

ASX RELEASE

4 June 2021

Growth initiatives underway for DGL with development of a new warehouse in Mount Wellington

Auckland, New Zealand - DGL Group Limited (ASX:DGL) (NZX:DGC), ("**DGL**" or the "**Company**"), is pleased to announce that the Board has approved plans for the development of a new chemicals storage warehouse at the Company's existing Mount Wellington Warehousing and Distribution facility, in Auckland, New Zealand.

The new warehouse will expand the Company's existing commercial footprint in Mount Wellington, Auckland's pre-eminent commercial precinct. Development is expected to cost approximately NZ\$4,500,000, which includes the cost of construction, consents and project management. Construction will commence at the end of July, with completion targeted for the end of the year.

Founder and CEO of DGL, Simon Henry, said: "One week into being a listed company and we're straight back to business, delivering on the initiatives outlined in our prospectus. Driving growth through organic opportunities is an important element of our growth plan and includes maximising the value of our existing assets. This is exactly what we aim to do with the further development of our Mount Wellington site.

"Mount Wellington is a large, sought-after and key distribution hub for the Auckland metro region. The new state-of-the-art facility will provide increased storage for current clients and enable new clients to gain access to the precinct. We expect the warehouse to be fully occupied soon after opening.

"The new warehouse is the first of a number of site expansions planned across the Trans-Tasman in the next 12-months, to ensure that we are able to provide the capacity the industry requires and to further cement our position as the leading service provider to the chemical industry in Australia and New Zealand."

The company acquired the 1.8 ha Mount Wellington site in 2012 and has spent the last nine years developing it into a substantial specialised chemical storage facility. Classified as a Major Hazardous Facility, the Mount Wellington site is currently licensed to store up to 6,000 tonnes across a full spectrum of chemicals. The new warehouse will add an additional 2,000 tonnes of capacity to the Mount Wellington site, taking DGL's total capacity to 128,000 tonnes from Perth to Christchurch.

DGL has awarded the contract to Robert Cunningham Construction, who has over 25 years' experience in the industry. MPM Projects, one of NZ's leading independent

project management organisations, will carry-out the project management. The development will be overseen by Mikayla Aisher, Asset Manager at DGL Group.

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Approved for release by the Board of the Company

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ABOUT DGL GROUP LIMITED

DGL is a well-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 26 sites, both owned and leased, across Australia and New Zealand. The Company has a strong track record of revenue and earnings growth. Total pro-form revenue was \$180.1 million in FY20 and is forecast to increase to \$209.7 million in FY22.