

ASX RELEASE

20 May 2024

Acquisition of Enlog Pacific Holdings Pty Ltd

DGL Group Limited (ASX:DGL), (DGL Group or the Company) is pleased to announce the proposed acquisition of Enlog Pacific Holdings Pty Ltd (Enlog), a specialist logistics business covering highly regulated materials and industrial services, subject to regulatory approvals.

Enlog commenced operations in 1990, specialising in freight and logistics services for the safe management and transport of hazardous materials. Enlog operates throughout Australia, serving more than 500 customers from 6 capital city sites, with key customers including Government agencies and the oil & gas, energy & resources, and medical industries.

Enlog offers hazardous goods storage and distribution via its road freight division, global ocean freight logistics and airfreight logistics services for a wide variety of industries. Enlog has extensive experience with the safe transport of time sensitive shipments including short half-life radioisotopes, perishable refrigerated shipments, cryogenic cargo requiring special handling with liquid Nitrogen, and explosives. Enlog maintains a wide range of qualifications, authorities and accreditations.

Strategically, the acquisition of Enlog introduces new classes of products and services into the broader DGL network. DGL also sees significant opportunities to expand its existing chemicals manufacturing, logistics and recycling services into the more than 500 customers currently served by Enlog.

DGL considers the acquisition of Enlog to be highly strategic, as it will result in the Company expanding both its customer base and its offering of logistic services to include additional classes of hazardous goods. The acquisition will also allow the expansion of the Company's current sample logistics operation, ALM, at low cost by utilising Enlog's current licensed facilities across Australia.

The acquisition price of \$2.35m represents 2.5 X EBITDA to be funded via a \$2.0m cash payment and \$350,000 via the issue of DGL Group shares at a price equal to the 10-day trading VWAP immediately prior to settlement. The shares will be issued from the Company's existing placement capacity and will be escrowed for a period of 6 months from the date of issue. An Appendix 3B outlining the proposed share issue follows this announcement. The acquisition is conditional on regulatory approval.

Simon Henry, CEO said, *"The acquisition of Enlog expands the breadth and reach of DGL's specialised logistics offering, further entrenching DGL as a diversified and full service operator in the market. The acquisition will also bring significant synergies to DGL's current sample logistics offering, ALM, with the business poised to accelerate growth as a result of the acquisition"*.

- ENDS -

Approved for release by the Board of DGL.

CONTACT

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ABOUT DGL GROUP LIMITED

DGL Group Limited (ASX: DGL) is an established, founder-led, end to end chemicals business that provides a complete solution for the sourcing, manufacturing, storage and transport, recycling, and disposal of chemicals and hazardous waste. DGL operates a comprehensive network to deliver a broad range of specialised chemical services to essential industries across Australia and New Zealand.