

ASX RELEASE

17^h February, 2022

DGL acquires ALM adding hazardous product sample freight service

Melbourne, Australia - DGL Group Limited (ASX:DGL) (NZX:DGC), (“**DGL**” or the “**Company**”), a specialist chemicals business that manufactures, transports, stores and processes chemicals and hazardous waste, today announced the strategic acquisition of Australian Logistics Management (ALM) for \$1.25 million. In addition, DGL has agreed to acquire strategic licenced property for \$2.4M currently leased by ALM.

With over 20 years’ experience, ALM offers safe and reliable transport for dangerous and hazardous materials, focusing on sampling, specialised packing, compliance, and freight service of product samples. ALM packs and sends over 7,000 product samples per year for some of the world’s largest chemical and agriculture companies.

ALM has extensive IP in the very specialised small hazardous sample freight sector. DGL Warehousing and Distribution will integrate this into its offering, scaling it through DGL’s existing customer base and within the wider DGL group.

Founder and CEO of DGL, Simon Henry, said: “Through the acquisition of ALM we are expanding our service offering to our customers, providing them with additional services and capabilities to align with their needs.”

The acquisition price of the business and property consists of:

- (a) a cash payment of \$0.83M;
- (b) the issue of fully paid ordinary shares in the capital of DGL Group representing a value of \$416,666.66. The issue price per share will be based on the 5-day VWAP as at the close of trade on the last trading day of the Purchaser's shares immediately prior to Completion Date, anticipated to be 28 February 2022; and
- (c) the acquisition of property will be funded through the current working capital facilities of the business.

- ENDS -

Approved for release by the Board of DGL.

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ABOUT DGL GROUP LIMITED

DGL is a long-established, founder-led, end to end chemicals business that manufactures, transports, stores and manages the processing of chemicals and hazardous waste. The company operates a network of 53 sites, both owned and leased, across Australia and New Zealand. The company has a strong track record of revenue and earnings growth.