



DGL GROUP LIMITED
NOTICE OF ANNUAL GENERAL MEETING

You are invited to the Annual General Meeting of DGL Group Limited to be held at **11.00 am** (Melbourne time) on **Thursday, 2 December 2021**.

Given current COVID-19 restrictions and in accordance with *Treasury Laws Amendment (2021 Measures No. 1) Act 2021*, our Annual General Meeting will be held **virtually** through an online platform provided by our share registrar Link Market Services at www.meetings.linkgroup.com/DGL21.

No physical place of meeting will be made available.

Using the above link Shareholders will be able to fully participate in the meeting including by lodging votes and asking questions. We also encourage shareholders to submit written questions and vote by appointing a proxy prior to the meeting. Questions can be submitted prior to the meeting by using a shareholder question form available of the company's website: www.dglinvestors.com/Investor-Centre/. Voting can be undertaken directly online at vote.linkmarketservices.com/DGL or by using the enclosed Proxy Form.

The Notice of Annual General Meeting and other documents and information, which includes details as to how to participate and vote at the Annual General Meeting can be viewed or downloaded at the Company's website at www.dglinvestors.com/Investor-Centre/.

The business of the meeting is as follows:

- Resolution 2 Adoption of Remuneration Report
- Resolution 3a Re-election of Peter Lowe as a director;
- Resolution 3b Re-election of Denise Brotherton as a Director;
- Resolution 3c Re-election of Robert McKinnon as a Director;
- Resolution 3d Re-election of Robert Sushames as a Director;
- Resolution 4 Appointment of auditor;
- Resolution 5 Ratification of prior issue of securities to Opal Australasia Pty Ltd (**Opal Australasia**);
- Resolution 6 Ratification of prior issue of securities to Labels Connect (Labels Connect);
- Resolution 7 Ratification of prior issue of securities to Aquapac Pty Ltd (Aquapac);
- Resolution 8 Ratification of prior issue of securities to AUSblue Group Pty Ltd (AUSblue) vendors;
- Resolution 9 Ratification of prior issue of securities to Profill Industries Pty Ltd (Profill) vendors; and
- Resolution 10 Approval for issue of securities to a related party.

All proposed resolutions are explained in more detail in the Notice of Meeting available at www.dglinvestors.com/Investor-Centre/.

Yours sincerely

Andrew Draffin
Company Secretary

Notice of Annual General Meeting and Explanatory Memorandum

DGL Group Limited ACN 002 802 646

Date: Thursday 2 December 2021
Time: 11.00am (Melbourne time)
Place: Virtually through
<https://meetings.linkgroup.com/DGL21>

THIS IS AN IMPORTANT DOCUMENT

If you are in doubt as to what to do with this document, please immediately see your legal adviser, financial adviser or stockbroker.

In light of potential restrictions on public gatherings arising from the COVID-19 pandemic that may be in place at the date of the Annual General Meeting, the Annual General Meeting will be webcast live online through <https://meetings.linkgroup.com/DGL21>. Shareholders are encouraged to attend, vote and ask questions online using their computer or mobile device by following the instructions outlined in this Notice of Annual General Meeting

Notice of Annual General Meeting

The annual general meeting of shareholders (**AGM**) of DGL Group Limited ACN 002 802 646 (**DGL**) will be held virtually at 11.00am (Melbourne time) on Thursday, 2 December 2021 for the purpose of considering and, if thought fit, passing the resolutions set out below (**Notice**). Registration will open from 10:30am (Melbourne time).

This year DGL will hold its AGM virtually through an online platform at <https://meetings.linkgroup.com/DGL21>. The online platform will enable shareholders to view the meeting, ask questions in relation to the business of the meeting and vote in real time. Further details on how to access the AGM online and how to ask questions and vote on matters of business are set out on page 5 of this Notice. Please also refer to the Virtual Meeting Online Guide at www.dglinvestors.com/investor-centre/?page=asx-announcements for more information about online participation in the AGM.

The Explanatory Memorandum that accompanies and forms part of this Notice describes in more detail the matters to be considered at the AGM. Please ensure that you read the Explanatory Memorandum in full.

Business

Please note that additional information concerning the proposed resolutions is contained in the Explanatory Memorandum that accompanies and forms part of this Notice.

1. Financial statements and reports

To receive and consider:

- (a) the financial statements;
 - (b) the Directors' Report; and
 - (c) the Auditor's Report,
- of DGL for the year ended 30 June 2021.

Note: There is no requirement for the shareholders to approve these reports.

2. Adoption of the Remuneration Report

To consider and, if thought fit, pass the following resolution:

'That the Remuneration Report of DGL (which forms part of DGL's 2021 Annual Report) for the financial year ended 30 June 2021 be adopted.'

Note: This resolution is advisory only and does not bind DGL or the directors of DGL (Directors).

Voting exclusions apply to this item – please see the voting exclusions on page 8.

3. Re-election of Directors

To consider and, if thought fit, pass the following resolutions:

(a) Re-election of Peter Lowe

'That Peter Lowe, a Director who was appointed by the Directors on 1 April 2021 be re-elected as a director of DGL.'

(b) Re-election of Denise Brotherton

'That Denise Brotherton, a Director who was appointed by the Directors on 1 April 2021 be re-elected as a director of DGL.'

(c) Re-election of Robert McKinnon

'That Robert McKinnon, a Director who was appointed by the Directors on 1 April 2021 be re-elected as a director of DGL.'

(d) Re-election of Robert Sushames

'That Robert Sushames, a Director who was appointed by the Directors on 1 April 2021 be re-elected as a director of DGL.'

4. Appointment of auditor

To consider and, if thought fit, to pass the following resolution:

'That, in accordance with section 327B(1)(a) of the Corporations Act 2001 (Cth) and for all other purposes, PKF Melbourne Audit & Assurance Pty Ltd having been nominated by a member of the Company for appointment, and consenting to act as auditor, be appointed as the auditor of DGL.'

5. Ratification of prior issue of securities to Opal Australasia Pty Ltd (Opal Australasia) vendors

To consider and, if thought fit, to pass the following resolution:

'That, for the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders approve and ratify the prior issue of 1,366,906 fully paid ordinary shares in DGL to former Opal Australasia shareholders as part of the purchase price paid by DGL for the acquisition of 100% of the shares in Opal Australasia on the terms and conditions as more fully described in the Explanatory Memorandum accompanying the Notice of this Meeting.'

Voting exclusions apply to this item – please see the voting exclusions on page 8.

6. Ratification of prior issue of securities to Labels Connect vendor

To consider and, if thought fit, to pass the following resolution:

'That, for the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders approve and ratify the prior issue of 909,090 fully paid ordinary shares in DGL to AA Hitech Printers Pty Ltd (AHP) as part of the purchase price paid by DGL to AHP for the acquisition of the Labels Connect business on the terms and conditions as more fully described in the Explanatory Memorandum accompanying the Notice of this Meeting.'

Voting exclusions apply to this item – please see the voting exclusions on page 8.

7. Ratification of prior issue of securities to Aquapac Pty Ltd (Aquapac)

To consider and, if thought fit, to pass the following resolution:

'That, for the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders approve and ratify the prior issue of 1,428,571 fully paid ordinary shares in DGL to Aquapac as part of the purchase price paid by DGL for the acquisition of the Aquapac business on the terms and conditions as more fully described in the Explanatory Memorandum accompanying the Notice of this Meeting.'

Voting exclusions apply to this item – please see the voting exclusions on page 8.

8. Ratification of prior issue of securities to AUSblue Group Pty Ltd (AUSblue) vendors

To consider and, if thought fit, to pass the following resolution:

'That, for the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders approve and ratify the prior issue of 4,539,470 fully paid ordinary shares in DGL to AUSblue Group Pty Ltd as part of the purchase price paid by DGL for the acquisition of

the AUSblue business on the terms and conditions as more fully described in the Explanatory Memorandum accompanying the Notice of this Meeting.'

Voting exclusions apply to this item – please see the voting exclusions on page 8.

9. Ratification of prior issue of securities to Profill Industries Pty Ltd (**Profill**) vendors

To consider and, if thought fit, to pass the following resolution:

'That, for the purposes of ASX Listing Rule 7.4 and all other purposes, shareholders approve and ratify the prior issue of 3,928,571 fully paid ordinary shares in DGL to Profill Industries Pty Ltd as part of the purchase price paid by DGL for the acquisition of the Profill Business on the terms and conditions as more fully described in the Explanatory Memorandum accompanying the Notice of this Meeting.'

Voting exclusions apply to this item – please see the voting exclusions on page 8.

10. Approval for issue of securities to a related party

To consider and, if thought fit, to pass the following resolution:

'That, for the purposes of ASX Listing Rules 7.1 and 10.11 and all other purposes, approval is given for DGL to issue the Repayment Shares to Simon Henry in full and complete satisfaction of DGL's and DGL Warehousing & Distribution Pty Ltd's (DGL W&D) ACN 625 569 922 (a wholly owned subsidiary of DGL) obligation to repay the amount owing by them to Simon Henry under the DGL Loan Agreement and DGL W&D Loan Agreement, on the terms and conditions as more fully described in the Explanatory Memorandum accompanying the Notice of this Meeting.'

Voting exclusions apply to this item – please see the voting exclusions on page 8.

11. Further information

For detailed information on the above Agenda items, please refer to the Explanatory Memorandum on pages 10 to 16.

By order of the Board

Andrew Draffin
Company Secretary
25 October 2021

Information on attending virtually, voting, proxies, corporate representatives and attorneys

Virtual AGM

Our AGM will be held 'virtually'. Shareholders will be able to participate via an online platform using their computer or mobile device. Shareholders and proxyholders will be able to ask questions and vote in real time, subject to the connectivity of their device.

If it is necessary for DGL to give further updates on the arrangements for the AGM, we will inform you through our investor website (www.dglgroup.com) and the ASX Market Announcements Platform.

Accessing the AGM online

If you wish to attend the AGM, you will be able to participate in the AGM through <https://meetings.linkgroup.com/DGL21>.

We recommend logging onto our online platform at least 15 minutes prior to the scheduled start time for the AGM by entering <https://meetings.linkgroup.com/DGL21> into a web browser on your computer or mobile device.

Please ensure you have your Shareholder Reference Number or Holder Identification Number.

Proxyholders will need their proxy code, which Link Market Services will provide via email within 24 hours prior to the meeting.

Further information on how to participate virtually is set out in this Notice and the Virtual Meeting Online Guide available at www.dglgroup.com.

Asking questions

A discussion will be held on all items of business to be considered at the AGM.

Shareholders will have a reasonable opportunity to ask questions during the AGM via the virtual AGM platform or orally by using the phone dial-in facility, including an opportunity to ask question of DGL's external auditor. Please refer to the attached Virtual Meeting Online Guide for further details.

To ensure that as many shareholders as possible have the opportunity to speak, we ask that all shareholders observe the following when asking questions:

- all shareholder questions should be stated clearly and should be relevant to the business of the AGM, including matters arising from the Annual Report, Directors' Report (including the Remuneration Report) and Auditor's Report, and general questions about the performance, business or management of DGL;
- if a shareholder has more than one question on an item, all questions should be asked at the one time; and
- shareholders should not ask questions at the AGM regarding personal matters or those that are commercial in confidence.

If you wish to register questions in advance of the AGM, you are invited to do so. A Shareholder Question Form has been sent to shareholders and is available on DGL's website at www.dglgroup.com.

Written questions must be received by DGL or Link Market Services Limited by 11am (Melbourne time) on Thursday 25 November 2021, and can be submitted online, by mail, by fax or in person (as set out on the top of the Shareholder Question Form).

We will attempt to address the more frequently asked questions in the Chair and CEO's presentations at the AGM.

Voting

Eligibility to vote

DGL has determined that, in accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), DGL's shares quoted on ASX Limited at 11am on Tuesday, 30 November 2021 will be taken, for the purposes of the annual general meeting, to be held by the persons who held them at that time. Accordingly, those persons are entitled to attend and vote at the meeting.

Shareholders may vote by either using the online platform, or by appointing a proxy.

All resolutions by poll

In accordance with clause 44.2(c) of DGL's constitution, the Chair intends to call a poll on each of the resolutions proposed at the AGM. Each resolution considered at the AGM will therefore be conducted by poll, rather than a show of hands. The Chair considers voting by poll to be in the best interests of the shareholders as a whole, and to ensure the proportionate representation of shareholders voting at the AGM.

Voting online

Shareholders may vote using the online platform.

Online voting will be open between the commencement of the AGM at 10:30am (Melbourne time) on Thursday, 2 December 2021 and the time at which the Chair announces the closure of the voting.

In order to vote online, shareholders will need their Securityholder Reference Number or Holder Identification Number, and proxyholders will need their proxy code (as noted above).

Technical difficulties

Technical difficulties may arise during the course of the AGM. The chairperson has discretion as to whether and how the AGM should proceed in the event that a technical difficulty arises. In exercising this discretion, the chairperson will have regard to the number of shareholders impacted and the extent to which participation in the business of the AGM is affected.

Where the chairperson considers it appropriate, the chairperson may continue to hold the AGM and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to lodge a proxy in accordance with valid proxy instructions below if they plan to attend online.

Proxies

A shareholder who is entitled to attend and vote at the meeting may appoint up to two proxies to attend and vote on behalf of that shareholder. If you require an additional proxy form, please contact the Company's share registry Link Market Services on +61 1300 554 474.

If a shareholder appoints two proxies, the appointment of the proxies may specify the proportion or the number of that shareholder's votes that each proxy may exercise. If the appointment does not so specify, each proxy may exercise half of the votes. Fractions of votes will be disregarded.

Where a shareholder appoints more than one proxy, neither proxy is entitled to vote on a show of hands.

A proxy need not be a shareholder of DGL.

To be effective, DGL must receive the completed proxy form and, if the form is signed by the shareholder's attorney, the authority under which the proxy form is signed (or a certified copy of the authority) by no later than 11am (Melbourne time) on 30 November 2021.

Proxies may be lodged with DGL, along with the power of attorney or other authority (if any) under which the proxy form is signed:

by mail, to Link Market Services Limited, using the enclosed reply envelope to:

C/- Link Market Services Limited, Locked Bag A14, Sydney, South NSW 1235, Australia.

by facsimile:

+61 2 9287 0309

online, by logging into the following website address:

www.vote.linkmarketservices.com/DGL, using the holding details as shown on your proxy form and select 'voting' and follow the prompts to lodge your vote.

by hand delivery to Link Market Services Limited at Level 12, 680 George Street, Sydney NSW 2000, Australia.

Proxies given by corporate shareholders must be executed in accordance with their constitutions, or signed by a duly authorised officer or attorney.

A proxy may decide whether to vote on any motion, except where the proxy is required by law or the constitution to vote, or abstain from voting, in their capacity as proxy. If a proxy is directed how to vote on an item of business, the proxy may vote on that item only in accordance with the direction. If a proxy is not directed how to vote on an item of business, the proxy may vote as he or she thinks fit.

If a shareholder appoints the chairperson of the meeting as the shareholder's proxy and does not specify how the chairperson is to vote on an item of business, the chairperson will vote, as proxy for that shareholder, in favour of that item on a poll.

Voting by Corporate Representatives

A shareholder or proxy that is a corporation is entitled to attend and vote at the AGM, may appoint an individual to act as its corporate representative. DGL must receive evidence of the appointment of a corporate representative prior to the AGM and the appointment must be in accordance with the *Corporations Act 2001* (Cth) (**Corporations Act**).

Voting by Attorney

A shareholder entitled to attend and vote at the AGM is entitled to appoint an attorney to attend and vote at the AGM on the shareholder's behalf. An attorney need not be a shareholder of DGL.

The power of attorney appointing the attorney must be duly executed and specify the name of each of the shareholder, DGL and the attorney, and also specify the meetings at which the appointment may be used. The appointment may be a standing one.

To be effective, the power of attorney must also be returned in the same manner, and by the same time, as outlined above for proxy appointment forms.

Evidence of execution

If any instrument (including a proxy appointment form or appointment of corporate representative) returned to DGL is completed by an individual or a corporation under power of attorney, the power of attorney under which the instrument is signed, or a certified copy of that power of attorney, must accompany the instrument unless the power of attorney has previously been noted by DGL or DGL's share registry.

Voting Exclusions

The Corporations Act and the ASX Listing Rules require that certain persons must not vote, and that DGL must disregard any votes cast by or on behalf of certain persons, on the resolutions to be considered at the AGM. These voting exclusions are described below.

Voting Exclusions for Item 2 – Adoption of the Remuneration Report

DGL will disregard any votes cast on the resolution proposed in item 2:

- (a) by or on behalf of any Key Management Personnel (**KMP**) member whose remuneration details are included in the Remuneration Report, or any of their closely related parties, regardless of the capacity in which the votes are cast; or
- (b) by any person who is a KMP member at the date of the AGM, or any of their closely related parties, as a proxy,

unless the votes are cast as a proxy for a person who is entitled to vote on item 2:

- (c) in accordance with their directions on how to vote as set out in the proxy appointment; or
- (d) by the Chair of the AGM in accordance with an express authorisation in the proxy appointment to cast the votes even if item 2 is connected directly or indirectly with the remuneration of a KMP member.

If you are a member of the KMP or a closely related party of a member of the KMP (or are acting on behalf of any such person) and purport to cast a vote on item 2 that vote will be disregarded by DGL (as indicated above). You may also be liable for breach of the voting restrictions in the Corporations Act if you cast a vote that DGL will disregard.

Voting Exclusions for Items 5, 6, 7, 8 and 9 – Ratification of issue of securities to Opal Australasia, Labels Connect, Aquapac, AUSblue and Profill vendors

DGL will disregard any votes cast in favour of the resolutions proposed in items 5, 6, 7, 8 and 9 respectively by or on behalf of:

- (a) a person who participated in the issue or is a counterparty to the agreement being approved which is the subject of the relevant resolution; or
- (b) an associate of that person (or those persons).

However, DGL need not disregard a vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the item, in accordance with the directions given to the proxy or attorney to vote on the item in that way;
- (b) the Chair of the AGM as proxy or attorney for a person who is entitled to vote on the item, in accordance with a direction given to the Chair to vote on the item as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the item; and
 - (ii) the holder votes on the item in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Exclusions for Item 10 – Approval for issue of securities to a related party

DGL will disregard any votes cast in favour of the resolution proposed in item 10 by or on behalf of:

- (a) Simon Henry (or his nominee) or any other person who will obtain a material benefit as a result of the issue of the Repayment Shares (as defined below) (except a benefit solely by reason of being a holder of ordinary securities in DGL); or
- (b) an associate of that person.

However, DGL need not disregard a vote if it is cast by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the item, in accordance with the directions given to the proxy or attorney to vote on the item in that way;
- (b) the Chair of the AGM as proxy or attorney for a person who is entitled to vote on the item, in accordance with a direction given to the Chair to vote on the item as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the item; and
 - (ii) the holder votes on the item in accordance with directions given by the beneficiary to the holder to vote in that way.

Defined terms used in these Voting Exclusions

For the purposes of these voting exclusions:

The **KMP** are those persons having authority and responsibility for planning, directing and controlling the activities of the DGL consolidated group, either directly or indirectly. This includes all Directors (Executive and Non-Executive). The KMP for the DGL consolidated group during the year ended 30 June 2021 are listed in a section titled 'Key Management Personnel' in DGL's Annual Report for the year ended 30 June 2021.

A **closely related party** of a KMP member means:

- (a) a spouse or child of the member; or
- (b) a child of the member's spouse; or
- (c) a dependant of the member or of the member's spouse; or
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealings with the DGL consolidated group; or
- (e) a company the member controls.

DGL will also apply these voting exclusions to persons appointed as an attorney by a shareholder to attend and vote at the AGM under a power of attorney, as if they were appointed as a proxy.

Explanatory Memorandum

1. Item 1 – Financial statements and reports

The *Corporations Act 2001* (Cth) (**Corporations Act**) requires the financial report (which includes the financial statements and Directors declaration), the Directors' Report and Auditor's Report to be laid before the AGM. There is no requirement either in the Corporations Act or DGL's constitution for shareholders to approve the financial report, the Directors' Report or the Auditor's Report.

This agenda item is intended to provide shareholders with the opportunity to raise questions on the financial statements and reports contained in DGL's 2021 Annual Report, and on the performance of DGL generally.

Shareholders will be given a reasonable opportunity at the meeting to ask questions and make comments on these reports. It is not the purpose of the meeting for the financial statements and reports to be accepted, rejected or modified in any way.

2. Item 2 – Adoption of Remuneration Report

The Corporations Act requires DGL to include in the Directors' Report a detailed remuneration report setting out certain prescribed information relating to Directors' and executives' remuneration (**Remuneration Report**) and submit this for adoption by resolution of the shareholders at the AGM.

Please refer to page 10 of DGL's 2021 Annual Report, which sets out the Remuneration Report. A copy of the 2021 Annual Report can be found on DGL's website at www.dglinvestors.com/investor-centre/?page=Results-centre or by contacting DGL's share registry, Link Market Services.

The Remuneration Report includes:

- (a) an explanation of DGL's remuneration strategy and guiding principles;
- (b) an explanation of DGL's policies in relation to the nature and amount of the remuneration of the KMP;
- (c) a description of the relationship between such policies and DGL's performance;
- (d) if an element of remuneration is performance based, an explanation why the performance conditions were chosen and how performance is measured against those conditions; and
- (e) remuneration details for the KMP.

During this item, there will be an opportunity for shareholders at the meeting to comment on and ask questions about the Remuneration Report and shareholders are asked to adopt the Remuneration Report.

The vote on the resolution in item 2 is advisory only and will not bind the Directors or DGL. However, the Board recognises the vote is an indication of shareholder sentiment and will take the outcome of the vote into consideration when reviewing DGL's remuneration practices and policies.

Under the Corporations Act, if at least 25% of the votes cast on the resolution in item 2 at the AGM are against adoption of the Remuneration Report, then:

- (a) if comments are made on the Remuneration Report at the AGM, DGL's remuneration report for the financial year ending 30 June 2022 will be required to include an explanation of the Board's proposed action in response or, if no action is proposed, the Board's reasons for taking no action; and
- (b) if subsequently, at DGL's 2022 Annual General Meeting, at least 25% of the votes cast on the resolution for adoption of the Remuneration Report for that financial year are cast against its adoption, DGL will be required to put to shareholders a resolution proposing that a general meeting (**Spill Meeting**) be called to consider the election of all Directors (other than any managing director) of DGL (**Spill Meeting Resolution**). The Spill Meeting

must be held within 90 days of the date of the 2022 Annual General Meeting. For any Spill Meeting Resolution to be approved, more than 50% of the votes cast on the resolution must be in favour of it. If a Spill Meeting Resolution is passed, all of the Directors (other than any managing Director) will cease to hold office immediately before the end of the Spill Meeting unless re-elected at that meeting.

Recommendation

Noting that each Director has a personal interest in their own remuneration from DGL (as described in the Remuneration Report), and that each Director (or any closely related party of a Director) is excluded from voting their shares on item 2 (as described in the *Voting Exclusions* section above), the Directors unanimously recommend that shareholders vote in favour of item 2 to adopt the Remuneration Report.

The resolution in item 2 is put to the shareholders at the AGM in fulfilment of the obligations of DGL under section 250R(2) of the Corporations Act.

3. Item 3 – Re-election of directors

(a) Re-election of Peter Lowe

On 1 April 2021, Mr Peter Lowe was appointed a Director by the Board. In accordance with clause 63.2 of DGL's constitution, a Director appointed by the Board holds office until the end of the next annual general meeting, at which the Director may be re-elected. Mr Lowe seeks re-election as a Director of DGL.

Mr Lowe's corporate career spanned 30 years over which time he worked for Price Waterhouse Coopers, Fosters Brewing Group where he held a number of finance roles and CFO roles at publicly listed companies United Energy Limited and Utilicorp Inc. He also held CEO roles at Utilicorp Australasia and CPA Australia.

Over the last 15 years he has held a number of directorships on listed, private and government boards.

At present he is Chair of Mayfield Childcare Limited, Lochard Energy Pty Ltd, United Energy Distribution Holdings Pty Ltd and companies within the Australian Gas Infrastructure Group.

The Board has determined that Mr Lowe is an independent Director.

(b) Re-election of Denise Brotherton

On 1 April 2021, Ms Denise Brotherton was appointed a Director by the Board. In accordance with clause 63.2 of DGL's constitution, a Director appointed by the Board holds office until the end of the next annual general meeting, at which the Director may be re-elected. Ms Brotherton seeks re-election as a Director of DGL.

Ms Brotherton is a highly experienced business leader and adviser with more than 27 years' experience working with high growth businesses, including privately-owned and ASX-listed companies. Ms Brotherton is currently director and business leader with Asparq, a boutique wealth management services firm. Ms Brotherton was previously a tax partner at EY.

The Board has determined that Ms Brotherton is an independent Director.

(c) Re-election of Robert McKinnon

On 1 April 2021, Mr Robert McKinnon was appointed a Director by the Board. In accordance with clause 63.2 of DGL's constitution, a Director appointed by the Board holds office until the end of the next annual general meeting, at which the Director may be re-elected. Mr McKinnon seeks re-election as a Director of DGL.

Mr McKinnon has over 40 years' finance and management experience in light manufacturing and industrial sectors in Australia, New Zealand, and Canada. Mr McKinnon has extensive executive and board experience across a diverse range of ASX-listed companies. This includes executive roles in Capral, Austal and Fleetwood. He is currently a non-executive director of Peet Limited. Mr McKinnon is a former non-executive director of Bankwest, Brierty, Programmed Maintenance Services, Tox Free Solutions and M8 Sustainable.

The Board has determined that Mr McKinnon is an independent Director.

(d) Re-election of Robert Sushames

On 1 April 2021, Mr Robert Sushames was appointed a Director by the Board. In accordance with clause 63.2 of DGL's constitution, a Director appointed by the Board holds office until the end of the next annual general meeting, at which the Director may be re-elected. Mr Sushames seeks re-election as a Director of DGL.

Mr Sushames has over 20 years' experience in manufacturing and agricultural chemical industry. Mr Sushames has experience in international procurement, chemical processing plants, contract manufacturing, and warehousing. Mr Sushames has diverse operational experience in small and medium-sized enterprises as a second-generation family business owner.

The Board has determined that Mr Robert Sushames is an executive Director.

Recommendation

The Directors (in each case with the relevant candidate abstaining) unanimously recommend that shareholders vote in favour of the respective re-election of each of the above candidates.

4. Item 4 – Appointment of auditor

On 13 April 2021, the Board appointed PKF Melbourne Audit & Assurance Pty Ltd (**PKF**) as auditor of DGL in accordance with section 327A(1) of the Corporations Act. Under section 327A(2) of the Corporations Act, PKF holds office until DGL's first annual general meeting, being the meeting to be held on Thursday, 2 December 2021.

PKF has given its consent to act as external auditor of DGL.

DGL now seeks shareholder approval for the appointment of PKF as auditor of DGL in accordance with section 327B of the Corporations Act.

In accordance with section 328B(1) of the Corporations Act, notice in writing nominating PKF as auditor has been given to DGL by a shareholder. A copy of this notice is contained in Attachment A to this Notice.

PKF has provided to DGL, and has not withdrawn, its written consent to act as DGL's auditor in accordance with section 328A(1) of the Corporations Act.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of item 4.

5. Item 5 – Ratification of prior issue of securities to Opal Australasia vendors

On 1 September 2021 (**Opal Issue Date**), DGL issued fully paid ordinary shares in DGL to the former shareholders of Opal Australasia Pty Ltd ACN 103 454 879 (**Opal Australasia**) as part of the purchase price paid by DGL for the acquisition of 100% of the shares in Opal Australasia, as announced to the ASX on 4 August 2021 (**Opal Issue**). The details required by ASX Listing Rule 7.5 are set out below. Further information regarding the acquisition of Opal Australasia is set out in the ASX announcement dated 4 August 2021.

The name(s) of the person(s) to whom DGL issued the securities, or the basis on which those persons were identified or selected.	Nine Lions Pty Ltd as trustee for the Park Family Trust; and John Ronal Horley as trustee for the Horley Family Trust.
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The number and class of securities DGL issued.	1,366,906 fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares.
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If the securities are not fully paid ordinary securities, a summary of	N/A, the shares are fully paid ordinary shares.
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the material terms of the securities.

The date(s) on which the securities were issued.	1 September 2021.
The price or other consideration DGL has received for the issue.	DGL acquired Opal Australasia for \$8.6 million. The acquisition was funded by both cash and shares, with the share component valued at \$1.9 million.
The purpose of the issue, including the use or intended use of any funds raised by the issue.	As part of the purchase price paid by the Company for the acquisition of Opal Australasia.
If the securities were issued under an agreement, a summary of any material terms of the agreement.	<p>The acquisition price includes property valued at approximately \$4.3 million and represents a valuation of 5.1 x LTM earnings.</p> <p>The acquisition was funded by both cash and shares.</p> <p>The securities are subject to a 12-month escrow period ending on 1 September 2022.</p>
If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover.	N/A.
Voting exclusions	Please refer to page 8 for details on this voting exclusion.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Opal Issue does not fit within any of these exceptions and, as it has not yet been approved by DGL's shareholders, the issue of the above shares was within the 15% limitation imposed by ASX Listing Rule 7.1.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. Such subsequent approval means the prior issue of shares is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1, and thereby refreshes DGL's ability in the future to issue up to 15% of its share capital without obtaining prior shareholder approval to the extent of the number of shares being approved under this resolution.

DGL wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under ASX Listing Rule 7.1. To this end, item 5 seeks shareholder approval to the Opal Issue under and for the purposes of ASX Listing Rule 7.4.

If the resolution proposed in item 5 is not passed, the Opal Issue will be included in calculating DGL's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Opal Issue Date.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of item 5.

6. Item 6 – Ratification of prior issue of securities to Labels Connect vendor

On 1 October 2021 (**AHP Issue Date**), DGL issued fully paid ordinary shares in DGL to AA Hitech Printers Pty Ltd ACN 119 999 727 (**AHP**) as part of the purchase price paid by the Company to AHP for the acquisition of its Labels Connect business, as announced to the ASX on 5 July 2021

(AHP Issue). The details required by ASX Listing Rule 7.5 are set out below. Further information regarding the acquisition of the Labels Connect business is set out in the ASX announcement dated 5 July 2021.

The name(s) of the person(s) to whom DGL issued the securities, or the basis on which those persons were identified or selected.	AA Hitech Printers Pty Ltd ACN 119 999 727.
The number and class of securities DGL issued.	909,090 fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares.
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.	N/A, the shares are fully paid ordinary shares.
The date(s) on which the securities were issued.	1 October 2021.
The price or other consideration DGL has received for the issue.	The acquisition of the Labels Connect business was funded by both cash and shares, with the share component being 909,090 fully paid ordinary shares issued at \$1.10 per share.
The purpose of the issue, including the use or intended use of any funds raised by the issue.	As part of the purchase price paid by DGL to AHP for the acquisition of the Labels Connect business.
If the securities were issued under an agreement, a summary of any material terms of the agreement.	The acquisition included a cash payment of \$550,000. The securities are subject to a 6-month escrow period ending on 1 January 2022.
If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover.	N/A.
Voting exclusions	Please refer to page 8 for details on this voting exclusion.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The AHP Issue does not fit within any of these exceptions and, as it has not yet been approved by DGL's shareholders, the issue of the above shares was within the 15% limitation imposed by ASX Listing Rule 7.1.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. Such subsequent approval means the prior issue of shares is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1, and thereby refreshes DGL's ability in the future to issue up to 15% of its share capital without obtaining prior shareholder approval to the extent of the number of shares being approved under this resolution.

DGL wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under ASX Listing Rule 7.1. To this end, item 6 seeks shareholder approval to the AHP Issue under and for the purposes of ASX Listing Rule 7.4.

If the resolution proposed in item 6 is not passed, the AHP Issue will be included in calculating DGL's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the AHP Issue Date.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of item 6.

7. Item 7 – Ratification of prior issue of securities to Aquapac

On 1 October 2021 (**Aquapac Issue Date**), DGL issued fully paid ordinary shares in DGL to Aquapac Pty Ltd ACN 114 118 311 (**Aquapac**) as part of the purchase price paid by DGL to Aquapac for the acquisition of the Aquapac business, as announced to the ASX on 21 September 2021 (**Aquapac Issue**). The details required by ASX Listing Rule 7.5 are set out below. Further information regarding the acquisition of the Aquapac business is set out in the ASX announcement dated 21 September 2021.

The name(s) of the person(s) to whom DGL issued the securities, or the basis on which those persons were identified or selected.	Aquapac Pty Ltd ACN 114 118 311.
The number and class of securities DGL issued.	1,428,571 fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares.
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.	N/A, the shares are fully paid ordinary shares.
The date(s) on which the securities were issued.	1 October 2021.
The price or other consideration DGL has received for the issue.	DGL acquired the Aquapac business for \$8 million. The acquisition was funded by both cash and shares, with the share component valued at \$2 million.
The purpose of the issue, including the use or intended use of any funds raised by the issue.	As part of the purchase price paid by DGL for the acquisition of the Aquapac business.
If the securities were issued under an agreement, a summary of any material terms of the agreement.	<p>The acquisition price of \$8 million represents a valuation of 5.4x the last twelve months' earnings.</p> <p>The acquisition will be funded by both cash and shares.</p> <p>The acquisition price includes property valued at approximately \$3.4 million.</p> <p>The securities are subject to a 6-month escrow period ending on 1 April 2022.</p>
If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover.	N/A.
Voting exclusions	Please refer to page 8 for details on this voting exclusion.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Aquapac Issue does not fit within any of these exceptions and, as it has not yet been approved by DGL's shareholders, the issue of the above shares was within the 15% limitation imposed by ASX Listing Rule 7.1.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. Such subsequent approval means the prior issue of shares is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1, and thereby refreshes DGL's ability in the future to issue up to 15% of its share capital without obtaining prior shareholder approval to the extent of the number of shares being approved under this resolution.

DGL wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under ASX Listing Rule 7.1. To this end, item 7 seeks shareholder approval to the Aquapac Issue under and for the purposes of ASX Listing Rule 7.4.

If the resolution proposed in item 7 is not passed, the Aquapac Issue will be included in calculating DGL's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Aquapac Issue Date.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of item 7.

8. Ratification of prior issue of securities to AUSblue vendors

On 1 November 2021 (**AUSblue Issue Date**), DGL proposes to issue fully paid ordinary shares in DGL to AUSblue Group Pty Ltd ACN 619 358 306 (**AUSblue**) as part of the purchase price paid by DGL for the acquisition of the shares in AUSblue business, as announced to the ASX on 14 October 2021 (**AUSblue Issue**). The details required by ASX Listing Rule 7.5 are set out below. Further information regarding the acquisition of AUSblue is set out in the ASX announcement dated 14 October 2021.

The name(s) of the person(s) to whom DGL issued the securities, or the basis on which those persons were identified or selected.	AUSblue Group Pty Ltd ACN 619 358 306
The number and class of securities DGL issued.	4,539,470 fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares.
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.	N/A, the shares are fully paid ordinary shares.
The date(s) on which the securities were issued.	1 November 2021.
The price or other consideration DGL has received for the issue.	DGL acquired the AUSblue business for an acquisition price consisting of \$2.2 million in cash and the issue of 4,539,470 fully paid ordinary shares in the capital of DGL.

The purpose of the issue, including the use or intended use of any funds raised by the issue.	As part of the purchase price paid by DGL for the acquisition of AUSblue.
If the securities were issued under an agreement, a summary of any material terms of the agreement.	<p>The acquisition price includes the value of transport vehicles and strategic property leases.</p> <p>For further information refer to DGL's ASX announcement in relation to this transaction dated 14 October 2021.</p> <p>The securities issued are subject to a 6-month escrow period ending on 1 February 2022.</p>
If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover.	N/A.
Voting exclusions	Please refer to page 8 for details on this voting exclusion.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The AUSblue Issue does not fit within any of these exceptions and, as it has not yet been approved by DGL's shareholders, the issue of the above shares will be within the 15% limitation imposed by ASX Listing Rule 7.1.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. Such subsequent approval means the prior issue of shares is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1, and thereby refreshes DGL's ability in the future to issue up to 15% of its share capital without obtaining prior shareholder approval to the extent of the number of shares being approved under this resolution.

DGL wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under ASX Listing Rule 7.1. To this end, item 8 seeks shareholder approval to the AUSblue Issue under and for the purposes of ASX Listing Rule 7.4.

If the resolution proposed in item 8 is not passed, the AUSblue Issue will be included in calculating DGL's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the AUSblue Issue Date.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of item 8.

9. Ratification of prior issue of securities to Profill Industries Pty Ltd (Profill)

On 1 November 2021 (**Profill Date**), DGL will issue fully paid ordinary shares in DGL to Profill Industries Pty Ltd ACN 142 683 127 (**Profill Industries**) as part of the purchase price paid by DGL the acquisition of the Profill business, as announced to the ASX on 18 October 2021 (**Profill Industries Issue**). The details required by ASX Listing Rule 7.5 are set out below. Further information regarding the acquisition of Profill is set out in the ASX announcement dated 18 October 2021.

The name(s) of the person(s) to whom DGL issued the securities,	Profill Industries Pty Ltd ACN 142 683 127
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or the basis on which those persons were identified or selected.

The number and class of securities DGL issued.	3,928,571 fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares.
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.	N/A, the shares are fully paid ordinary shares.
The date(s) on which the securities were issued.	1 November 2021.
The price or other consideration DGL has received for the issue.	DGL acquired the Profill business for \$7.65 million. The acquisition was funded by both cash and shares, with the share component valued at \$5.5million.
The purpose of the issue, including the use or intended use of any funds raised by the issue.	As part of the purchase price paid by the Company for the acquisition of Profill business.
If the securities were issued under an agreement, a summary of any material terms of the agreement.	<p>The acquisition price includes the Profill business which provides chemical manufacturing, blending and packaging services across Australia and leases of multiple warehouse and manufacturing facilities in WA.</p> <p>For further information refer to DGL's ASX announcement in relation to this transaction dated 29 September 2021.</p> <p>The securities issued are subject to a 6-month escrow period ending on 1 May 2022.</p>
If the securities are being issued under, or to fund, a reverse takeover, information about the reverse takeover.	N/A.
Voting exclusions	Please refer to page 8 for details on this voting exclusion.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

The Profill Issue does not fit within any of these exceptions and, as it has not yet been approved by DGL's shareholders, the issue of the above shares was within the 15% limitation imposed by ASX Listing Rule 7.1.

ASX Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. Such subsequent approval means the prior issue of shares is treated as having been made with shareholder approval for the purposes of ASX Listing Rule 7.1, and thereby refreshes DGL's ability in the future to issue up to 15% of its share capital without obtaining prior shareholder approval to the extent of the number of shares being approved under this resolution.

DGL wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain shareholder approval for such issues under ASX Listing Rule 7.1.

To this end, item 9 seeks shareholder approval to the Profill Issue under and for the purposes of ASX Listing Rule 7.4.

If the resolution proposed in item 9 is not passed, the Profill Issue will be included in calculating DGL's 15% limit in ASX Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without shareholder approval over the 12-month period following the Profill Issue Date.

Recommendation

The Directors unanimously recommend that shareholders vote in favour of item 9.

10. Item 10 – Approval of issue of securities to a related party

The resolution in item 10 seeks shareholder approval for the issue of fully paid ordinary shares in the capital of DGL (**Repayment Shares**) to Simon Henry in full and complete satisfaction of DGL's obligation to repay \$7,055,351.36 to Simon Henry under the following loan agreements:

- (a) a loan agreement between DGL, as borrower, and Simon Henry, as lender, dated on or **around 31 December 2020 (DGL Loan Agreement)**; and
- (b) a loan agreement between DGL Warehousing & Distribution Pty Ltd ACN 625 569 922 (**DGL W&D**), as borrower, and Simon Henry, as lender, dated on or around 31 December 2020 (**DGL W&D Loan Agreement**),

(and together, the **Loan Agreements**), which were entered into to provide working capital for the DGL entities.

Further details of the Loan Agreements are set out in Section 4 of DGL's prospectus which was lodged with ASIC on 5 May 2021.

The aggregate net amount (allowing for withholding tax) owing to Simon Henry as at 19 October 2021 is \$7,055,351.36 comprising \$5,907,321.63 owed by DGL and \$1,148,029.73 owed by DGL W&D (**Loan Amounts**).

Interest accrues under the Loan Agreements at an interest rate of 2.5% per annum, or such other rate as the parties may agree in writing from time to time, from month to month and calculated on a calendar monthly basis.

The Loan Agreements allows the borrowers (being DGL and DGL W&D) to repay their respective Loan Amounts or any portion of them earlier than required under the relevant Loan Agreements (**Early Repayment**).

It is proposed that DGL's and DGL W&D's obligation to repay the respective Loan Amounts to Simon Henry will be satisfied by the issue of the Repayment Shares.

The number of Repayment Shares will be determined on the repayment date in accordance with the following formula:

$$\text{Repayment Shares} = \frac{\text{Loan Amount}}{\text{Share Price}}$$

Where the '**Share Price**' is: the higher of the closing price of fully paid ordinary shares in DGL on the date of the AGM or the previous 5-day trading Volume Weighted Average Price immediately prior to shareholder approval being granted, assuming shareholders approve the resolution in item 10.

Worked examples

Assuming a Loan Amount of \$7,055,351.36 (being the expected Loan Amount as at the 30 November 2021) (**LA1**), and a potential closing price of fully paid ordinary shares in DGL on the date of the AGM of \$3.05 (**CP1**), then the number of Repayment Shares will be

$$\text{Example 1} \quad \text{Repayment Shares} = \frac{\text{LA1}}{\text{CP1}} = 2,313,230$$

Assuming a Loan Amount of \$7,055,351.36 (being the expected Loan Amount as at the 30 November 2021) (**LA2**), and a potential closing price of fully paid ordinary shares in DGL on the date of the AGM of \$3.20 (**CP2**), then the number of Repayment Shares will be

$$\text{Example 2} \quad \text{Repayment Shares} = \frac{\text{LA2}}{\text{CP2}} = 2,204,797$$

The Repayment Shares will be subject to a voluntary escrow period ending on 20 May 2023 (on the second anniversary of DGL's listing date), which is consistent with Simon Henry's existing voluntary escrow arrangements.

Simon Henry is a related party of DGL by virtue of being a director of DGL.

The Board considers that the Early Repayment by the issue of the Repayment Shares is beneficial to DGL as this will settle the existing liability under the Loan Agreements without depleting cash resources of the DGL group and allows earlier removal of the liability from DGL's balance sheet increasing the net asset position. The Early Repayment also benefits DGL and DGL W&D as it reduces the total interest payable under the Loan Agreements.

The Early Repayment also removes a related party transaction from the operations of the Group. The Board supports this as a preferable position and in the spirit of best practice corporate governance principles and therefore unanimously approved (Simon Henry abstaining) the Early Repayment.

Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act prohibits a public company from giving a financial benefit to a related party of the public company unless either:

- (a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- (b) prior shareholder approval is obtained to the giving of the financial benefit.

Financial benefit is also defined broadly and includes issuing securities to a related party. It is necessary to look at the economic and commercial substance and the effect of the transaction in determining the financial benefit. The Corporations Act requires that any consideration that is given is disregarded, even if the consideration is adequate.

Notwithstanding the above, the Directors (excluding Simon Henry) consider that shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the Early Repayment (or the issue of the Repayment Shares) as they fall under an available exception under Chapter 2E of the Corporations Act, including on the basis that:

- (a) the Repayment Shares will be valued at the relevant market price for fully paid ordinary shares in DGL (and the number of Repayment Shares determined using that market price);
- (b) Simon Henry was excluded from the Board discussions in relation to the Early Repayment;
- (c) repayment of the Loan Amounts through the issue of the Repayment Shares will enable the DGL group to retain its cash resources;
- (d) early removal of the liability from DGL's balance sheet;
- (e) increases the net asset position; and
- (f) increases headroom with existing banking covenants;

ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that a listed entity must not issue or agree to issue equity securities to a related party without the approval of the holders of ordinary securities. The following information is provided in accordance with ASX Listing Rule 10.13:

The name(s) of the person(s) to whom DGL wishes to issue the securities.	Simon Henry
The category in ASX Listing Rules 10.11.1 – 10.11.5 the person falls within and why.	Simon Henry is a related party of DGL by virtue of being a director of DGL and accordingly falls under ASX Listing Rule 10.11.1.
The number and class of securities to be issued to the person(s).	Fully paid ordinary shares ranking equally with all other existing fully paid ordinary shares. The number of Repayment Shares to be issued will be determined in accordance with the formula set out in this Explanatory Memorandum (please see the formula and worked examples above).
If the securities are not fully paid ordinary securities, a summary of the material terms of the securities.	N/A, they are fully paid ordinary shares.
The date or dates on or by which the entity will issue the securities, which must not be more than 1 month after the date of the meeting.	It is currently proposed that the Repayment Shares be issued on the date on which the requisite shareholder approval is obtained, and in any event no more than 1 month after the date of this meeting.
The price or other consideration the entity will receive for the issue.	Full and final settlement of the liability owing by DGL and DGL W&D under their respective Loan Agreement.
The purpose of the issue, including the intended use of any funds raised by the issue.	Full and final settlement of the liability owing by DGL and DGL W&D under their respective Loan Agreement.
If the person is: <ul style="list-style-type: none">• a director and therefore a related party under rule 10.11.1; or• an associate of, or person connected with, a director under rules 10.11.4 or 10.14.5, and the issue is intended to remunerate or incentivise the director, details (including the amount) of the director's current total remuneration package.	N/A, the issue is not intended or connected with the remuneration or incentivisation of a director.
If the securities are issued under an agreement, a summary of any other material terms of the agreement.	The Repayment Shares will be subject to a voluntary escrow period ending on 20 May 2023 (on the second anniversary of DGL's listing date), which is consistent with Simon Henry's existing voluntary escrow arrangements.

Voting exclusions

Please refer to page 8 for details on this voting exclusion.

Broadly speaking, and subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of equity securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. An issue of securities made with the approval of the holders of the entity's ordinary securities under ASX Listing Rule 10.11 is an exception to ASX Listing Rule 7.1.

If the resolution in item 10 is passed, DGL will be able to proceed with the Early Repayment and the Repayment Shares will not be included in calculating DGL's 15% limit in ASX Listing Rule 7.1, effectively increasing the number of equity securities it can issue without shareholder approval over the 12-month period following the date of issue of the Repayment Shares.

If the resolution in item 10 is not passed, the Early Repayment will not proceed under its current terms.

Recommendation

The Directors (with Simon Henry abstaining) unanimously recommend that shareholders vote in favour of item 10.

Attachment A – Notice of Nomination of Auditor of DGL Group Limited

25 October 2021

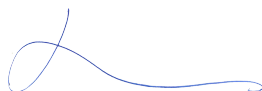
Mr Andrew Draffin
Company Secretary
DGL Group Limited
Level 4
91 William Street
MELBOURNE VIC 3000

Nomination of Auditor

Dear Andrew,

In accordance with the provision of section 328B of the *Corporations Act 2001* (Cth), I, Simon Henry, being a member of DGL Group Limited ACN 002 802 646 (**Company**) hereby nominate PKF Melbourne Audit & Assurance Pty Ltd to be appointed as the auditor of the Company.

Yours sincerely,



Simon Henry