

ASX RELEASE

30th August 2022

DGL Group announces four strategic acquisitions

Melbourne, Australia - DGL Group Limited (ASX: DGL), ("DGL" or the "Company"), a diversified industrial group that manufactures, transports, stores and processes chemicals and hazardous waste, today announced four acquisitions to be undertaken over the coming months.

DGL's strategy continues to be focused on growing organically and through acquisitions. Combining these new acquisitions with existing DGL's capabilities will provide strategic value and offer unique solutions into the agricultural, mining, industrial, municipal and industrial sectors.

The acquisitions are subject to contractual conditions being met by the Vendors. Conditions are expected to be met by the proposed settlement dates. We will further advise the market once settlement takes place.

| | Purchase Price | Cash | DGL Shares |
|----------------|--|-------------|---|
| Aquadex | \$7M | \$0.7M | \$6.3M priced at a 5-day VWAP up to 31 August 2022. |
| | Aquadex's cutting edge Chlorine manufacturing process reduces the environmental impact by utilising clean technology that can be co-located on municipal and mining sites. | | |
| | Aquadex allows DGL to further extend the Chemical Manufacturing divisions service offering into municipal water and waste across Australia, New Zealand, and further afield using new generation technology. | | |
| | Settlement date is expected to be around 1 October 2022. | | |

| | Purchase Price | Cash | DGL Shares |
|------------|--|-------------|--|
| BTX | \$7.25M | \$5.8M | \$1.45M priced at a 5-day VWAP up to 31 August 2022. |
| | <p>BTX's success nationally in waste management solutions for liquid waste treatment has been achieved through its extensive intellectual property in water treatment products and services.</p> <p>BTX will become part of the Chemical Manufacturing division but provide solutions across both the Chemical Manufacturing and Environmental Solutions divisions. BTX further enhances both the existing service offering of both divisions and significantly widens the accessible market. BTX also increases the breadth of intellectual property within both divisions.</p> <p>Settlement date is expected to be around 1 October 2022.</p> | | |

| | Purchase Price | Cash | DGL Shares |
|---|---|-------------|--|
| Acacia Ridge Container Park (ARCP) | \$5.0M | \$3.5M | \$1.5M priced at a 5-day VWAP up to settlement date. |
| | <p>ARCP is Queensland's leading ISO bulk tank container and bulk liquid tanker waste management facility. Providing full treatment and management services for bulk chemical transport equipment.</p> <p>The business will form part of the Environmental Solutions service offering but will benefit both the Warehousing and Distribution and Environmental Solutions divisions. ARCP will expand the Environmental Solutions service offering and further utilise the assets of Warehousing and Distribution.</p> <p>Settlement date is expected to be around 1 November 2022.</p> | | |

| | Purchase Price | Cash | DGL Shares |
|------------------------------|---|-----------------|--|
| Clarkson Freightlines | \$6.75m | \$6.25m | \$0.5m priced at a 5-day VWAP up to settlement date. |
| | <p>Clarkson's provides specialised freight services to the mining, infrastructure and agricultural sectors in Western Australia.</p> <p>Clarkson's expands the rapidly growing Group presence in Western Australia and will provide logistics capacity for the recently acquired Temple Warehousing operation and existing DGL operations in Western Australia.</p> <p>Settlement date is expected to be around 5 September 2022.</p> | | |
| Total | \$26.0m | \$16.25m | \$9.75m |

Founder and CEO of DGL, Simon Henry, said: "The acquisition of these companies expands our environmental, manufacturing and logistics capabilities to further support ongoing growth.

These acquisitions are highly strategic, and they will further expand our customer base, our service offerings and our geographical coverage. We can offer multiple services to a broad customer base on one platform, cutting out the need to deal with multiple suppliers. We are also creating a circular solutions business that creates products, fulfils customer needs and recovers valuable resources linking the three divisions together.

We expect these businesses to contribute approximately \$7m of EBITDA earnings on a pro-forma basis."

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Approved for release by the Board of DGL.

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ABOUT DGL GROUP LIMITED

DGL Group (“DGL”) is a well-established, founder-led, end to end diversified industrial group that manufactures, transports, stores and manages the processing of chemicals and hazardous waste. The Company operates a network of sites, both owned and leased, across Australia and New Zealand. DGL has a strong track record of revenue and earnings growth and having listed on the Australian Stock Exchange in 2021, is pursuing a strategy to invest for growth, expanding its capabilities and scale to appeal to a wider customer base.