price for DX Shares on: (a) the first trading day of each of the six months prior to the date of this document, (b) 8 September 2023 (being the last Business Day prior to the commencement of the Offer Period), and (c) the Last Practicable Date:

<b>Date</b>	<b>DX Share price (p)</b>
3 July 2023	31.5
1 August 2023	33.3
1 September 2023	36.0
8 September 2023	36.5
2 October 2023	43.0
1 November 2023	44.0
1 December 2023	46.8
Last Practicable Date	46.8

**6 Material Contracts**

**6.1 DX material contracts**

Save as otherwise set out below, no member of the DX Group has, during the period beginning on 8 September 2021 (being two years before the commencement of the Offer Period) and ending on the Last Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

**Confidentiality Agreement**

Please see paragraph 10 of Part II (*Explanatory Statement*) for the details of the Confidentiality Agreement entered into between DX and Bidco.

### ***Co-operation Agreement***

Please paragraph 10 of Part II (*Explanatory Statement*) for the details of the Co-operation Agreement entered into between DX and Bidco.

### ***Settlement Agreement***

On 6 June 2023, DX entered into a full and final settlement with Tuffnells Parcels Express Limited in relation to its claim against DX. The confidential settlement, which was made without any admission of liability, brought the claim to a satisfactory conclusion for all parties.

### ***New Stanton Park Purchase and Development***

On 31 March 2023, DX entered into an agreement for sale with Verdant Regeneration Limited to purchase 4.47 acres of freehold land at New Stanton Park, Lows Lane, Stanton by Dale, Ilkeston, Derbyshire DE7 4QU. The site acquisition completed in August 2023 and the cost of development is estimated to be approximately £12million, which includes the cost of the land. Construction of the new hub is scheduled for completion during Q4 of 2023.

## **6.2 Bidco Group material contracts**

Save for the offer related arrangements summarised in paragraph 10 of Part II (*Explanatory Statement*) of this document and the finance arrangements summarised below, no member of the Bidco Group has entered into, during the period beginning on 8 September 2021 (being two years before the commencement of the Offer Period) and ending on the Last Practicable Date, any material contract otherwise than in the ordinary course of business.

### ***Interim Facilities Agreement***

Bidco (as the borrower), Transit Midco Limited (as Midco) ("**Midco**"), Nomura International PLC, PGIM Senior Loan Opportunities (Levered) II, L.P. and PGIM Senior Loan Opportunities (Unlevered) II, L.P (as Original Interim Lenders) (the "**Interim Lenders**"), Alter Domus Agency Services (UK) Limited (as Interim Facility Agent) (the "**Interim Facility Agent**") and Alter Domus Trustees (UK) Limited (as Interim Security Agent) (the "**Interim Security Agent**") entered into an interim facilities agreement on 16 November 2023 pursuant to which the Original Interim Lenders agreed to provide: (i) an interim sterling term loan facility in an aggregate amount equal to £110,000,000 (the "**Interim Term Facility**"); and (ii) an interim sterling term loan facility in an aggregate amount equal to £20,000,000 (the "**Interim Working Capital Bridge Facility**", together with the Interim Term Facility, the "**Interim Facilities**").

The proceeds of the Interim Facilities are to be applied in or towards (directly or indirectly) (including by way of on-lending to a member of the DX Group): (a) financing or refinancing any amount payable under or in connection with the Acquisition; (b) refinancing (including by way of one or more intercompany loans) or otherwise discharging any indebtedness of the DX Group (together with payment of any breakage costs, redemption premium and other costs, fees and expenses incurred or payable in connection with such refinancing or discharge); (c) financing or refinancing the working capital requirements and/or general corporate purposes of the Group (as defined therein) (including, without limitation, capital expenditure, bridging to DX Group cash on the Closing Date (as defined in the Interim Facilities Agreement) and refinancing, replacing, cash collateralising any existing DX Group debt); and (d) financing the payment of costs, fees and expenses incurred in connection with the Acquisition and the Transaction Documents (as defined in the Interim Facilities Agreement).

Loans drawn under the Interim Facilities may only be drawn in sterling and the Interim Facilities may be utilised by Bidco delivering to the Interim Facility Agent a completed utilisation request by no later than 11:00 a.m. (London time) on the day falling 5 Business Days before the proposed utilisation date. The Interim Working Capital Bridge Facility may not be utilised unless the first utilisation of the Interim Term Facility has occurred (but, for the avoidance of doubt, the Interim Working Capital Bridge Facility may be utilised contemporaneously with the date of the first utilisation of the Interim Term Facility).

Subject to satisfaction of the conditions precedent set out in the Interim Facilities Agreement, (i) the Interim Term Facility is available to be drawn from the date of the Interim Facilities Agreement to (and including) the last day of the Certain Funds Period and (ii) the Interim Working Capital Bridge Facility is available to be drawn from the date of the Interim Facilities



Agreement to (and including) one month prior to the Termination Date (as defined below) (the “**Availability Period**”).

Under the Interim Facilities Agreement, “**Certain Funds Period**” is defined the period from (and including) the date of the Interim Facilities Agreement to (and including) 11:59 p.m., London time, on the earliest of: (a) if the Acquisition is being effected pursuant to a Scheme, the date on which the Scheme lapses (including, subject to exhausting any rights of appeal, if a relevant court refuses to sanction the Scheme), terminates or is withdrawn in accordance with its terms and the Code (other than (i) where such lapse or withdrawal is as a result of the exercise of Bidco’s right to effect a switch from a Scheme to a Takeover Offer or (ii) within five (5) Business Days of such event, Bidco notifies the Interim Facility Agent that a revised, amended or replacement Scheme or Takeover Offer is to be made, provided that such revised, amended or replacement Scheme or Takeover Offer is made within fifteen (15) Business Days of such notification to the Interim Facility Agent pursuant to a firm intention announcement made by Bidco (under Rule 2.7 of the Code) to implement the Acquisition); (b) if the Acquisition is being effected pursuant to a Takeover Offer, the date on which the Takeover Offer lapses, terminates or is withdrawn in accordance with its terms and the Code (other than (i) where such lapse or withdrawal is as a result of the exercise of Bidco’s right to effect a switch from a Takeover Offer to a Scheme or (ii) within five (5) Business Days of such event, Bidco notifies the Interim Facility Agent that a revised, amended or replacement Takeover Offer or Scheme is to be made, provided that such revised, amended or replacement Scheme or Takeover Offer is made within fifteen (15) Business Days of such notification to the Interim Facility Agent pursuant to a firm intention announcement made by Bidco (under Rule 2.7 of the Code) to implement the Acquisition); (c) if the first Announcement has not been released by such time, twenty (20) Business Days following the date of the Interim Facilities Agreement; (d) the date on which the Interim Facilities have been utilised in full or the Interim Commitments (as defined in the Interim Facilities Agreement) have been cancelled in full; (e) the date on which DX has become a wholly owned subsidiary of Bidco and all of the consideration payable under the Acquisition in respect of the issued share capital of DX or proposals made or to be made under the Code in connection with the Acquisition, have in each case been paid in full including in respect of the acquisition of any shares of DX to be acquired after the First Utilisation Date (as defined in the Interim Facilities Agreement) (including pursuant to a Squeeze-out); (f) if the Acquisition is intended to be completed pursuant to a Scheme, the day falling 42 days following from (but excluding) 31 May 2024; and (g) if the Acquisition is intended to be completed pursuant to a Takeover Offer, the day falling 56 days following from (but excluding) 31 May 2024, or, in each case, such later time as agreed by all the Interim Lenders (each acting reasonably and in good faith) and provided that a switch from a Scheme to a Takeover Offer or from a Takeover Offer to a Scheme (or any amendments to the terms or conditions of a Scheme or Takeover Offer) shall not constitute a lapse, termination or withdrawal for the purposes of this definition.

The termination date of the Interim Facilities (the “**Termination Date**”) is the earlier of: (a) the date falling 90 days after the last day of the Certain Funds Period; (b) the date of receipt by Bidco of a written demand from the Interim Facility Agent (acting on the instructions of the Interim Lenders) following the occurrence of a Major Default (as defined in the Interim Facilities Agreement) in respect of Midco or Bidco which is continuing (excluding any provision that requires Midco or Bidco to procure compliance by another person (including any other member of the Group or any member of the DX Group)) requiring prepayment and cancellation in full of the Interim Facilities; and (c) the date of receipt by Bidco of the proceeds of the first utilisation made under the Debt Facilities (as defined in the Interim Facilities Agreement) (if applicable, free of any escrow or similar arrangements) (by which date, the Interim Facilities would need to be replaced and refinanced). Bidco may also voluntarily cancel and prepay the Interim Facilities at any time on 5 business days’ prior notice.

The undrawn Interim Commitments (as defined in the Interim Facilities Agreement) of each Interim Lender under the relevant Interim Facilities will be automatically cancelled and reduced to zero on the earliest of: (a) in respect of the Interim Working Capital Bridge Facility, 11:59 p.m. London time on the last day of the Availability Period; (b) if, at the relevant time, no Interim Utilisations (as defined in the Interim Facilities Agreement) have been made or requested to be made hereunder, the date on which the Senior Financing Agreement (as defined in the Interim Facilities Agreement) is executed by all parties thereto and becomes

effective and (A) each of Bidco and Deutsche Numis are satisfied (in their absolute discretion) that the Senior Financing Agreement includes certain funds provisions that are at least as strong as the Interim Facilities Agreement and provides the same quantity of funding for each of the purposes listed under in the Interim Facilities Agreement, (B) the Senior Financing Agreement has been approved by and fully cash confirmed by Deutsche Numis and (C) all the initial conditions specified therein to the drawing or disbursement of proceeds thereunder have been satisfied and/or waived (as evidenced by a duly signed and unqualified conditions precedent letter issued pursuant to the terms of such Senior Financing Agreement); and (c) to the extent undrawn at that date, at 11:59 p.m. London time on the last day of the Certain Funds Period.

The Interim Facilities Agreement contains customary representations and warranties, affirmative and negative covenants (including covenants in respect of financial indebtedness, security, mergers, acquisitions, disposals, dividends and share redemption, holding company status and conduct of the Takeover Offer and/or Scheme), indemnities and events of default, each with appropriate carve-outs and materiality thresholds.

The rate of interest payable on each loan drawn under the Interim Facilities is the aggregate of the margin (being 7.00 per cent, per annum) and the applicable Compounded Reference Rate (as defined in the Interim Facilities Agreement). Among other fees, arrangement fees, ticking fees and agency fees are also payable under the terms of the Interim Facilities Agreement, the Fee Letter (as defined in the Interim Facilities Agreement) and the Agency Fee Letter.

As a condition precedent to the first drawdown of the Interim Facilities, the Interim Lenders under the Interim Facilities Agreement received the benefit of security including a security agreement pursuant to which Bidco and Midco have granted security in relation to certain material assets in favour of the Interim Security Agent including, among other assets, the shares in Bidco, intercompany receivables owing to Midco and the bank accounts of Bidco and Midco.

Under the Interim Facilities Agreement, Bidco has agreed that: (a) it will not waive, amend or treat as satisfied (where Bidco considers it not actually satisfied) any material term or condition relating to the Acquisition from that set out in the Announcement where it would be materially adverse to the interests of the Interim Lenders (taken as a whole) under the Interim Documents (as defined in the Interim Facilities Agreement) except, amongst other things: (i) to the extent required by, or reasonably determined by Bidco as being necessary or desirable to comply with the requirements or requests (as applicable) of, the Code, the Panel or the Court or any applicable law, regulation or regulatory body; (ii) any change in the purchase price funded by equity (or amendment to any written agreement related thereto) in connection with the Acquisition; (iii) extending the period in which holders of the shares in DX may vote in favour of or accept the terms of the Scheme or, as the case may be, the Takeover Offer (including by reason of the adjournment of any meeting or court hearing); and (iv) to the extent it relates to a condition to the Acquisition which Bidco reasonably considers that it would not be entitled, in accordance with Rule 13.5(a) of the Code, to invoke so as to cause the Acquisition not to proceed, to lapse or to be withdrawn (and the other conditions to the Acquisition have been, or will contemporaneously be, satisfied or waived, as permitted under the Interim Facilities Agreement); and (b) unless otherwise agreed by the Majority Interim Lenders (as defined in the Interim Facilities Agreement), if the Acquisition is effected by way of a Takeover Offer, Bidco shall not reduce the minimum acceptance condition (as such term is understood in the Code) of not less than 75 per cent in nominal value of the shares in DX and of the voting rights attached to those shares.

## **7 Irrevocable undertakings and letters of intent**

### ***Irrevocable Undertakings***

#### *DX Directors' irrevocable undertakings*

Bidco has received irrevocable undertakings from the DX Directors to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting in respect of their beneficial holdings of DX Shares representing in aggregate approximately 1.5 per cent. of the existing issued ordinary share capital of DX.

Name of DX Director	Number of DX Shares	% of DX issued share capital
Mark Hammond	700,000	0.1%
Paul Ibbetson	3,826,041	0.6%
David Mulligan	4,251,873	0.7%
<b>TOTAL</b>	<b>8,777,914</b>	<b>1.5%</b>

These irrevocable undertakings given by the DX Directors will continue to be binding in the event that a higher competing offer is made for DX.

The irrevocable undertakings given by the DX Directors will cease to be binding if:

- (a) the Scheme lapses or is withdrawn in accordance with its terms (other than where such lapse or withdrawal is a result of Bidco electing to implement the Acquisition by way of a Takeover Offer) and no new, revised or replacement Scheme is announced by Bidco in accordance with Rule 2.7 of the Code at the same time; or
- (b) the Scheme has not become effective by 11.59 p.m. on the Long Stop Date.

These irrevocable undertakings will prevent each of the individuals listed above from: (i) exercising any right of withdrawal of any acceptance of the Acquisition where such a right is otherwise exercisable under the Code; or (ii) otherwise selling all or any part of their respective DX Shares into the market.

#### ***Other Irrevocable Undertakings***

Bidco has received irrevocable undertakings from the following DX Shareholders to vote (or, in relation to DX CFDs, to use reasonable endeavours to procure votes) in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting in respect of their beneficial holdings of DX Shares and DX CFDs representing in aggregate approximately 31.6 per cent. of the existing issued ordinary share capital of DX.

Name of DX Shareholder	Number of DX Shares	% of DX issued share capital (DX Shares)	Number of DX CFDs	Number of DX Shares and DX CFDs	% of DX issued share capital (DX Shares and CFDs)
Gatemoor Capital Management LLP	101,503,538	16.8%	13,250,000	114,753,538	19.0%
Lloyd Dunn	76,361,454	12.6%	0	76,361,454	12.6%
<b>TOTAL</b>	<b>177,864,992</b>	<b>29.4%</b>	<b>13,250,000</b>	<b>191,114,992</b>	<b>31.6%</b>

The irrevocable undertakings given by Gatemoor Capital Management LLP and Lloyd Dunn will continue to be binding in the event that a higher competing offer is made for DX.

The irrevocable undertakings given by Gatemoor Capital Management LLP and Lloyd Dunn will cease to be binding if:

- Bidco announces, that it does not intend to proceed with the Acquisition and no new, revised or replacement Scheme is announced by Bidco in accordance with Rule 2.7 of the Code at the same time; or
- the Scheme lapses or is withdrawn in accordance with its terms (other than where such lapse or withdrawal is a result of Bidco electing to implement the Acquisition by way of an Offer) and no new, revised or replacement Scheme is announced by Bidco in accordance with Rule 2.7 of the Code at the same time; or
- the Scheme has not become effective by 11.59 p.m. on 31 March 2024.

### **Letters of intent**

Bidco has received letters of intent from the following DX Shareholders to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting in respect of their beneficial holdings of DX Shares representing in aggregate approximately 14.9 per cent. of the existing issued ordinary share capital of DX:

<b>Name of DX Shareholder</b>	<b>Number of DX Shares</b>	<b>% of DX issued share capital</b>
Canaccord Genuity Asset Management	40,000,000	6.6
Lombard Odier Asset Management (Europe) Limited	49,602,908	8.2
<b>TOTAL</b>	<b>89,602,908</b>	<b>14.8</b>

## **8 Offer-related fees and expense**

### **8.1 Bidco fees and expenses**

The aggregate fees and expenses expected to be incurred by the Wider Bidco Group in connection with the Acquisition (excluding any applicable VAT) are expected to amount to £17,478,000. The aggregate fees and expenses consist of the following categories:

<b>Category</b>	<b>Amount (excluding applicable VAT and other taxes)</b>
Financing arrangements	£5,900,000
Financial and corporate broking advice	£5,300,000 <sup>(1)</sup>
Legal advice	£4,300,000 <sup>(1)(2)</sup>
Accounting advice	£800,000 <sup>(1)(2)</sup>
Public relations advice	£48,000
Other professional services	£1,100,000
Other costs and expenses	£30,000 <sup>(3)</sup>
<b>Total</b>	<b>£17,478,000</b>

#### **Notes:**

- (1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Acquisition becomes Effective. The total does not include disbursements.
- (2) Certain of these services are provided by reference to hourly rates. Amounts included in the table above reflect the time incurred up to the latest practicable date prior to the publication of this document and an estimate of the further time required.
- (3) Includes, among other things, document fees payable to the Panel.

## 8.2 ***DX fees and expenses***

The aggregate fees and expenses expected to be incurred by DX in connection with the Acquisition (excluding any applicable VAT) are expected to amount to approximately £4,181,000. The aggregate fees and expenses consist of the following categories:

<b>Category</b>	<b>Amount (excluding applicable VAT and other taxes)</b>
Financial and corporate broking advice	£3,398,000 <sup>(1)</sup>
Legal advice	£680,000 <sup>(2)</sup>
Accounting advice	—
Public relations advice	£24,000
Other professional services	£61,000
Other costs and expenses	£18,000
<b>Total</b>	<b>£4,181,000</b>

### **Notes:**

- (1) The total amount payable in respect of the aggregate fees and expenses for these services depends on whether the Acquisition becomes Effective. The total does not include disbursements.
- (2) Certain of these services are provided by reference to hourly rates. Amounts included in the table above reflect the time incurred up to the latest practicable date prior to the publication of this document and an estimate of the further time required.

## 9 **Persons acting in concert**

- 9.1 In addition to the Bidco Directors and the members of the Wider Bidco Group, the persons who, for the purposes of the Code, are acting in concert with Bidco in respect of the Acquisition and who are required to be disclosed are:

<b>Name</b>	<b>Registered Office</b>	<b>Relationship with Bidco</b>
Deutsche Numis	45 Gresham Street, London, England, EC2V 7BF	Connected Adviser

- 9.2 In addition to the DX Directors and the members of the Wider DX Group, the persons who, for the purposes of the Code, are acting in concert with DX in respect of the Acquisition and who are required to be disclosed are:

<b>Name</b>	<b>Registered Office</b>	<b>Relationship with DX</b>
Moelis	Condor House, 1st Floor, 10 St Paul's Churchyard, London, EC4M 8AL	Connected Adviser
Liberum Capital Limited	Ropemaker Place Level 12, 25 Ropemaker Street, London, EC2Y 9LY	Connected Adviser

- 9.3 For the purposes of this paragraph 10, “**Connected Adviser**” has the meaning given to it in the Code.

## 10 **No significant change**

Save as disclosed in this document, there has been no significant change in the financial or trading position of DX since 2 July 2023, being the date to which DX’s last audited annual results were prepared.

## **11 Consents**

- 11.1 Moelis has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they are included.
- 11.2 Deutsche Numis has given and not withdrawn its written consent to the issue of this document with the inclusion of references to its name in the form and context in which they are included.

## **12 Other information**

- 12.1 Save as disclosed in this document, there is no agreement, arrangement or understanding (including any compensation arrangement) between Bidco or any person acting in concert with either of them and any of the directors, recent directors, shareholders or recent shareholders of DX, or any person interested or recently interested in DX Shares, having any connection with or dependence on or which is conditional upon the outcome of the Acquisition.
- 12.2 There is no agreement, arrangement or understanding pursuant to which the beneficial ownership of any of the DX Shares to be acquired by Bidco will be transferred to any other person, save that Bidco reserves the right to transfer any such shares to any other member of the Wider Bidco Group.
- 12.3 Save with the consent of the Panel, settlement of the Cash Consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien or right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against any such Scheme Shareholder.
- 12.4 Save as disclosed in this document, there is no agreement or arrangement to which Bidco is a party which relates to the circumstances in which it may or may not invoke a Condition to the Scheme.

## **13 Incorporation by reference**

- 13.1 Parts of other documents are incorporated by reference in, and form part of, this document.
- 13.2 Part V (*Financial and Ratings Information*) sets out which sections of such documents are incorporated into this document.
- 13.3 Hard copies of the information incorporated into this document by reference will not be sent to recipients of this document unless specifically requested.

## **14 Documents published on a website**

Until and including the Effective Date (or the date on which the Scheme lapses or is withdrawn, if earlier), the following documents will be available on Bidco's website at <https://delta-offer.com/> and DX's website at <https://investors.dxdelivery.com/>:

- (a) the articles of association of each of DX and of Bidco;
- (b) the articles of association of DX as proposed to be amended pursuant to the Resolution;
- (c) the financial information relating to DX referred to in paragraph 2 of Part V (*Financial and Ratings Information*) of this document;
- (d) the letters to be sent to the DX Share Plan participants setting out the proposals relating to their DX Share Plans, as referred to in paragraph 8 of Part I (*Letter from the Chairman of DX*) of this document – such letters anticipated to be available on such website on the Business Day following the date of this document;
- (e) the Announcement;
- (f) this document and the Forms of Proxy;
- (g) the Confidentiality Agreement;
- (h) the Co-operation Agreement;
- (i) the irrevocable undertakings and letters of intent referred to in paragraph 7 above;
- (j) the consent letters referred to in paragraph 11 above; and



(k) the documents relating to the financing of the Acquisition.

The content of the websites (including the content of any other website accessible from hyperlinks on such websites) referred to in this document is not incorporated into and does not form part of this document save as specified in paragraph 2 of Part V (*Financial and Ratings Information*) of this document.

## **15 Sources of information and bases of calculation**

15.1 As at close of business on the Last Practicable Date, DX had 604,900,491 DX Shares in issue.

15.2 The fully diluted share capital of DX of 650,035,435 DX Shares is calculated on the basis of: (a) the number of issued DX Shares set out in paragraph 15.1 above; and (b) an additional 45,134,944 DX Shares which may be issued on or after the Announcement Date on the exercise of options under the DX Share Plans.

15.3 The value attributed to the entire issued and to be issued ordinary share capital of DX is based upon the Offer Value of 48.5 pence for each Scheme Share, multiplied by the fully diluted share capital of DX set out in paragraph 15.2 above.

15.4 Unless otherwise stated, all prices quoted for DX Shares are Closing Prices.

15.5 Volume-weighted average prices have been derived from Bloomberg and have been rounded to the nearest pence.

15.6 The premium calculations to the price for each DX Share have been calculated by reference to:

- (a) the Closing Price of 36.5 pence per DX Share on 8 September 2023 (being the last prior to the date of the commencement of the Offer Period);
- (b) the volume weighted average Closing Price of 36.0 pence per DX Share on for the one month period ended on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period);
- (c) the volume weighted average Closing Price of 29.0 pence per DX Share for the twelve-month period ended on 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period); and
- (d) the highest Closing Price between 13 November 2015 and 8 September 2023 (being the last Business Day prior to the date of the commencement of the Offer Period) of 37.3 pence per DX Share.

15.7 Unless otherwise stated, annual financial information relating to DX has been extracted from DX's annual report and accounts for the year ended 1 July 2023.

## PART VII

### DEFINITIONS

<b>Acquisition</b>	the recommended cash acquisition being made by Bidco to acquire the entire issued and to be issued share capital of DX to be implemented by means of the Scheme, on the terms and subject to the Conditions set out in this document (or, under certain circumstances as described in this document to be implemented by means of a Takeover Offer), and, where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>Acquisition Value</b>	has the meaning given in paragraph 2 of Part I;
<b>Agency Fee Letter</b>	the agent and security fee letter from Alter Domus Agency Services (UK) Limited and Alter Domus Trustees (UK) Limited to Bidco dated 16 November 2023;
<b>AIM</b>	AIM, the market of that name operated by the London Stock Exchange;
<b>AIM Rules</b>	the AIM Rules for Companies published by the London Stock Exchange from time to time;
<b>Announcement</b>	the announcement made on the Announcement Date pursuant to Rule 2.7 of the Code by Bidco of its firm intention to make an offer to acquire the entire issued and to be issued share capital of DX;
<b>Announcement Date</b>	16 November 2023;
<b>Associated undertaking</b>	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations;
<b>Bidco</b>	Transit Bidco Limited, a company incorporated in England with its registered office at 10 Grosvenor Street, London, United Kingdom, W1K 4QB;
<b>Bidco Directors</b>	the directors of Bidco from time to time;
<b>Bidco Group</b>	Bidco and its subsidiary undertakings from time to time;
<b>Business Day</b>	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London;
<b>Cash Consideration</b>	has the meaning given in paragraph 2 of Part I;
<b>Certificated or in certificated form</b>	a share or other security which is not in uncertificated form (that is, not in CREST);
<b>Closing Price</b>	the closing middle market quotation of a share derived from the Daily Official List of the London Stock Exchange;
<b>Code</b>	the City Code on Takeovers and Mergers;
<b>Companies Act</b>	the Companies Act 2006, as amended from time to time;
<b>Conditions</b>	the conditions to the Acquisition, as set out in Part III ( <i>Conditions to the Implementation of the Scheme and to the Acquisition</i> ) of this document or, if applicable, in the Offer Document and <b>Condition</b> means any of them;
<b>Confidentiality Agreement</b>	has the meaning given in paragraph 10 of Part II ( <i>Explanatory Statement</i> ) of this document;

<b>Co-operation Agreement</b>	has the meaning given in paragraph 10 of Part II ( <i>Explanatory Statement</i> ) of this document;
<b>Court</b>	the High Court of Justice of England and Wales;
<b>Court Meeting</b>	the meeting or meetings of the DX Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by Bidco and DX), notice of which is set out in Part VIII ( <i>Notice of Court Meeting</i> ) of this document, for the purpose of approving the Scheme, including any adjournment, postponement or reconvention thereof;
<b>Court Order</b>	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
<b>CREST</b>	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the relevant system (as defined in the CREST Regulations) of which Euroclear is the Operator (as defined in the CREST Regulations);
<b>CREST Manual</b>	the CREST Manual published by Euroclear, as amended from time to time;
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended;
<b>DX</b>	DX (Group) plc, a public limited company incorporated in England and Wales with registered number 8696699;
<b>DX Articles</b>	the articles of association of DX from time to time;
<b>DX Board</b>	the board of directors of DX, and the term <b>DX Board</b> shall be construed accordingly;
<b>DX CFDs</b>	contracts for difference referenced to DX Shares;
<b>DX Directors</b>	the directors of DX as at the date of this document or, where the context so requires, the directors of DX from time to time;
<b>DX Group</b>	DX and its subsidiary undertakings and associated undertakings;
<b>DX Remuneration Committee</b>	the remuneration committee of the DX Board;
<b>DX Shares</b>	the ordinary shares of 1 penny each in the capital of DX;
<b>DX Shareholders</b>	the holders of DX Shares from time to time;
<b>DX Share Plans</b>	the PSP and the SAYE Plan;
<b>Dealing Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<b>Deutsche Numis</b>	Numis Securities Limited (trading as Deutsche Numis);
<b>Disclosed</b>	the information which has been fairly disclosed: <ul style="list-style-type: none"> <li>(d) by or on behalf of DX to Bidco (or their officers, employees, agents or advisers) before the Announcement Date;</li> <li>(e) in the annual report and accounts of DX for the financial year ended 1 July 2023;</li> <li>(f) in the Announcement; or <ul style="list-style-type: none"> <li>in any other public announcement made by DX via a Regulatory Information Service prior to the Announcement Date;</li> </ul> </li> </ul>
<b>EBITDA</b>	earnings before interest, tax, depreciation and amortisation;

<b>Effective</b>	in the context of the Acquisition: (a) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms, upon the delivery of the Court Order to the Registrar of Companies for registration; or (b) if the Acquisition is implemented by way of the Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Code;
<b>Effective Date</b>	the date on which the Acquisition becomes Effective;
<b>Euroclear</b>	Euroclear UK & International Limited, incorporated in England and Wales with registered number 02878738;
<b>Excluded Shares</b>	any DX Shares registered in the name of or beneficially owned by Bidco or its nominees or any member of the Wider Bidco Group or held in treasury by DX, in each case, at the Scheme Record Time;
<b>FCA</b>	the Financial Conduct Authority or its successor from time to time;
<b>Forms of Proxy</b>	either or both (as the context demands) of the BLUE Form of Proxy in relation to the Court Meeting and the WHITE Form of Proxy in relation to the General Meeting which accompany this document;
<b>FSMA</b>	the Financial Services and Markets Act 2000 (as amended from time to time);
<b>General Meeting</b>	the general meeting of DX Shareholders (including any adjournment thereof) to be convened for the purpose of considering and, if thought fit, approving the Resolution, notice of which is contained in Part IX ( <i>Notice of General Meeting</i> ) of this document;
<b>H.I.G.</b>	H.I.G. Capital LLC;
<b>H.I.G. Responsible Persons</b>	the persons whose names are set out in paragraph 2.3 of Part VI (Additional Information on DX and Bidco) of this document;
<b>Holder</b>	a registered holder and includes any person entitled by transmission;
<b>IFRS</b>	International Financial Reporting Standards, as adopted by the European Union;
<b>Interim Facilities Agreement</b>	an interim facilities agreement incorporating an interim term loan in an aggregate amount equal to £110,000,000 and an interim working capital bridge facility in an aggregate amount equal to £20,000,000 entered into between, among others, Nomura International PLC, PGIM Senior Loan Opportunities (Levered) II, L.P. and PGIM Senior Loan Opportunities (Unlevered) II, L.P. on or before the date hereof;
<b>Irrevocable Undertakings</b>	the irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or in the event that the Acquisition is implemented by way of a Takeover Offer, to accept or procure acceptance of the Takeover Offer), as detailed in paragraph 7 of Part VI ( <i>Additional Information on DX and Bidco</i> ) of this document;
<b>Last Practicable Date</b>	8 December 2023, being the last practicable date prior to publication of this document;
<b>Link Group</b>	a trading name of Link Market Services Limited, DX's registrars, of Central Square, 29 Wellington Street, Leeds, LS1 4DL;

<b>London Stock Exchange</b>	The London Stock Exchange plc or its successor;
<b>Long Stop Date</b>	31 May 2024 or such later date as Bidco and DX may agree (with the consent of the Panel, and the Court may approve (if such approval is required));
<b>Meetings</b>	the Court Meeting and the General Meeting and <b>Meeting</b> means either of them;
<b>Moelis</b>	Moelis & Company UK LLP;
<b>Offer Document</b>	should the Acquisition be implemented by means of a Takeover Offer, the document to be sent to DX Shareholders which will contain, <i>inter alia</i> , the terms and conditions of the Takeover Offer;
<b>Offer Period</b>	the offer period (as defined in the Code) relating to DX, which commenced on 11 September 2023;
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<b>Panel</b>	the Panel on Takeovers and Mergers;
<b>Permitted Dividend</b>	has the meaning given in Section 2 ( <i>Summary of the terms of the Acquisition</i> ) of Part I (Letter from the Chairman of DX) of this document;
<b>PSP</b>	the DX Performance Share Plan 2017, adopted on 21 December 2017;
<b>Regulatory Information Service</b>	an information service authorised from time to time by the London Stock Exchange for the purposes of disseminating regulatory announcements;
<b>Relevant Authority</b>	any central bank, ministry, governmental, quasigovernmental, supranational (including the European Union), statutory, regulatory or investigative body, authority or tribunal (including any national or supranational antitrust, competition or merger control authority, any sectoral ministry or regulator and any foreign or national security investment review body), national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction;
<b>Relevant securities</b>	shall be construed in accordance with the Code;
<b>Resolution</b>	the special resolution to be proposed by DX at the General Meeting relating to the Scheme and the amendment of the DX Articles;
<b>Restricted Jurisdiction(s)</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to DX Shareholders in that jurisdiction;
<b>SAYE</b>	the DX Group Save As You Earn Scheme, established on 8 January 2021;
<b>Scheme</b>	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between DX and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court (where relevant) and agreed to by DX and Bidco, as set out in Part IV ( <i>The Scheme of Arrangement</i> ) of this document;

<b>Scheme Record Time</b>	6:00 p.m. on the Business Day immediately prior to the Effective Date or such later time as Bidco and DX may agree;
<b>Scheme Sanction Hearing</b>	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act;
<b>Scheme Shareholder(s)</b>	the holder of Scheme Shares from time to time;
<b>Scheme Shares</b>	the DX Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of this document;</li> <li>(b) if any, issued after the date of this document and before the Voting Record Time; and</li> <li>(c) if any, issued at or after the Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme, but, in each case, excluding the Excluded Shares;</li> </ul>
<b>Significant Interest</b>	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of: (a) the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking; or (b) the relevant partnership interest;
<b>Subsidiary, subsidiary undertaking and undertaking</b>	shall be construed in accordance with the Companies Act;
<b>Takeover Offer</b>	if (subject to the consent of the Panel and subject to the terms of the Co-operation Agreement) Bidco elects to effect the Acquisition by way of a takeover offer (as defined in Chapter 3 of Part 28 of the Companies Act), the offer to be made by or on behalf of Bidco, or any other wholly-owned subsidiary of Bidco, to acquire the entire issued and to be issued ordinary share capital of DX on the terms and subject to the conditions to be set out in the Offer Document and, where the context admits, any subsequent revision, variation, extension or renewal of such Takeover Offer;
<b>Third Party</b>	has the meaning given to it at paragraph 3(g) of Part III ( <i>Conditions to the Implementation of the Scheme and the Acquisition</i> ) of this document;
<b>Uncertificated or in uncertificated form</b>	a share or other security recorded on the relevant register as being held in uncertificated form in CREST;
<b>United States or US</b>	the United States of America, its territories and possessions, any state of the United States and the District of Columbia;
<b>US Exchange Act</b>	the US Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;
<b>US Holders</b>	holders of DX Shares ordinarily resident in the US or with a registered address in the US, and any custodian, nominee or trustee holding DX Shares for persons in the US or with a registered address in the US;
<b>VAT</b>	value added tax or any similar sales or turnover tax;
<b>Voting Record Time</b>	6:00 p.m. on the day which is two days (excluding any part of a day that is not a Business Day) before the date of the Court Meeting or, if the Court Meeting is adjourned, 6:00 p.m. on the day which is two days (excluding any part of a day which is not a Business Day) before the date of such adjourned meeting;
<b>Wider Bidco Group</b>	Bidco, funds advised or managed by H.I.G. or its affiliates, and their respective subsidiary undertakings, associated undertakings



and any other undertaking in which Bidco and/or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time);

**Wider DX Group**

DX and its subsidiary undertakings, associated undertakings and any other undertaking in which DX or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time) but excluding the Wider Bidco Group;

**\$ or USD**

the lawful currency of the United States from time to time; and

**£, Sterling, penny, pence, or p**

the lawful currency of the United Kingdom from time to time.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, amended, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

All the times referred to in this document are London times unless otherwise stated.

References to the singular include the plural and vice versa.

## PART VIII

### NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE  
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES  
COMPANIES COURT (Ch D)  
INSOLVENCY AND COMPANIES COURT  
JUDGE JONES

CR-2023-005568

IN THE MATTER OF DX (GROUP) PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an order dated 8 December 2023 made in the above matters, the Court has given permission for DX (Group) plc (the “**Company**”) to convene a meeting (the “**Court Meeting**”) of the holders of Scheme Shares as at the Voting Record Time (each as defined in the Scheme of Arrangement (defined below)) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement proposed to be made pursuant to Part 26 of the Companies Act 2006 (the “**Companies Act**”) between DX and the holders of Scheme Shares (the “**Scheme of Arrangement**”) and that such meeting will be held in person at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG at 10:00 a.m. on 9 January 2024.

A copy of the Scheme of Arrangement and a copy of the explanatory statement required to be published pursuant to section 897 of the Companies Act are incorporated in the document of which this notice forms part.

Voting on the resolution to approve the Scheme of Arrangement will be by poll, which shall be conducted as the chair of the Court Meeting may determine.

Any changes to the arrangements for the Court Meeting will be communicated to Scheme Shareholders before the Court Meeting, including through DX’s website <https://investors.dxdelivery.com> and by announcement through a Regulatory Information Service.

#### **Appointment of proxies**

Scheme Shareholders are strongly encouraged to submit proxy appointments and instructions for the Court Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST or Proxymity) set out below. Scheme Shareholders are also strongly encouraged to appoint “the Chair of the meeting” as their proxy. If any other person is appointed as proxy, he or she will not be permitted to attend the Court Meeting in person, but will be able to attend in person, speak and vote at the Court Meeting.

Scheme Shareholders are entitled to appoint a proxy in respect of some or all of their Scheme Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Scheme Shareholders who wish to appoint more than one proxy in respect of their holding of Scheme Shares should contact Link Group for further BLUE Forms of Proxy. Alternatively, you may photocopy the BLUE Form of Proxy enclosed with this notice.

The completion and return of the BLUE Form of Proxy (by post) (or transmission of a proxy appointment or voting instruction electronically, online, through CREST, Proxymity or by any other procedure described in this document) will not prevent you from attending in person, speaking and voting at the Court Meeting, if you are entitled to and wish to do so.

#### *Sending BLUE Forms of Proxy by post*

You should complete, sign and return the BLUE Form of Proxy enclosed with this notice for use at the Court Meeting so as to be **received no later than 10:00 a.m. on 5 January 2024**.

The Forms of Proxy may be returned by post or, during normal business hours only, by hand to DX’s registrar, Link Group, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. For

your convenience, a freepost facility (for use in the UK only) has been provided with respect to the BLUE Form of Proxy.

If the BLUE Form of Proxy for the Court Meeting is not returned by the above time, a copy of the completed and signed BLUE Form of Proxy may be handed to any representative of Link Group or the Chairman of the meeting at any time before the time that the Court Meeting is due to commence and it will still be valid.

#### *Electronic appointment of proxies through CREST or Proximity*

CREST members who wish to appoint a proxy or proxies for the Court Meeting through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Link Group (participant ID: RA10) not later than 10:00 a.m. on 5 January 2024 (or, in the case of an adjourned meeting, not less than 48 hours before the time and date set for the adjourned meeting, excluding any part of a day that is not a Business Day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

DX may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

**Proximity Voting** – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to [www.proximity.io](http://www.proximity.io). Your proxy must be lodged by 10:00 a.m. on 5 January 2024 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proximity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

#### *Online appointment of proxies*

The BLUE Form of Proxy may alternatively be submitted electronically using the Signal Shares share portal service at [www.signalshares.com](http://www.signalshares.com), with Scheme Shareholders using their Investor Code and PIN as shown on the Form of Proxy. For an electronic proxy appointment for the Court Meeting to be valid, the appointment must be received by Link Group no later than 10:00 a.m. on 5 January 2024 (or in the case of adjournment(s), not later than 48 hours, (excluding any part of a day that is not a Business Day) before the time fixed for the adjourned meeting(s)).

If the BLUE Form of Proxy for the Court Meeting is not lodged by the relevant time, a copy of the completed and signed BLUE Form of Proxy may be handed to a representative of Link Group or the Chairman of the Meeting at any time before the time that the Court Meeting is due to commence and it will still be valid.

#### **Joint holders**

In the case of joint holders of Scheme Shares, any one such joint holder may tender a vote, whether in person or by proxy, however the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of DX in respect of the relevant joint holding.

#### **Voting Record Time**

Entitlement to attend and vote (or by proxy) at the Court Meeting and the number of votes which may be cast at the Court Meeting will be determined by reference to the register of members of DX at 6:00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6:00 p.m. on the day which is two days before the date of such adjourned Court Meeting, in each case excluding any part of a day that is not a Business Day (the "**Voting Record Time**"). Changes to the register of members after the Voting Record Time will be disregarded in determining the rights of any person to attend and vote (or by proxy) at the Court Meeting or any adjournment thereof.

#### **Corporate representatives**

Any Scheme Shareholder which is a corporation may authorise a person or persons to act as its representative(s) at the Court Meeting. In accordance with the provisions of the Companies Act (as amended by the Companies (Shareholders' Rights) Regulations 2009), each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of DX, provided that they do not do so in relation to the same Scheme Shares.

By the said order, the Court has appointed Mark Hammond or, failing him, Jonathan Kempster or, failing him, Michael Russell, or failing him, Alison O'Connor to act as Chair of the Court Meeting and has directed the Chair to report the result of the Court Meeting to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 11 December 2023

**Addleshaw Goddard LLP**  
*Solicitors for DX (Group) plc*  
Milton Gate  
60 Chiswell Street  
London EC1Y 4AG

**PART IX**  
**NOTICE OF GENERAL MEETING**  
**DX (GROUP) PLC**

*(Incorporated in England and Wales under company number 08696699)*

NOTICE IS HEREBY GIVEN that a general meeting of DX (Group) plc (the “**Company**”) will be held at the offices of Addleshaw Goddard LLP, Milton Gate, 60 Chiswell Street, London, EC1Y 4AG at 10:15 a.m. on 9 January 2024 (or as soon thereafter as the meeting of the holders of Scheme Shares (as defined in the Scheme as referred to in the resolution set out below) convened for 10:00 a.m. on the same day by an order of the High Court of Justice, shall have concluded or been adjourned) for the purpose of considering and, if thought fit, passing the following resolution, which will be proposed as a special resolution.

**SPECIAL RESOLUTION**

THAT for the purpose of giving effect to the scheme of arrangement dated 11 December 2023 (as amended or supplemented) between the Company and the holders of Scheme Shares (as defined in such scheme of arrangement), a print of which has been produced to this meeting and for the purposes of identification signed by the chair of this meeting, in its original form or subject to such modification, addition or condition as may be approved or imposed by the Court (where relevant) and agreed by the Company and Transit Bidco Limited (the “**Scheme**”):

- (a) the directors of the Company (or a duly authorised committee of the directors) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (b) with effect from the passing of this resolution, the articles of association of the Company be and are amended by the adoption and inclusion of the following new Article:

**“233. Scheme of Arrangement**

- (a) In this Article 233, the “**Scheme**” means the scheme of arrangement dated 11 December 2023 (as amended or supplemented), between the Company and the holders of its Scheme Shares (as defined in the Scheme) under Part 26 of the Companies Act 2006 and as approved by the holders of the Scheme Shares at the meeting convened by the Court (as defined in the Scheme) and as may be modified or amended in accordance with its terms, and (save as defined in this Article), expressions defined in the Scheme shall have the same meanings in this Article.
- (b) Notwithstanding any other provision of these Articles, if the Company issues any shares (other than to Transit Bidco Limited (“**Bidco**”) or any subsidiary of Bidco, any parent undertaking of Bidco or any subsidiary of such parent undertaking, or any nominee of Bidco (each a “**Bidco Company**”)) on or after the date of the adoption of this Article and before the Scheme Record Time (as defined in the Scheme), such shares shall be issued subject to the terms of the Scheme and shall be Scheme Shares for the purposes thereof and the new member, and any subsequent holder of such shares (other than Bidco, a Bidco Company and/or its nominee or nominees), shall be bound by the Scheme accordingly.
- (c) Notwithstanding any other provision of these Articles, subject to the Scheme becoming Effective (as defined in the Scheme), if any shares are issued to any person (other than a Bidco Company) (a “**New Member**”) on or after the Scheme Record Time (as defined in the Scheme) (the “**Post-Scheme Shares**”), such Post-Scheme Shares shall, subject to the Scheme becoming Effective, be immediately transferred to Bidco (or such person as Bidco may direct) (the “**Purchaser**”) in consideration of the payment to the New Member of an amount in cash for each Post-Scheme Share equal to the cash consideration which such New Member would have been entitled to receive for each Post-Scheme Share pursuant to the

Scheme had such Post-Scheme Share been a Scheme Share (as applicable, after deduction of any tax and social security contributions their employer or any other company is required to withhold or account for in respect of either that consideration or the issue or transfer of the shares to the New Member).

- (d) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) effected after the Effective Date, the value of the consideration per Post-Scheme Share to be paid under Article 233(c) above shall be adjusted by the Board in such manner as the auditors of the Company or an independent investment bank selected by the Company may determine to be fair and reasonable to reflect such reorganisation or alteration. References in this Article to shares shall, following such adjustment, be construed accordingly.
- (e) To give effect to any transfer of Post-Scheme Shares required by this Article, the Company may appoint any person as attorney and/or agent for the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member to transfer the Post-Scheme Shares to the Purchaser or its nominee(s) and do all such other things and execute and deliver all such documents as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser or its nominee(s) and pending such vesting to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) shall not thereafter (except to the extent that such attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or forms of transfer or other instrument(s) or instruction(s) of transfer on behalf of the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) in favour of the Purchaser or its nominee(s) and the Company may give a good receipt for the purchase price of the Post-Scheme Shares and may register the Purchaser or its nominee(s) as holder thereof and issue to it certificates for the same. The Company shall not be obliged to issue a certificate to the New Member (or any subsequent holder or any nominee of such New Member or any such subsequent holder) for the Post-Scheme Shares. The Purchaser shall send a cheque drawn on a UK clearing bank (or shall procure that such a cheque is sent) in favour of the New Member (or the relevant transferee or nominee) for the purchase price of each Post-Scheme Share within 14 days of the time on which such Post-Scheme Shares are acquired by the Purchaser.
- (f) If the Scheme shall not have become Effective by the applicable date referred to in (or otherwise set in accordance with) clause 6 of the Scheme (or such later date, if any, as Bidco and the Company may agree and the Court and the Panel on Takeovers and Mergers may allow, if such consent is required), this Article 233 shall be of no effect.
- (g) Notwithstanding any other provision of these Articles, neither the Company nor the Board shall register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than to the Purchaser and/or its nominee(s) pursuant to the Scheme.”

By order of the Board

Simon Blunt  
*Company Secretary*

Dated 11 December 2023

*Registered office:*  
Ditton Park Riding Court Road  
Datchet  
Slough  
England  
SL3 9GL



## Notes:

### 1. Entitlement to attend and vote

Pursuant to DX's articles of association and Regulation 41 of the Uncertificated Securities Regulations 2001 (the "**CREST Regulations**"), only holders of ordinary shares of 1 penny each in the capital of DX on the register of members of DX as at 6:00 p.m. on 5 January 2024, (each, a "**Shareholder**") are entitled to attend and vote (or by proxy) at this meeting in respect of the number of shares in the capital of DX registered in their names at that time and may appoint a proxy to vote instead of them. Changes to entries on register of members of DX after 6:00 p.m. on 5 January 2024 (the "**Voting Record Time**") shall be disregarded in determining the rights of any person to vote at this meeting. Should the General Meeting be adjourned to a time not more than 48 hours (excluding any part of a day that is not a Business Day) after the Voting Record Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote under the arrangements described in these notes (and for the purpose of determining the number of votes they may cast) at the adjourned General Meeting. Should the General Meeting be adjourned for a longer period, to be so entitled members must have been entered on the register of members of DX by 6:00 p.m. on the date that is two days (excluding any part of a day that is not a Business Day) prior to the adjourned General Meeting or, if DX gives notice of the adjourned General Meeting, at the time specified in such notice.

### 2. Appointment of proxies

DX Shareholders are strongly encouraged to submit proxy appointments and instructions for the General Meeting as soon as possible, using any of the methods (by post, online or electronically through CREST or Proxymity) set out below. DX Shareholders are also strongly encouraged to appoint "the Chair of the meeting" as their proxy. If any other person is appointed as proxy, he or she will be able to attend in person, submit written questions and/or any objections and vote at the relevant Meeting.

DX Shareholders are entitled to appoint a proxy in respect of some or all of their DX Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. DX Shareholders who wish to appoint more than one proxy in respect of their holding of DX Shares should contact Link Group for further Forms of Proxy. Alternatively, you may photocopy the enclosed Form(s) of Proxy.

Each Shareholder present by proxy will be entitled to one vote for each ordinary share which he/she represents. A Shareholder may appoint more than one proxy in relation to this meeting provided that each proxy is entitled to exercise the rights attaching to a different share or shares held by that member. A proxy need not be a member of DX but must attend the meeting in person for the Shareholder's vote to be counted. Appointing a proxy does not prevent a member from attending and voting in person under the arrangements set out in these notes if he or she is entitled to do so and so wishes. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

#### *Sending Forms of Proxy by post or by hand*

You should complete, sign and return the WHITE Form of Proxy for use at the General Meeting so as to be **received no later than 10:15 a.m. on 5 January 2024**. If the WHITE Form of Proxy is not returned so as to be received by the time mentioned above and in accordance with the instructions on the Form of Proxy it will be invalid.

The WHITE Form of Proxy may be returned by post or, during normal business hours only, by hand to DX's registrar, Link Group, at PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL. For your convenience, a freepost facility (for use in the UK only) has been provided with respect to the WHITE Forms of Proxy.

#### *Electronic appointment of proxies through CREST or Proxymity*

CREST members who wish to appoint a proxy or proxies for the General Meeting through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a **CREST Proxy Instruction**) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Link Group (participant ID: RA10) not later than 10:15 a.m. on 5 January 2024 (or, in the case of an adjourned meeting, not less than 48 hours before the time and date set for the adjourned meeting, excluding any part of a day that is not a Business Day). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which Link Group is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s), should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

DX may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

**Proxymity Voting** – if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 10:15 a.m. on 5 January 2024 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

#### *Online appointment of proxies*

The WHITE Form of Proxy may alternatively be submitted electronically using the Signal Shares share portal service at [www.signalshares.com](http://www.signalshares.com), with DX Shareholders and Scheme Shareholders using their Investor Code and PIN as shown on the Form of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by Link Group no later than 10:15 a.m. on 5 January 2024 (or in the case of adjournment(s), not later than 48 hours, (excluding any part of a day that is not a Business Day) before the time fixed for the adjourned meeting(s)). If the WHITE Form of Proxy is not lodged by the relevant time, it will be invalid.

### **3. Joint holders**

In the case of joint holders of ordinary shares, any one such joint holder may tender a vote, whether in person or by proxy, however the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of DX in respect of the relevant joint holding (the first named being the most senior).

### **4. Corporate representatives**

A member of DX which is a corporation may authorise a person or persons to act as its representative(s) at this meeting. In accordance with the provisions of the Companies Act (as amended by the Companies (Shareholders' Rights) Regulations 2009), each such representative

may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of DX, provided that they do not do so in relation to the same shares.

#### **5. Voting on a poll and announcement of results**

Voting on the resolution will be conducted by way of a poll rather than a show of hands. As soon as practicable following the General Meeting, the results of the voting at the meeting and the numbers of all votes cast for and against and the number of votes actively withheld in respect of the resolution will be announced via a Regulatory Information Service and also placed on DX's website at <https://investors.dxdelivery.com>.

#### **6. Issued share capital and voting rights**

As at 8 December 2023 (being the last practicable date prior to the date of publication of this notice), DX's issued share capital consisted of 604,900,491 ordinary shares, carrying one vote each. DX holds no ordinary shares in treasury. Therefore, the total voting rights in DX as at such date was 604,900,491 ordinary shares, carrying one vote each.

#### **7. Communications**

You may not use any electronic address provided either in this notice or in any related documents (including the enclosed WHITE Form of Proxy) to communicate with DX for any purposes other than those expressly stated.



**THIS LETTER AND THE ACCOMPANYING FORM OF INSTRUCTION ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the Acquisition, the contents of this Letter 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.

**DX (Group) plc**  
Ditton Park  
Riding Court Road  
Datchet  
Slough  
SL3 9GL

**Transit Bidco Limited**  
10 Grosvenor Street  
London  
W1K 4QB

11 December 2023

*To the holders of options under the DX Performance Share Plan 2017*

Dear Participant

**Recommended cash acquisition of DX (Group) plc (DX) by Transit Bidco Limited an indirectly wholly-owned subsidiary of funds advised or managed by H.I.G. Capital LLC (Bidco)**

#### *Introduction*

On 16 November 2023, the boards of Bidco and DX announced that they had reached agreement on the terms of a recommended cash acquisition by Bidco of the entire issued and to be issued ordinary share capital of DX (the **Acquisition**).

This Letter tells you about the impact of the Acquisition on the options you hold under the DX Performance Share Plan 2017 (**PSP**) and the decisions you are able to make. In this Letter, an option granted to you over DX Shares under the PSP is referred to as a **PSP Option**. The information in this Letter applies to any PSP Options you hold.

Please read everything in this Letter, its appendices and the Form of Instruction carefully. **Their contents are very important.**

You will find a list of definitions in **Appendix A** which explain the key defined terms used in this Letter (any capitalised terms not included in Appendix A will have the meaning given to them in the Scheme Document).

#### ***The Acquisition and the Scheme***

The Acquisition is being implemented through what is known as a 'Scheme of Arrangement' (the **Scheme**). Under the terms of the Scheme, which is subject to the conditions and further terms set out in the Scheme Document, DX Shareholders will receive:

**for each DX Share they own:**

**47.5 pence in cash**

You should note that the Scheme is subject to the approval of the DX Shareholders, and is also subject to Court approval.

## ***Your PSP Options***

You are receiving this Letter because you hold one or more PSP Options granted under the PSP. All PSP Options which you hold which are outstanding and not already exercisable immediately before the Sanction Date will (in consequence of the Acquisition) vest in full and become exercisable upon the Scheme being sanctioned by the Court. This Letter sets out the proposals being made by Bidco in respect of your PSP Options (at paragraph 2 of the "Impact on your PSP Options" section) (**Proposal**), the alternatives open to you in relation to your PSP Options, and the recommendation of the DX Directors (at paragraph 12 of the "Impact on your PSP Options" section).

In broad terms, the Proposal is that you exercise your PSP Options using the enclosed Form of Instruction with such exercise conditional upon but to take effect immediately upon the Scheme being sanctioned by the Court, and sell each of the DX Shares you acquire on exercise for 47.5 pence in cash under the Acquisition.

## ***Action to take***

**If you wish to exercise your PSP Options in accordance with the Proposal, please return a copy of the Form of Instruction duly signed, dated and completed to [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com) TO BE RECEIVED AS SOON AS POSSIBLE AND IN ANY EVENT BY NO LATER THAN 5PM ON 12 JANUARY 2024.**

If you want to remind yourself of what PSP Options you hold, please refer to the schedule recently emailed to you.

**You will need to take action to realise value from your PSP Options as this will not happen automatically. If you do not take any action, your PSP Options will lapse and cease to be exercisable one month after the Sanction Date, unless they lapse earlier under the rules of the PSP, and you will not receive any value for your PSP Options.**

## ***Questions***

If you have any questions on the contents of this Letter or how to complete the enclosed Form of Instruction, please contact [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com). However, please be aware that no legal, tax, financial or investment advice on the Acquisition or its effect on your PSP Options can be provided by DX or Bidco. **If you are in any doubt as to the action you should take, you should seek your own independent, professional advice.**

Yours faithfully

**Paul Ibbetson  
Chief Executive Officer**

**For and on behalf of:  
DX (Group) plc**

**Tobias Borkowski  
Director**

**For and on behalf of:  
Transit Bidco Limited**



## IMPACT ON YOUR PSP OPTIONS

### 1. When can I exercise my PSP Options?

#### Vested PSP Options due to become exercisable on 21 December 2023

Certain PSP Options are due to become exercisable on 21 December 2023 in accordance with the PSP rules.

Once exercisable, you can elect to exercise a vested PSP Option either before the Sanction Date using the normal exercise procedures, or by accepting the Proposal set out in paragraph 2.

If you elect to exercise your vested PSP Option using the normal exercise procedures and choose to retain your DX Shares, each DX Share that you hold at the Scheme Record Time will be acquired by Bidco under the Acquisition and you will receive 47.5 pence per DX Share in cash subject to the terms of the Acquisition.

#### Unvested PSP Options

To the extent your PSP Options are currently unvested, your PSP Options will vest in full and become exercisable on the Scheme being sanctioned by the Court at the Sanction Hearing. This is earlier than would ordinarily be the case. A PSP Option would normally vest on the "Normal Vesting Date" (such term defined in the rules of the PSP and confirmed in your PSP option agreement) and then be subject to a further holding period of one year.

All PSP Options will be exercisable until one month after the Sanction Date, or earlier under the rules of the PSP, and will then lapse at the end of the applicable exercise period if they are not so exercised.

### 2. How do I exercise my PSP Options and participate in the Acquisition?

The Proposal is that you exercise all of the PSP Options you hold to the maximum extent possible, conditional on the Scheme being sanctioned by the Court at the Sanction Hearing, and participate in the Acquisition in respect of the DX Shares you acquire from exercising your PSP Options.

If you wish to exercise your PSP Options to the maximum extent possible and participate in the Acquisition in respect of the DX Shares you will acquire on exercise of your PSP Options, **you should complete, sign and date the enclosed Form of Instruction and return a copy by e-mail to [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com) as soon as possible and in any event so as to be received by no later than 5pm on 12 January 2024.** If you do so, the exercise of your PSP Options will take effect immediately on the Scheme being sanctioned by the Court at the Sanction Hearing.

For each DX Share sold pursuant to the Acquisition, you will be entitled to receive 47.5 pence in cash (the **Cash Consideration**).

### 3. If I submit my Form of Instruction, when will the consideration due for my DX Shares be paid to me?

Payment of the Cash Consideration (following the deduction of the applicable exercise price and any income tax and National Insurance contributions (or equivalent social security contributions) that DX is required to withhold – see paragraphs 4 and 5) will be made to you by DX in the next practicable payroll following the Effective Date.

#### **4. Do I need to pay anything to exercise my PSP Options?**

There is an exercise price of £0.01 per DX Share payable on the exercise of your PSP Options. The aggregate exercise price payable will be deducted from the Cash Consideration due to you in respect of the DX Shares that you acquire on exercise of your PSP Options.

#### **5. What tax will I have to pay if I exercise my PSP Options?**

Please see **Appendix B**, which sets out a brief summary of the UK tax consequences in relation to the exercise of your PSP Options and the sale of any DX Shares you acquire as a result. Before you decide what action you would like to take, you should consider your personal tax position. If you are in any doubt as to your tax position, you should seek your own independent, professional tax advice immediately.

Any income tax and National Insurance contributions (or equivalent social security contributions) that a member of the DX Group is required to withhold in connection with the exercise of your PSP Options, will be deducted from the Cash Consideration due to you by DX, and accounted for to HMRC (or other applicable tax authority) by the relevant member of the DX Group.

#### **6. Other courses of action**

You do not have to exercise your PSP Options using the enclosed Form of Instruction.

You may also exercise any PSP Options which vest and become exercisable on the Sanction Date during the one month period following the Sanction Date using the normal exercise procedures. However, please note that if you exercise your PSP Options during this period you will receive identical consideration to that you would have received had you exercised using the enclosed Form of Instruction, due to an amendment to be made to the DX Articles. However, such consideration will be paid to you later than if you had exercised your PSP Options using the enclosed Form of Instruction and participated in the Acquisition.

If you do not exercise your PSP Options within this one month period, all your PSP Options will lapse automatically.

#### **7. What happens if I leave employment with the DX Group?**

In order to be able to exercise your PSP Options in accordance with the Proposal, you must be an employee within the DX Group on the Sanction Date (except where you have already ceased employment in certain circumstances specified in the PSP rules).

If you cease to be an employee within the DX Group before your PSP Options are exercised (other than in certain circumstances), your PSP Options will lapse on the date of cessation of employment even if you have previously submitted a Form of Instruction.

It has been determined that any employers National Insurance contributions paid at any time by the DX Group in connection with the exercise of your PSP Options (whether such exercise took place before or on or after the date of the Sanction Hearing) will not be subject to potential claw back from you on termination of employment (or otherwise).

#### **8. Can I give my Options to someone else?**

No, under the rules of the PSP, you cannot transfer your PSP Options.

## **9. What happens if I do nothing?**

If you do not submit the Form of Instruction or otherwise exercise your PSP Options after they become exercisable, your PSP Options will lapse following the expiry of the one month period after the Sanction Date, or earlier under the rules of the PSP.

## **10. What if I hold options under other DX share plans?**

This Letter only relates to the PSP Options you hold under the PSP. If you hold options under other DX share plans (such as the SAYE Plan), you will receive a separate communication with details of the proposals being made in respect of such options. Please also read those letters carefully as the treatment under these plans may be different from the treatment of PSP Options.

## **11. Will I receive dividends in relation to my PSP Options?**

You are not entitled to receive dividends in respect of the DX Shares acquired pursuant to your PSP Options. Therefore, you won't be entitled to receive the 1p final dividend for DX's financial year ended 1 July 2023 (only DX Shareholders on the register of members at 17 November 2023 are entitled to that dividend).

However, under the PSP rules, you are entitled to receive a number of additional DX Shares equivalent to the value of the dividends that would have been paid on the DX Shares to be acquired on the exercise of your PSP Options between the grant date and the exercise date (being the Sanction Date). Income tax and employee National Insurance contributions due on such dividend equivalents will be deducted from the Cash Consideration due to you.

## **12. What is the view of the DX Directors?**

The DX Directors, who have been so advised by Moelis as to the financial terms of the Proposal, consider the terms of the Proposal set out in this Letter to be fair and reasonable in the context of the Acquisition. In providing their advice to the DX Directors, Moelis has taken into account the commercial assessments of the DX Directors.

The DX Directors recommend that you exercise your PSP Options in accordance with the Proposal. You should consider your own personal circumstances, including your tax position, when deciding your preferred timing for exercising your PSP Options.

## **13. How do I exercise my PSP Options in accordance with the Proposal?**

You should consider the Proposal set out in paragraph 2 carefully, keeping in mind your financial position and the consequences of accepting the Proposal. If you are in any doubt you should seek your own independent financial advice.

**If you wish to accept the Proposal you should [complete, sign and date the enclosed Form of Instruction](mailto:legalandregulatory@dxdelivery.com) and return a copy by e-mail to [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com) as soon as possible and in any event so as to be received by no later than 5pm on 12 January 2024 .**

**If you take no action your PSP Options will lapse on the expiry of the one month period after the Sanction Date, unless they lapse earlier under the PSP rules.**

#### **14. Important notes**

Nothing in this Letter, its appendices or the Form of Instruction constitutes financial advice to any holder of DX Shares, share awards or share options (including PSP Options) over DX Shares. None of DX, Bidco, nor any of their employees, directors or advisers can provide legal, tax, financial or investment advice on the Acquisition.

If there is a conflict between the information in this Letter, the Form of Instruction, and the PSP rules or any relevant legislation, the PSP rules and the legislation (as applicable) will prevail.

## ACQUISITION SUMMARY

### **1. How does the Acquisition work?**

The Acquisition will result in DX and its subsidiaries becoming wholly-owned subsidiaries of Bidco.

The Acquisition will be carried out through what is called a "Scheme of Arrangement". This is a procedure that has to be first approved by DX Shareholders at a shareholder meeting, which is currently scheduled to be held on 9 January 2024, and then requires final approval by the Court on a date referred to in this Letter as the "Sanction Date" (which is yet to be confirmed). This is not the date on which the Acquisition will be completed. The Acquisition is currently due to complete two business days after the Sanction Hearing when the Scheme becomes effective. If you want to read more about this, please go to the DX website at <https://investors.dxdelivery.com> or the Bidco website at <https://delta-offer.com/> where you will find the Scheme Document that was sent to you and DX Shareholders around the date of this Letter as well as a copy of this Letter.

### **2. What can DX Shareholders receive under the Scheme?**

The terms of the Scheme are set out in full in the Scheme Document. However, in summary (and subject to the terms of the Acquisition), for each DX Share sold to Bidco through the Scheme, a DX Shareholder will receive 47.5 pence in cash.

### **3. When will the Acquisition take place?**

The date of the Sanction Hearing is still to be confirmed but it is expected to be in the first quarter of 2024 with the Effective Date expected to be two business days after the Sanction Hearing, subject to DX Shareholder approval and receipt of the relevant regulatory and merger control approvals. An expected timeline of key events relating to the Acquisition is available in the Scheme Document.

Once the date of the Sanction Hearing is known, DX will announce this via a Regulatory Information Service (with such announcement being made available on DX's website at <https://investors.dxdelivery.com>).

### **4. Will the Acquisition definitely go ahead?**

The Acquisition is conditional on various approvals and consents including: (i) approval by DX Shareholders at a meeting currently scheduled to be held on 9 January 2024; (ii) obtaining certain regulatory and merger control approvals; and (iii) the sanction of the Court. You should note that there is no certainty that DX Shareholders will approve the Acquisition nor that the Court will sanction the Scheme.

### **5. What if the Acquisition does not go ahead?**

If the Scheme does not become effective, your PSP Options will continue as normal under the rules of the PSP. For the avoidance of doubt, in this event, you will not be entitled to receive any Cash Consideration.

### **6. Can I exercise my PSP Options and retain the DX Shares?**

No, if the Acquisition proceeds, all DX Shares will be acquired by Bidco for the Cash Consideration.

## Notes

- 1 The release, publication or distribution of this Letter and any accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Letter and any accompanying documents comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, DX and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.
- 2 The DX Directors, whose names are set out in paragraph 2.1 of Part VI of the Scheme Document, accept responsibility for the information contained in, or incorporated by reference into, this Letter (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 3 and 4 below. To the best of the knowledge and belief of the DX Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 3 The Bidco Directors, whose names are set out in paragraph 2.2 of Part VI of the Scheme Document, accept responsibility for the information contained in, or incorporated by reference into, this Letter (including any expressions of opinion and statements of intention) relating to Bidco, the Bidco Group, the Bidco Directors and the close relatives, related trusts of and persons connected with the Bidco Directors and persons acting in concert (as such term is defined in the Code) with Bidco. To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 4 The H.I.G. Responsible Persons, whose names are set out in paragraph 2.3 of Part VI of the Scheme Document, accept responsibility for the information contained in, or incorporated by reference into, this Letter (including any expressions of opinion and statements of intention) relating to H.I.G., Bidco, the Wider Bidco Group, themselves and their respective close relatives, related trusts of and other connected persons and persons acting in concert (as such term is defined in the Code) with Bidco. To the best of the knowledge and belief of the H.I.G. Responsible Persons (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 5 Moelis, which is regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for DX and no one else in connection with the matters set out in this Letter and will not be responsible to anyone other than DX for providing the protections afforded to clients of Moelis, or for providing advice in relation to the contents of, or matters referred to in, this Letter. 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 Letter, any statement contained herein or otherwise.
- 6 Moelis has given and not withdrawn its written consent to the issue of this Letter with the inclusion of references to its name in the form and context in which they are included.



- 7 Accidental omission to dispatch this Letter or the Form of Instruction to, or any failure to receive the same by, any person to whom the Proposal in this Letter is made or should be made will not invalidate the Proposal in any way.
- 8 Your PSP Options are governed by the PSP rules and in the event of a conflict between this Letter and the rules of the PSP or any relevant legislation, the rules of the PSP or the legislation (as applicable) will prevail.
- 9 The statements contained in this Letter are not to be construed as legal, investment, financial or tax advice. If you are in any doubt as to the action you should take, you should seek your own independent professional advice.

## Appendix A

### Defined Terms

<b>Bidco</b>	Transit Bidco Limited, a company incorporated in England and Wales with registered number 15239006;
<b>Bidco Directors</b>	the persons whose names are set out in paragraph 2.2 of Part VI (Additional Information) of the Scheme Document or, where the context so requires, the directors of Bidco from time to time;
<b>Cash Consideration</b>	the cash amount of 47.5 pence payable by Bidco in respect of each Scheme Share, subject to any applicable adjustment in accordance with the terms of the Acquisition;
<b>Court</b>	the High Court of Justice in England and Wales;
<b>DX</b>	DX (Group) plc, a public limited company incorporated in England and Wales with registered number 08696699 and whose registered office is at Ditton Park, Riding Court Road, Datchet, Slough, England, SL3 9GL;
<b>DX Articles</b>	the articles of association of DX as amended from time to time;
<b>DX Directors</b>	the directors of DX as at the date of this Letter;
<b>DX Group</b>	means DX and any subsidiaries or subsidiary undertakings of DX and “ <b>member of the DX Group</b> ” shall be construed accordingly;
<b>DX Shareholders</b>	the holders of DX Shares from time to time;
<b>DX Shares</b>	the ordinary shares of 1 penny each in the capital of DX;
<b>Effective Date</b>	the date upon which the Scheme becomes effective in accordance with its terms;
<b>Form of Instruction</b>	the form of instruction provided with the Letter;
<b>H.I.G. Responsible Persons</b>	the persons whose names are set out in paragraph 2.3 of Part VI (Additional Information) of the Scheme Document);

<b>Letter</b>	this letter from DX and Bidco explaining the impact of the Acquisition on the PSP Options;
<b>Moelis</b>	Moelis & Company UK LLP;
<b>PSP</b>	the DX Performance Share Plan 2017;
<b>PSP Option</b>	an option to acquire DX Shares granted by DX under the PSP;
<b>Sanction Date</b>	the date the Court sanctions the Scheme under section 899 of the Companies Act;
<b>Sanction Hearing</b>	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act;
<b>Scheme</b>	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between DX and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court (where relevant) and agreed to by DX and Bidco, as set out in Part IV (The Scheme of Arrangement) of the Scheme Document;
<b>Scheme Document</b>	the document dated on or around the date hereof sent by DX to the DX Shareholders, of which the Scheme forms part;
<b>Scheme Record Time</b>	6:00 p.m. on the Business Day immediately prior to the Effective Date or such later time as Bidco and DX may agree;
<b>SAYE Plan</b>	the DX Group SAYE Scheme; and
<b>Takeover Code</b>	the City Code on Takeovers and Mergers.

## Appendix B

### UK Taxation

The information in this Appendix B applies to PSP Options. This information is intended as a general guide to the UK tax implications of exercising your PSP Options and selling your DX Shares to Bidco, and does not constitute tax advice to any individual participant. Please remember that tax law can and often does change, and you should not necessarily assume the current tax position will continue. As the tax rules for each country are different, the final amount of tax and National Insurance contributions (or equivalent social security contributions) you will have to pay depends on where you are resident for tax purposes. The below assumes you are working, resident and domiciled for tax purposes in the UK at all material times. This summary is not a full description of all the circumstances in which a tax liability may arise.

Please be aware that you are responsible for your personal tax position and that none of DX, Bidco nor their employees, directors or advisors can provide you with tax advice. **If you are in any doubt as to your tax position or if you are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriate professional, independent adviser without delay.**

#### 1 Income tax and National Insurance contributions (NICs)

- 1.1 You will be subject to income tax and employee NICs charges at the time your PSP Options are exercised on the difference between the market value of the DX Shares you acquire on the date you acquire them, and the exercise price you pay to exercise your PSP Option (the **Gain**). If you exercise your PSP Options pursuant to the Proposal, the income tax and employee NICs due will be deducted from the Cash Consideration payable to you by Bidco via DX payroll, and remitted to HMRC by DX.
- 1.2 It has been determined that all participants except Executive Directors of DX will not be required to bear the cost of any employer NICs that arise on the exercise of PSP Options in connection with the Acquisition.
- 1.3 Executive Directors of DX will be required to bear the cost of any employer NICs that arise on the exercise of their PSP Options in respect of the part of the Gain above 40 pence per DX Share, and any such amount will also be deducted from the Cash Consideration payable to them by Bidco via DX payroll. Any employer NICs payable will be deducted from the Gain for the purposes of calculating the income tax liability arising on exercise of their PSP Options.

#### 2 Capital gains tax (CGT)

- 2.1 When your DX Shares are acquired by Bidco at the offer price of 47.5 pence per DX Share pursuant to the Scheme, you will be treated as having disposed of your DX Shares for CGT purposes. You will make a capital gain on the disposal of the DX Shares if and to the extent that the proceeds that you receive for the DX Shares exceeds the base cost of those DX Shares. The base cost will be the value of the DX Shares on the date you exercise your PSP Option and acquire the underlying DX Shares. Therefore, if the base cost of the DX Shares is 47.5 pence per DX Share, there will be no CGT charge.
- 2.2 However, you should be aware that if you own other DX Shares (other than the ones you acquire from exercising your PSP Options in accordance with the Proposal) that are sold as part of the Acquisition there are complex CGT rules that may apply. You should take

independent tax advice on these arrangements and report all applicable sales on your annual self-assessment tax return by 31 January 2025.

**THIS LETTER AND THE ACCOMPANYING FORM OF INSTRUCTION ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt about the Acquisition, the contents of this Letter 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.

**DX (Group) plc**  
Ditton Park  
Riding Court Road  
Datchet  
Slough  
SL3 9GL

**Transit Bidco Limited**  
10 Grosvenor Street  
London  
W1K 4QB

11 December 2023

*To the holders of options under the DX Group Save As You Earn Scheme*

Dear Participant

**Recommended cash acquisition of DX (Group) plc (DX) by Transit Bidco Limited an indirectly wholly-owned subsidiary of funds advised or managed by H.I.G. Capital LLC (Bidco)**

### ***Introduction***

On 16 November 2023, the boards of Bidco and DX announced that they had reached agreement on the terms of a recommended cash acquisition by Bidco of the entire issued and to be issued ordinary share capital of DX (the **Acquisition**).

This Letter tells you about the impact of the Acquisition on the options you hold under the DX Group Save As You Earn Scheme (**SAYE**) and the decisions you are able to make. In this Letter an option granted to you over DX Shares under the SAYE is referred to as an **SAYE Option**. The information in this Letter applies to any SAYE Options you hold.

Please read everything in this Letter, its appendices and the Form of Instruction carefully. **Their contents are very important.**

You will find a list of definitions in **Appendix A** which explain the key defined terms used in this Letter (any capitalised terms not included in Appendix A will have the meaning given to them in the Scheme Document).

### ***The Acquisition and the Scheme***

The Acquisition is being implemented through what is known as a 'Scheme of Arrangement' (the **Scheme**). Under the terms of the Scheme, which is subject to the conditions and further terms set out in the Scheme Document, DX Shareholders will receive:

**for each DX Share they own:**

**47.5 pence in cash**

You should note that the Scheme is subject to the approval of the DX Shareholders, and is also subject to Court approval.



## **Your SAYE Options**

You are receiving this Letter because you hold one or more SAYE Options.

There are two elements to the SAYE: (i) a weekly or monthly savings arrangement that you have been contributing to through salary deductions; and (ii) a share option, which gives you the right to buy DX Shares (known as “exercising your option”) at a specific price (called the “exercise price”) which is fixed at the time of grant.

Depending on the savings scheme(s) you participate in, the following exercise price applies to your SAYE Options:

<b>SAYE Option year of grant</b>	<b>Exercise Price</b>
2021	25.82p
2023	24.34p

If you decide to exercise your SAYE Options, your accumulated weekly/monthly (as applicable) savings are used to pay the exercise price to exercise your SAYE Option and acquire the underlying DX Shares.

Your Link account at <https://www.dxshares.co.uk> contains details of the SAYE Options you hold.

### **Impact of the Acquisition on your SAYE Options**

Normally, you would only be able to exercise your SAYE Options and acquire the underlying DX Shares at the end of the three-year savings period. However, as a result of the Acquisition, you may not be able to continue saving until the end of the relevant savings period. You will need to decide whether you want to exercise your SAYE Options to acquire DX Shares with the savings that you have made at the time of the Acquisition (which is expected to be in the first quarter of 2024) or let your SAYE Options lapse and withdraw your savings. If you decide to exercise your SAYE Options to acquire DX Shares, they will then be sold to Bidco and you will receive the Cash Consideration (as defined below).

This Letter sets out at paragraph 2 of the "Impact on your Options" section the proposal being made to you by Bidco in relation to your SAYE Options (the **Proposal**) and sets out the courses of action available to you. In broad terms, the Proposal is that you exercise your SAYE Options using the enclosed Form of Instruction, conditional upon the Scheme being sanctioned by the Court, and participate in the Acquisition in respect of any DX Shares that you acquire on exercise. Under the Proposal, the exercise will take place at the latest possible time in order to maximise the savings contributions you can make, which will be no later than 20 days after the Effective Date.

If you accept this Proposal, your SAYE Options will be exercised to the maximum extent possible using your savings at the date of exercise, and the DX Shares that you acquire on exercise will then be sold to Bidco for 47.5 pence per DX Share.

This Letter also sets out the recommendation of the DX Directors set out at paragraph 15 of the “Impact on your SAYE Options” section.

### **Action to take**

**If you wish to exercise your SAYE Options in accordance with the Proposal, please return a copy of the Form of Instruction duly signed, dated and completed to [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com) TO BE RECEIVED AS SOON AS POSSIBLE AND IN ANY EVENT BY NO LATER THAN 5PM ON 12 JANUARY 2024.**

Please note that if you take no action your SAYE Options will cease to be exercisable after the Effective Date and you can request your accumulated savings to be returned to you in cash.

**You will need to take action to realise value from your SAYE Options as this will not happen automatically. If you do not take any action, your SAYE Options will lapse.**

**Questions**

If you have any questions on the contents of this Letter, how to access your Link account at <https://www.dxshares.co.uk> or how to complete and submit the Form of Instruction, please contact [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com). However, please be aware that no legal, tax, financial or investment advice on the Acquisition or its effect on your SAYE Options can be provided by DX, or Bidco. **If you are in any doubt as to the action you should take, you should seek your own independent, professional advice.**

Yours faithfully

**Paul Ibbetson**  
Chief Executive Officer

**For and on behalf of:**  
DX (Group) plc

**Tobias Borkowski**  
Director

**For and on behalf of:**  
Transit Bidco Limited

## IMPACT ON YOUR SAYE OPTIONS

### 1. When can I exercise my SAYE Options?

As a result of the Acquisition, your SAYE Options will become exercisable early, on the Scheme being sanctioned by the Court at the Sanction Hearing. Your SAYE Options will be exercisable until 20 days after the Effective Date, and will then lapse if they are not exercised.

### 2. How do I exercise my SAYE Options and participate in the Acquisition?

The Proposal in relation to your SAYE Options is as follows.

You may choose to exercise your SAYE Options to the maximum extent possible, conditional on the Scheme being sanctioned by the Court at the Sanction Hearing, with such exercise to take effect at the latest possible time in order to maximise the savings contributions you can make.

The latest day on which the exercise of your SAYE Options may take effect will be 20 days after the Effective Date (see further paragraph 3 below).

If you wish to exercise your SAYE Options in accordance with the Proposal and participate in the Acquisition in respect of the DX Shares you will acquire on exercise of your SAYE Options, **you should complete, sign and date the enclosed Form of Instruction and return a copy by e-mail to [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com) as soon as possible and in any event so as to be received by no later than 5pm on 12 January 2024.**

### 3. If I accept the Proposal, when will the exercise of my SAYE Options take effect?

This will depend on the savings arrangements.

If no contribution to the relevant savings contract would be made in the period beginning on the Sanction Date and ending 20 days after the Effective Date, the exercise of your SAYE Options will take effect on the Sanction Date using your accumulated savings contributions at the Sanction Date. This will include where you have completed your savings contract (which will likely be the case in respect of SAYE Options granted in 2021).

If an additional weekly/monthly (as applicable) savings contribution can be made under your savings contract during the period beginning on the Sanction Date and ending 20 days after the Effective Date, the exercise of your SAYE Options will take effect on the date of that applicable savings contribution.

The benefit of accepting the Proposal is that, if a savings contribution to the savings contract can be made in the period beginning on the Sanction Date and ending 20 days after the Effective Date, you will be able to buy more DX Shares compared to if you exercise on the Sanction Date (or before, if permissible under the SAYE rules).

### 4. What happens to my savings if I accept the Proposal?

Your savings will be used to pay the exercise price of your SAYE Options. Therefore, you don't need to make any additional payment in order to exercise your SAYE Options. The residual amount of your savings after exercise (if any) will be returned to you.

After your SAYE Options are exercised you will no longer make savings contributions.

## **5. What do I receive if I exercise my SAYE Options through the Proposal?**

For each DX Share sold pursuant to the Acquisition, you will be entitled to receive 47.5 pence in cash (the **Cash Consideration**). Depending on when the exercise of your SAYE Options takes effect, the DX Shares will be acquired by Bidco pursuant to either the Scheme or the compulsory transfer provisions in the DX Articles.

If the exercise of your SAYE Options takes effect prior to the Scheme Record Time, you will receive the Cash Consideration in the next practicable following the Effective Date. If the exercise of your SAYE Options takes effect after the Scheme Record Time, you will receive the Cash Consideration in the next practicable payroll following the date of which the exercise of your SAYE Options takes effect.

Payment of the Cash Consideration will be made to you directly by your employer into the same bank account as you receive your salary.

## **6. What tax will I have to pay if I exercise my SAYE Options?**

Please see **Appendix B**, which sets out a brief summary of the UK tax consequences in relation to the exercise of your SAYE Options and the sale of any DX Shares you acquire as a result. Before you decide what action you would like to take, you should consider your personal tax position. If you are in any doubt as to your tax position, you should seek your own independent professional tax advice immediately.

## **7. If I have submitted a Form of Instruction can I change my mind?**

Once you have submitted your Form of Instruction, this is considered to be your binding decision. However, if you choose to withdraw your savings prior to the exercise of your SAYE Options taking effect, the Form of Instruction will be of no effect as your SAYE Options will lapse.

## **8. Can I exercise my SAYE Options at another time?**

Unless you leave employment within the DX Group, or if you have already left, in certain “good leaver” circumstances, your SAYE Options will not be exercisable until the Sanction Date, at which point your SAYE Options will become exercisable until 20 days following the Effective Date.

If you wish to exercise your SAYE Options immediately on the Sanction Date regardless of whether you could make a further monthly savings contribution after that, please contact Link by email, at [SAYEteam@linkgroup.co.uk](mailto:SAYEteam@linkgroup.co.uk) by 12 January 2024.

Please note that regardless of the time the exercise of your SAYE Options takes effect on or following the Sanction Date, each of your DX Shares will be acquired by Bidco for 47.5 pence in cash under the Acquisition.

## **9. What about the normal vesting of 2021 SAYE Options?**

SAYE Options granted in 2021 (**2021 SAYE Options**) are due to vest in their ordinary course on 1 March 2024. However, it is expected that the Sanction Date will occur prior to then. If for any reason the Sanction Date falls after 1 March 2024, holders of 2021 SAYE Options will receive a further communication.

## **10. What happens if I leave employment with the DX Group?**

In order to be able to exercise your SAYE Options in accordance with the Proposal, you must be an employee within the DX Group on the Sanction Date (except if you leave employment with the DX Group, or if you have already left, in certain "good leaver" circumstances). If you leave employment with the DX Group other than in "good leaver" circumstances, your SAYE Options will lapse when you leave. If your SAYE Options lapse before exercise takes effect, you will not be able to exercise your SAYE Options and the savings you have made up until the date you leave will be returned to you. Special rules apply on the death of a participant.

#### **11. Can I give my SAYE Options to someone else?**

No, under the rules of the SAYE, you cannot transfer your SAYE Options.

#### **12. What happens if I do nothing?**

If you do not submit the Form of Instruction or otherwise exercise your SAYE Options after they become exercisable, your SAYE Options will lapse in due course after the Sanction Date. In that instance you will need to close your savings account and your savings will be returned to you following the lapse date.

#### **13. Can I choose not to exercise my SAYE Options?**

If you do not wish to exercise your SAYE Options, you can contact Link via <https://www.dxshares.co.uk> and request your accumulated savings to be returned to you.

#### **14. What if I hold options under other DX share plans?**

This Letter only relates to the SAYE Options you hold under the SAYE. If you hold options under other DX share plans (such as the PSP), you will receive a separate communication with details of the proposals being made in respect of such options. Please also read those letters carefully as the treatment under these plans may be different from the treatment of SAYE Options.

#### **15. What is the view of the DX Directors?**

The DX Directors, who have been so advised by Moelis as to the financial terms of the Proposal, consider the terms of the Proposal set out in this Letter to be fair and reasonable in the context of the Acquisition. In providing their advice to the DX Directors, Moelis has taken into account the commercial assessments of the DX Directors.

The DX Directors recommend that you exercise your SAYE Options in accordance with the Proposal using the Form of Instruction.

#### **16. How do I exercise my SAYE Options in accordance with the Proposal?**

You should consider the Proposal set out in paragraph 2 carefully, keeping in mind your financial position and the consequences of accepting the Proposal. If you are in any doubt you should seek your own independent financial advice.

**If you wish to accept the Proposal you should complete, sign and date the enclosed Form of Instruction and return a copy by e-mail to [legalandregulatory@dxdelivery.com](mailto:legalandregulatory@dxdelivery.com) as soon as possible and in any event so as to be received by no later than 5pm on 12 January 2024.**

**If you take no action your SAYE Options will lapse in due course.**

## **17. Important notes**

Nothing in this Letter, its appendices or the Form of Instruction constitutes financial advice to any holder of DX Shares, share awards or share options (including SAYE options) over DX Shares. None of DX, Bidco, Link nor any of their employees, directors or advisers can provide legal, tax, financial or investment advice on the Acquisition.

If there is a conflict between the information in this Letter, the Form of Instruction, and the SAYE rules or any relevant legislation, the SAYE rules and the legislation (as applicable) will prevail.



## ACQUISITION SUMMARY

### 1. How does the Acquisition work?

The Acquisition will result in DX and its subsidiaries becoming wholly-owned subsidiaries of Bidco.

The Acquisition will be carried out through what is called a "Scheme of Arrangement". This is a procedure that has to be first approved by DX Shareholders at a shareholder meeting, which is currently scheduled to be held on 9 January 2024, and then requires final approval by the Court on a date referred to in this Letter as the "Sanction Date" (which is yet to be confirmed). This is not the date on which the Acquisition will be completed. The Acquisition is currently due to complete two business days after the Sanction Hearing when the Scheme becomes effective. If you want to read more about this, please go to the DX website at <https://investors.dxdelivery.com> or the Bidco website at <https://delta-offer.com/> where you will find the Scheme Document that was sent to you and DX Shareholders around the date of this Letter as well as a copy of this Letter.

### 2. What can DX Shareholders receive under the Scheme?

The terms of the Scheme are set out in full in the Scheme Document. However, in summary (and subject to the terms of the Acquisition), for each DX Share sold to Bidco through the Scheme, a DX Shareholder will receive 47.5 pence in cash.

### 3. Will I receive the 1p final dividend for the year ended 1 July 2023?

Only DX Shareholders on the register of members at 17 November 2023 will be entitled to be paid the 1p final dividend for the year ended 1 July 2023. Therefore, you will **not** be entitled to that dividend in respect of any DX Shares that you acquire pursuant to your SAYE Options.

### 4. When will the Acquisition take place?

The date of the Sanction Hearing is still to be confirmed but it is expected to be in the first quarter of 2024 with the Effective Date expected to be two business days after the Sanction Hearing, subject to DX Shareholder approval and receipt of the relevant regulatory and merger control approvals. An expected timeline of key events relating to the Acquisition is available in the Scheme Document.

Once the date of the Sanction Hearing is known, DX will announce this via a Regulatory Information Service (with such announcement being made available on DX's website at <https://investors.dxdelivery.com>).

### 5. Will the Acquisition definitely go ahead?

The Acquisition is conditional on various approvals and consents including: (i) approval by DX Shareholders at a meeting currently scheduled to be held on 9 January 2024; (ii) obtaining certain regulatory and merger control approvals; and (iii) the sanction of the Court. You should note that there is no certainty that DX Shareholders will approve the Acquisition nor that the Court will sanction the Scheme.

### 6. What if the Acquisition does not go ahead?

If the Scheme does not become effective, your SAYE Options will continue as normal under the rules of the SAYE and you may continue making your regular savings contributions. For the avoidance of doubt, in this event, you will not be entitled to receive any Cash Consideration.

**7. Can I exercise my SAYE Options and retain the DX Shares?**

No, if the Acquisition proceeds, all DX Shares will be acquired by Bidco for the Cash Consideration.

## Notes

- 1 The release, publication or distribution of this Letter and any accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Letter and any accompanying documents comes should inform themselves about, and observe, any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, DX and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.
- 2 The DX Directors, whose names are set out in paragraph 2.1 of Part VI of the Scheme Document, accept responsibility for the information contained in, or incorporated by reference into, this Letter (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 3 and 4 below. To the best of the knowledge and belief of the DX Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 3 The Bidco Directors, whose names are set out in paragraph 2.2 of Part VI of the Scheme Document, accept responsibility for the information contained in, or incorporated by reference into, this Letter (including any expressions of opinion and statements of intention) relating to Bidco, the Bidco Group, the Bidco Directors and the close relatives, related trusts of and persons connected with the Bidco Directors and persons acting in concert (as such term is defined in the Code) with Bidco. To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 4 The H.I.G. Responsible Persons, whose names are set out in paragraph 2.3 of Part VI of the Scheme Document, accept responsibility for the information contained in, or incorporated by reference into, this Letter (including any expressions of opinion and statements of intention) relating to H.I.G., Bidco, the Wider Bidco Group, themselves and their respective close relatives, related trusts of and other connected persons and persons acting in concert (as such term is defined in the Code) with Bidco. To the best of the knowledge and belief of the H.I.G. Responsible Persons (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 5 Moelis, which is regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for DX and no one else in connection with the matters set out in this Letter and will not be responsible to anyone other than DX for providing the protections afforded to clients of Moelis, or for providing advice in relation to the contents of, or matters referred to in, this Letter. 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 Letter, any statement contained herein or otherwise.
- 6 Moelis has given and not withdrawn its written consent to the issue of this Letter with the inclusion of references to its name in the form and context in which they are included.

- 7 Accidental omission to dispatch this Letter or the Form of Instruction to, or any failure to receive the same by, any person to whom the Proposal in this Letter is made or should be made will not invalidate the Proposal in any way.
- 8 Your SAYE Options are governed by the SAYE rules and in the event of a conflict between this Letter and the rules of the SAYE or any relevant legislation, the rules of the SAYE or the legislation (as applicable) will prevail.
- 9 The statements contained in this Letter are not to be construed as legal, investment, financial or tax advice. If you are in any doubt as to the action you should take, you should seek your own independent professional advice.

## Appendix A

### Defined Terms

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<b>Cash Consideration</b>	the cash amount of 47.5 pence payable by Bidco in respect of each Scheme Share, subject to any applicable adjustment in accordance with the terms of the Acquisition;
<b>Court</b>	the High Court of Justice in England and Wales;
<b>DX</b>	DX (Group) plc, a public limited company incorporated in England and Wales with registered number 08696699 and whose registered office is at Ditton Park, Riding Court Road, Datchet, Slough, England, SL3 9GL;
<b>DX Articles</b>	the articles of association of DX as amended from time to time;
<b>DX Directors</b>	the directors of DX as at the date of this Letter;
<b>DX Group</b>	means DX and any subsidiaries or subsidiary undertakings of DX and “ <b>member of the DX Group</b> ” shall be construed accordingly
<b>DX Shareholders</b>	the holders of DX Shares from time to time;
<b>DX Shares</b>	the ordinary shares of 1 penny each in the capital of DX;
<b>Effective Date</b>	the date upon which the Scheme becomes effective in accordance with its terms;
<b>Form of Instruction</b>	the form of instruction which accompanies this Letter;
<b>H.I.G. Responsible Persons</b>	the persons whose names are set out in paragraph 2.3 of Part VI (Additional Information) of the Scheme Document);

<b>Letter</b>	this letter from DX and Bidco explaining the impact of the Acquisition on the SAYE Options;
<b>Link</b>	a trading name of Link Market Services Limited, the administrator of the SAYE;
<b>Moelis</b>	Moelis & Company UK LLP;
<b>PSP</b>	DX Performance Share Plan 2017;
<b>Sanction Date</b>	the date the Court sanctions the Scheme under section 899 of the Companies Act;
<b>Sanction Hearing</b>	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act;
<b>Scheme</b>	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between DX and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court (where relevant) and agreed to by DX and Bidco, as set out in Part IV (The Scheme of Arrangement) of the Scheme Document;
<b>Scheme Document</b>	the document dated on or around the date hereof sent by DX to the DX Shareholders, of which the Scheme forms part;
<b>Scheme Record Time</b>	6:00 p.m. on the Business Day immediately prior to the Effective Date or such later time as Bidco and DX may agree;
<b>SAYE</b>	the DX Group Save As You Earn Scheme;
<b>SAYE Option</b>	an option to acquire DX Shares granted under the SAYE; and
<b>Takeover Code</b>	the City Code on Takeovers and Mergers.



## Appendix B

### UK Taxation

The information in this Appendix B applies to SAYE Options.

This information is intended as a general guide to the **UK tax** implications of exercising your SAYE Options and selling your DX Shares to Bidco and does not constitute tax advice to any individual participant. Please remember that tax law can and often does change, and you should not necessarily assume the current tax position will continue. As the tax rules for each country are different, the final amount of tax and National Insurance contributions (or equivalent social security contributions) you will have to pay (if any) depends on where you are resident for tax purposes. The below assumes you are working, resident and domiciled for tax purposes in the UK at all material times. This summary is not a full description of all the circumstances in which a tax liability may arise.

Please be aware that you are responsible for your personal tax position and that none of DX, Bidco, Link nor their employees, directors or advisors can provide you with tax advice. **If you are in any doubt as to your tax position or if you are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriate professional, independent adviser without delay.**

#### 1 Income tax and National Insurance contributions (NICs)

- 1.1 No income tax or employee NICs charge should arise either on the exercise of your SAYE Options or the sale of your DX Shares to Bidco.

#### 2 Capital gains tax (CGT)

- 2.1 CGT arises on the disposal of chargeable assets, such as shares. You will have a chargeable gain for CGT purposes on the sale of DX Shares to Bidco in connection with the Acquisition (whether that disposal is pursuant to the Scheme or the compulsory acquisition provisions in the DX Articles).
- 2.2 The amount of the chargeable gain would be equal to the amount of the total consideration you receive on the disposal of your DX Shares (i.e. 47.5p for each DX Share disposed of) less the amount you paid for those DX Shares (which will be the exercise price for each DX Share under your SAYE Option).
- 2.3 You only have to pay CGT on your overall gains above the annual exempt amount, which will be up to £6,000 for the tax year 2023/24. You may also be able to reduce your CGT liability by deducting losses or claiming reliefs.

#### 3 Accounting For Tax Under Self-Assessment

Under the self-assessment regime, taxpayers are required to provide HMRC with all the information needed to calculate their taxable income (from all sources) and any chargeable gains. The calculation of tax may then be carried out either by you as the taxpayer or by HMRC. The time limit for filing a return on-line and paying your CGT (if any) is 31 January after the end of the tax year in which the chargeable gain arises. For example, if you sell your DX Shares in the 2023/2024 tax year (i.e. between 6 April 2023 and 5 April 2024) the deadline is 31 January 2025.