DGL
FY26 Results Presentation

31 August 2026

DGL Group Limited (ASX: DGL)

dglgroup.com

IMPORTANT NOTICE

The FY26 financial results in this presentation are based on the audited financial report for the period ended 30 June 2026, which includes a modification of opinion in relation to opening quantities of inventories. The presentation also includes non-IFRS numbers such as "Underlying EBITDA" and "Underlying NPAT".

The material contained in this presentation is provided for general information purposes only and is intended to be general background information on DGL Group Limited ("DGL"), its subsidiaries ("DGL Group") and DGL Group's activities current as at the date of this document. The information in this presentation is supplied in summary form, is of general background nature and does not purport to be complete. It is not a prospectus, product disclosure statement, pathfinder document or any other disclosure document for the purposes of the Corporations Act and has not been, and is not required to be, lodged with the Australian Securities and Investments Commission. It should not be relied upon by the reader in considering the merits of DGL or the acquisition of securities in DGL. Nothing in this presentation constitutes investment, legal, tax, accounting or other advice and it is not to be relied upon in substitution for the reader's own exercise of independent judgement regarding the operations, financial condition and prospects of DGL or the DGL Group.

The information contained in this presentation does not constitute financial product advice. Before making an investment decision, the reader should consider its own financial situation, objectives and needs, and conduct its own independent investigation and assessment of the contents of this presentation, including obtaining investment, legal, tax, accounting and such other advice as it considers necessary or appropriate. This presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. It is not an invitation or offer to buy or sell, or a solicitation to invest in or refrain from investing in, securities in DGL. The information in this presentation has been obtained from and based on sources believed by DGL to be reliable.

To the maximum extent permitted by law, DGL and the members of the DGL Group make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this presentation. To the maximum extent permitted by law, DGL does not accept any liability (including, without limitation, any liability arising from fault or negligence) for any loss whatsoever arising from the use of this presentation or its contents or otherwise arising in connection with it.

This presentation may contain forward-looking statements, guidance, forecasts, estimates, prospects, projections or statements in relation to future matters ("Forward Statements"). Forward Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimate", "will", "should', "could", "may", "expects", "plans", "forecast", "target" or similar expressions. Forward Statements including indications, guidance or outlook on future revenues, distributions or financial position and performance or return or growth in underlying investments are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. No independent third party has reviewed the reasonableness of any such statements or assumptions. This presentation includes information regarding past performance of DGL and investors should be aware that past performance is not and should not be relied upon as being indicative of future performance.

Neither DGL nor any member of the DGL Group represents or warrants that such Forward Statements will be achieved or will prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this presentation. Except as required by law or regulation, DGL assumes no obligation to release updates or revisions to Forward Statements to reflect any changes.

Investors should note that certain financial data included in this presentation is not recognised under the Australian Accounting Standards ("AAS") and is classified as "non-IFRS financial information" under ASIC Regulatory Guide 230 "Disclosing non-IFRS Financial Information" ("RG 230"). DGL considers that non-IFRS information provides useful information to users in measuring the financial performance and position of DGL. The non-IFRS financial information does not have standardised meanings under the AAS and therefore may not be comparable to similarly titled measures determined in accordance with the AAS. Readers are cautioned therefore not to place undue reliance on any non-IFRS financial information and ratios in this presentation. The reader should note that this presentation may also contain pro-forma financial information. All dollar values are in Australian dollars ($ or A$) unless stated otherwise. Figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding.

DGL is a leading supplier of chemicals, logistics and services to essential industries in Australia, New Zealand and beyond

Overview

Full Year Overview

Revenue reduced 4.8% in FY26 to $457.9m

- Underlying loss after tax of $5.8 million, (FY25 profit: $3.5m)
- Revenues improved 4.4% in H2 vs H1 FY26

Volatile external environment impacted revenue and earnings

- Generally weaker economic conditions, with higher fuel and raw material costs and increased international shipping rates
- Competition from low-cost imports of fully formulated chemical products
- Availability of used lead-acid batteries, and driver shortages leading to increased use of sub-contractors
- Strategic expansion of warehouse and manufacturing facilities also impacted margins as underutilised capacity builds

DGL continued to invest in capacity and systems

- Significant investment in newer, larger facilities to drive higher returns as utilisation increases
- Group HR/Payroll system installed
- ERP system implementation ongoing, some operational issues impacted results, which have been addressed

Outlook

- DGL intends to leverage its comprehensive network of facilities, capabilities and infrastructure to improve profitability
- Our key focus is on improving utilisation, margins and earnings in FY27

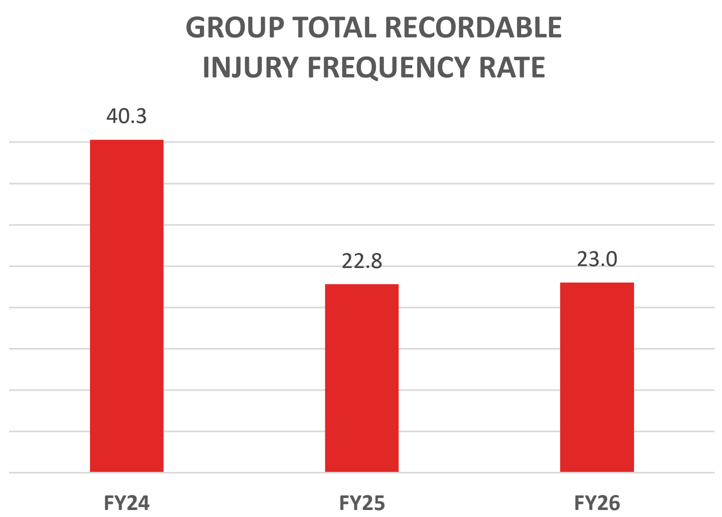
FY26 Financial Overview[1]

$458m Sales Revenue down 4.8% vs PCP	**$41.3m** Underlying EBITDA down 20.7% vs PCP	**($5.8)m** Underlying NPAT Down $9.3m vs PCP	**$15.8m** Cash Flow from Operations vs $44.7m PCP
100% Operating Cash Flow Conversion[2] vs 110% in PCP	**($40.2)m** Statutory NPAT Down $12.3m vs PCP	**$0.69** Net Tangible Assets per Share Down 16% vs PCP	**$93.8m** Net Debt down $0.79m vs 30 June 2025

1. Based on the audited financial report for the year ended 30 June 2026, with the exception of non-IFRS numbers such as “Underlying EBITDA” and “Underlying NPAT”
2. Operating cash flow excluding interest and tax divided by underlying EBITDA

Prioritising the Health and Safety of our People

DGL is committed to maintaining the highest standards of health and safety across all aspects of our operations



TRIFR Calculation: Number of lost time and medical treatment injuries in the reporting period x 1,000,000 / Total hours worked in the reporting period based on head count as at 30th June 2026

Health and Safety initiatives FY26

- Company wide Drug and Alcohol policy introduced
- Heavy vehicle fleet upgraded with Electronic Work Diaries to improve driver fatigue monitoring and record keeping management.
- Continued investment in safety systems, improving visibility and consistency of incident, hazard and training management
- Initiated Group Wide Management of Change Standard across all functions, implementing requirements across priority sites progressively
- Benchmark Safety Management System to industry best practice. Established effective 2nd and 3rd line health score for high-risk safety and environmental sites. Performance enhancements developed and effective standards deployed.
- Improved proactive major hazard and environmental lead indicator reporting to the board. Enhancing Critical Equipment maintenance planning, early risk identification and capability uplift.
- Enhanced injury management and return-to-work practices, supporting improved recovery outcomes and reduced lost time
- Commenced ISO Audit reoccurring theme insight and threads

DGL provides integrated services to essential industries

Manufacturing

Key Industries
- Crop Protection
- Mining
- Automotive
- Water Treatment
- Construction

Services
- Formulation
- Toll Blending
- Product Development
- Down-packing
- Labels & Compliance
- Packaging

Logistics

Warehousing
- Classed Dangerous Goods
- General Goods
- HACCP Accredited Goods
- Pick and Pack
- Container Unpacking Services
- Product Management & Relabelling

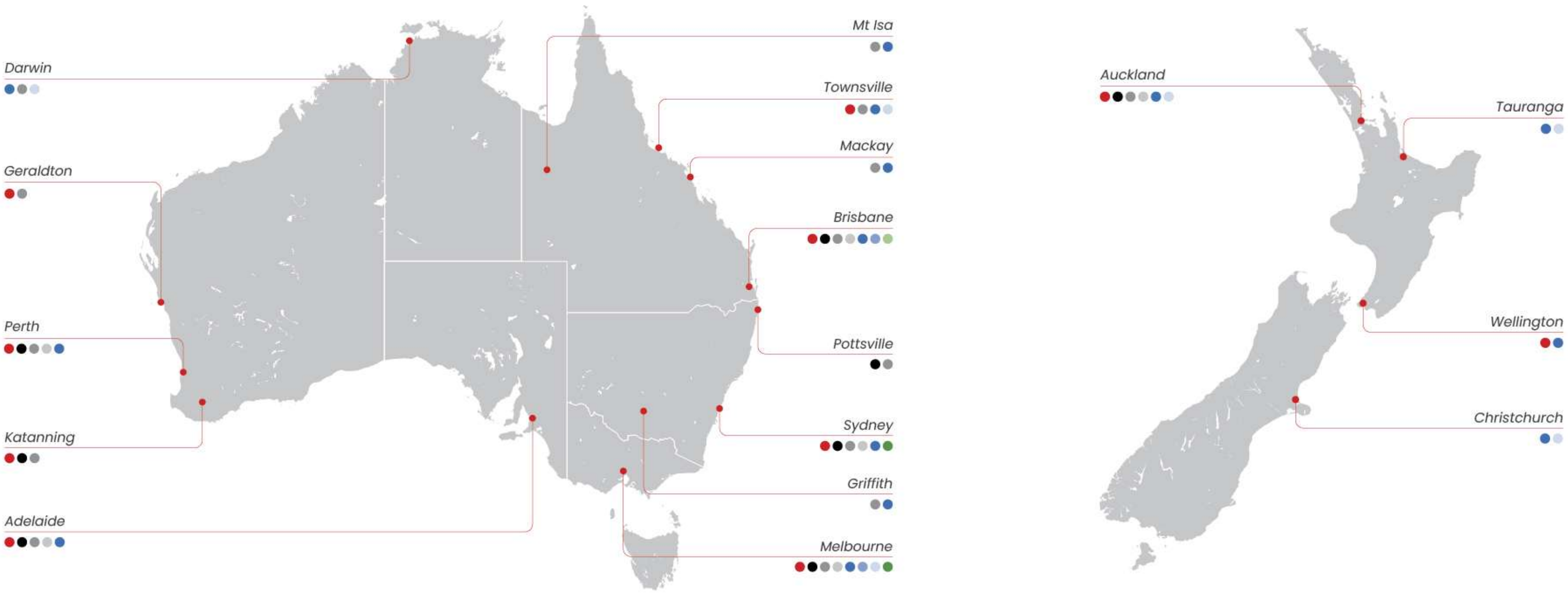
Transport
- Road Freight (intra and interstate)
- Bulk Liquids & Powders
- International Transport
- Steel & Oversize Freight
- Port Services

Environmental Services

Services
- Waste Removal
- Liquid Waste Transport and Treatment
- Recycling
- Tank & Container Cleaning
- Plastic Recycling
- Battery Recycling

Comprehensive trans-Tasman footprint serving all industries

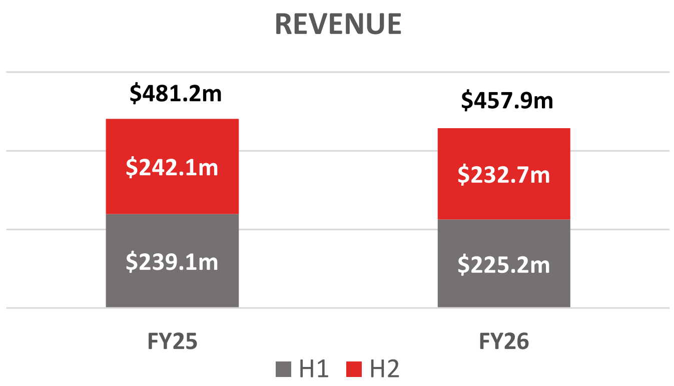
DGL's extensive network supports its role as a leading provider of chemicals, logistics, and services to essential industries in Australia and New Zealand

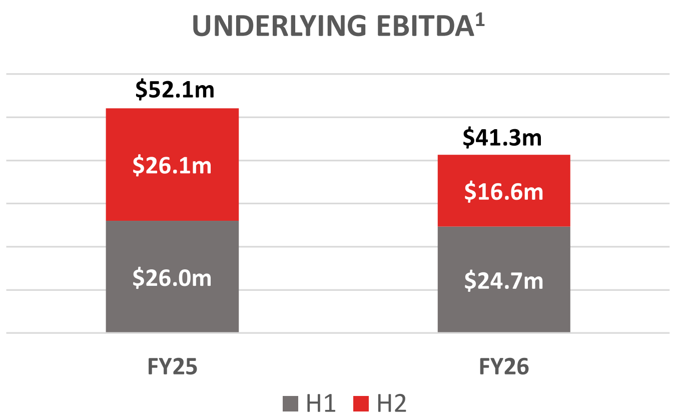


- Warehousing
- Transport
- Global Logistics/Procurement
- Port Services
- Manufacturing
- Laboratory Services
- Labels & Packaging
- Waste Processing
- Container Cleaning & Maintenance

FY26 Financial Results

Financial Performance





1. Non-IFRS measure, not audited

Stable operating performance in a challenging market

- Stronger revenue in Manufacturing and Logistics, but significantly lower in Environmental, primarily due to the closure of DGL's lead acid battery recycling facility in Victoria in late FY25
- Seasonal weather conditions impacted demand for crop protection products
- Earnings were adversely impacted by generally weaker economic conditions, availability of used lead-acid batteries, and driver shortages leading to increased use of subcontractors.
- Margins were also impacted by higher fuel and raw material costs, increased international shipping rates, and low-cost imports of fully-formulated chemical products
- The strategic expansion of warehouse and manufacturing facilities also impacted margins due to underutilised capacity, with improved utilisation a top priority for FY27

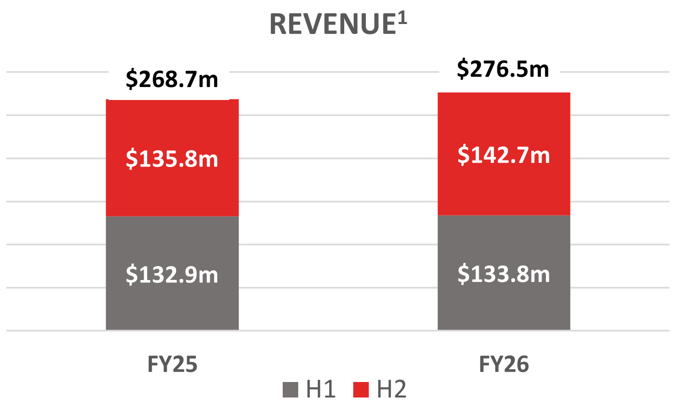
Key Financial Metrics

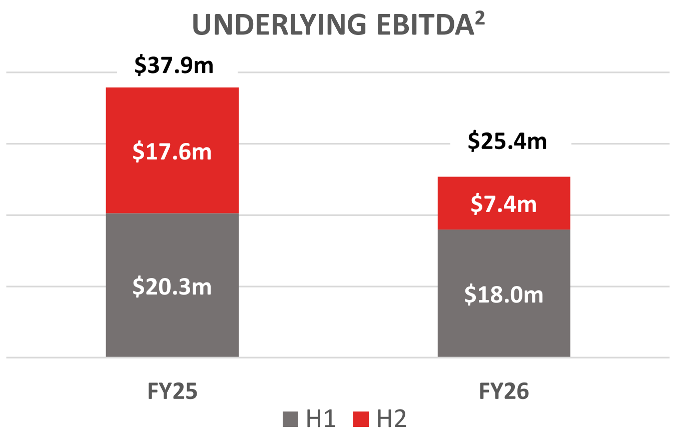
A$ million	FY26	FY25	% Change
Revenue	457.9	481.2	-4.8%
Gross Margin	39.9%	42.3%	-2.4%
Operating Expenses	142.6	153.3	-7.0%
Underlying EBITDA	41.3	52.1	-20.7%
EBITDA	6.9	14.7	-53.0%
Underlying NPAT	(5.8)	3.5	-9.3m
Statutory NPAT	(40.2)	(27.9)	-44.1%
Operating Cash Flow	15.8	44.7	-28.9m

Other Items	FY26	FY25	% Change
Net Debt	93.8	94.6	-0.83%
NTA / Share	0.69	0.81	-15.6%

- **Gross Margin** decrease driven by weaker economic conditions, higher fuel and raw material costs, increased international shipping rates and increased use of subcontractors due to driver shortages
- **Operating Expenses** reduced due to cost reductions in the ULAB business, productivity gains and lower occupancy costs, partly offset by increased legal and professional costs
- **Underlying NPAT** decreased by $9.3m due to a $20.9m lower gross profit, partly offset by a reduction in operating expenses
- **Non-recurring items** include non-cash impairment of Environmental division plant and equipment ($13.8m), impairment of Logistics division goodwill ($14.7) and write downs of chlorine plants held for sale ($2.5m)
- **Operating Cash Flow** reduced, driven by a reduction in gross profit by $21.2m and income tax payments of $11.3m (FY25 $0.8m), of which $9.7m related to prior-year tax adjustments
- **Net Debt** reduced by $0.8m

Divisional Performance - Manufacturing





1. Excludes intercompany transactions
2. Non-IFRS measure, not audited, excludes non-recurring items

Performance

- Revenue increased to $276.5m, up 2.9% compared to FY25
- Profitability declined due to higher overheads and operating costs following a significant facility expansion at the Derrimut facility, and by seasonal weather conditions which reduced demand.
- Highly competitive imports of fully formulated chemical products put pressure on margins and customer growth
- The ERP system roll out caused temporary production and product costing issues early in FY26, impacting production and sales, which has since been resolved

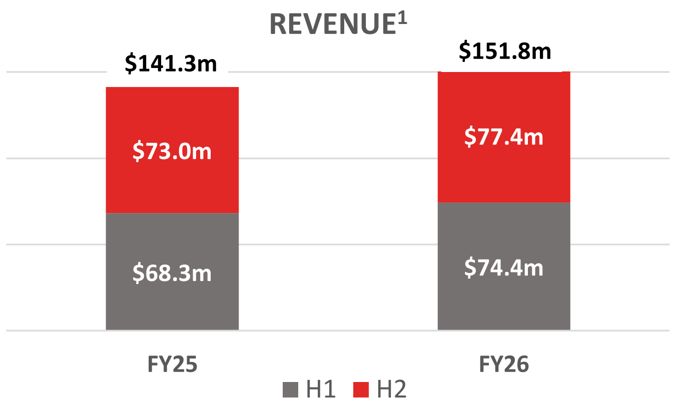
Headwinds

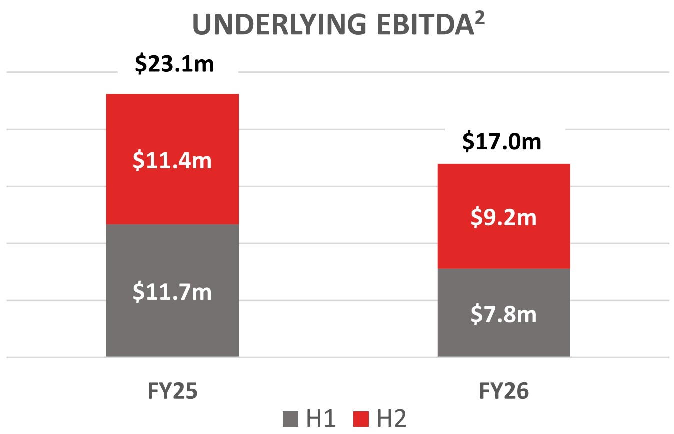
- Competition from fully formulated imported chemicals
- Higher raw material costs due to geo-political condition

Actions to Improve Performance

- Significant capital investment during the year expanded both capacity and capability across the manufacturing network. These investments provide a strong foundation for future growth while enhancing DGL's ability to support customer demand across a wide range of product categories and market sectors.

Divisional Performance - Logistics





1. Excludes intercompany transactions
2. Non-IFRS measure, not audited, excludes non-recurring items

Performance

- Revenue increased to $151.8m, up 7.4% compared to FY25
- Positive response from customers to new and improved facilities
- Benefits from updated technology including RF scanning has improved DIFOT dispatching

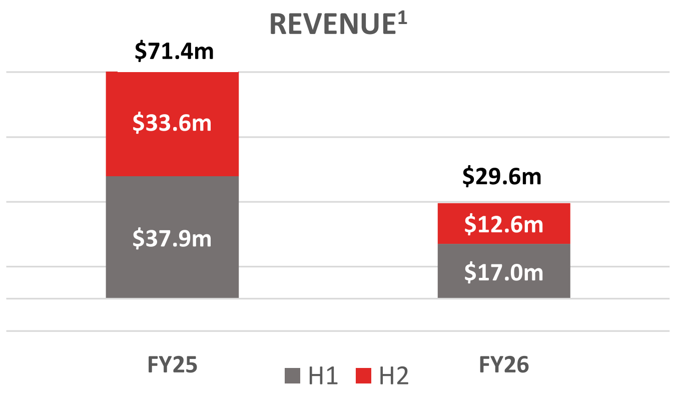
Headwinds

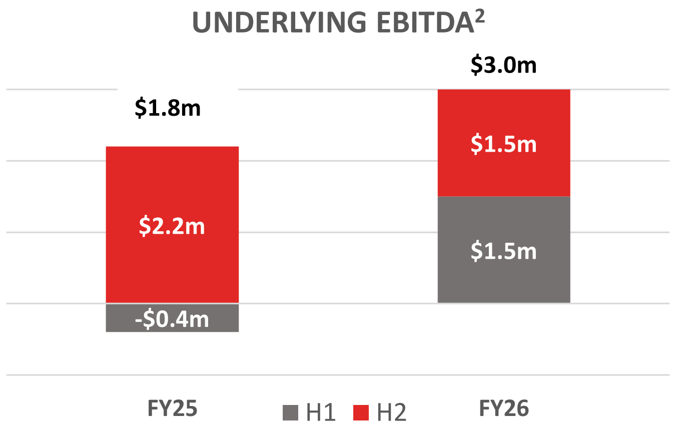
- Transport operations were impacted by higher fuel costs and a shortage of drivers, with increased reliance on subcontractors, leading to higher operating costs
- Outlook on fuel costs is uncertain

Actions to Improve Performance

- Focus on increasing utilisation of expanded warehouse facilities in NSW, SA, WA and Christchurch NZ are expected to drive incremental revenue and earnings growth
- Improved hiring of drivers in late FY26, combined with improved utilisation of DGL's fleet, expected to drive margin improvement in FY27
- Investment in new trucks and trailing equipment to improve efficiency

Divisional Performance – Environmental Services





1. Excludes intercompany transactions
2. Non-IFRS measure, not audited, excludes non-recurring items

Performance

- The substantial reduction in revenue was primarily due to the sale of DGL's loss-making Victorian ULAB facility, and reduced availability of ULABs for recycling
- Improved profitability due to rationalisation of overheads at the NSW ULAB processing site, and the sale of the loss-making ULAB site in Victoria
- Civil works for the new liquid waste treatment plant at Unanderra completed, and final installation works underway, with full plant operation expected during H1 FY27

Headwinds

- Continued competition for ULABs, however ULAB supply increased in late H2 FY26 and the trend is expected to continue

Actions to Improve Performance

- ULAB processing equipment is being optimised and upgraded to process higher volumes of ULABs, targeting improved profitability
- Equipment for shredding of plastics to be installed which will be a further revenue stream
- Additional waste processing licences applied for to expand the range of industrial liquid waste streams that can be processed by the new liquid waste treatment plant and increase the volume of liquid waste processed from external sources.

Balance Sheet

A$ million	FY26	FY25[1]
Working Capital	55.20	61.70
Property, Plant & Equipment	236.14	254.72
Intangible Assets	118.18	133.74
Net Debt	93.85	94.64
Net Lease Liabilities	75.79	66.61
Other Net Assets/Liabilities	320.3	349.8
Net Assets	299.70	344.90
NTA / Share	**0.69**	**0.81**
Gearing[2]	**35%**	**32%**

Working Capital

- Decrease in working capital driven by $5.3m reduction in inventory

Property, Plant & Equipment

- Write down of $13.8m as part of an impairment charge taken to plant & equipment and the liquid waste treatment plant under construction
- Write down of $2.8m to the Mt Isa chlorine plant which is a held for sale asset

Intangible assets

- Reduced by $14.7m due to a non-cash impairment to goodwill held against the Logistics division

Other Assets

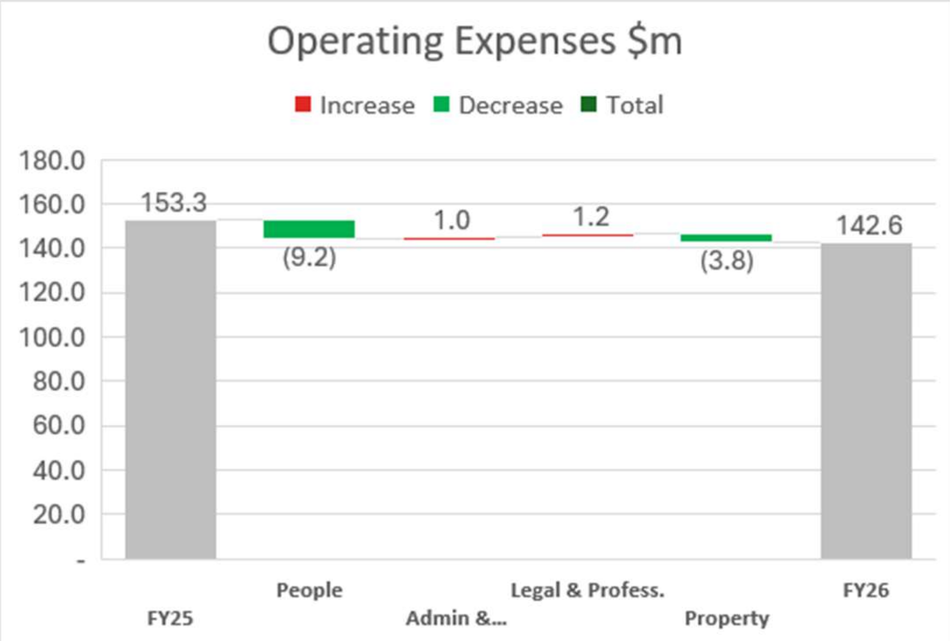
- $27.8m realised from the sale of the Laverton (VIC), Seven Hills (NSW), Tomago (NSW) assets, along with the Nambour chlorine plant

NTA / Share

- Decrease driven by lower earnings and non-cash write downs

1. FY25 opening balances have been restated, please refer to Note 2 of the Financial Statements
2. Gearing is calculated as Total Borrowings / Total Equity

Operating Expenses



People

- Costs reduced due to the sale of the Laverton ULAB site and rationalisation of head count, primarily at the Unanderra ULAB site
- Continued focus on management of people costs resulted in stabilisation of costs in Shared Services
- Continued focus on productivity

Legal & Professional

- Increased costs due additional audit costs for FY25 and in relation to DGL's ASX suspension, now resolved

Property

- Reduced occupancy costs (non-rent) due to disposal of properties in FY26

Realisation of cost savings through consolidation of entities and systems and improved productivity remains a key focus in FY27

Cash Flow

A$ million	FY26	FY25	Change
Operating Cash Flow	15.8	44.7	-28.8
Investing Cash Flow	2.8	-6.4	+9.2
Financing Cash Flow	-23.2	-42.1	-18.8
Net Cash Flow	**-4.6**	**-3.8**	**-0.80m**

Operating cash flows:

- Operating cash flow of $15.8m is $28.9m down on pcp, driven by lower margins and income taxes paid of $11.3m (FY25: $0.8m) which included $9.7 million relating to finalisation of prior-year tax calculations
- Solid operating cash conversion[1] at 100% (FY25: 110%)

Investing cash flows:

- Proceeds on sale of non-core properties in Australia: $27.8m
- Capex investment of $18.0m

Financing cash flows:

- Outflows relating to the repayment of debt $5.1m
- Repayment of lease liabilities $18.2m

Dividends

- No dividends declared in FY26
- Dividend policy remains unchanged, with earnings reinvested for growth

1. Operating cash flow excluding interest and tax divided by underlying EBITDA

Strategy & Operations

Strategic Priorities FY27

Health & Safety

- Commitment to maintaining the highest standards of health and safety
- Continued investment in safety systems, improving consistency of incident, hazard and training management
- Focussed on ongoing improvements in training, policy, procedures and proactive monitoring of major potential hazards and environmental risks

Increase Profitability

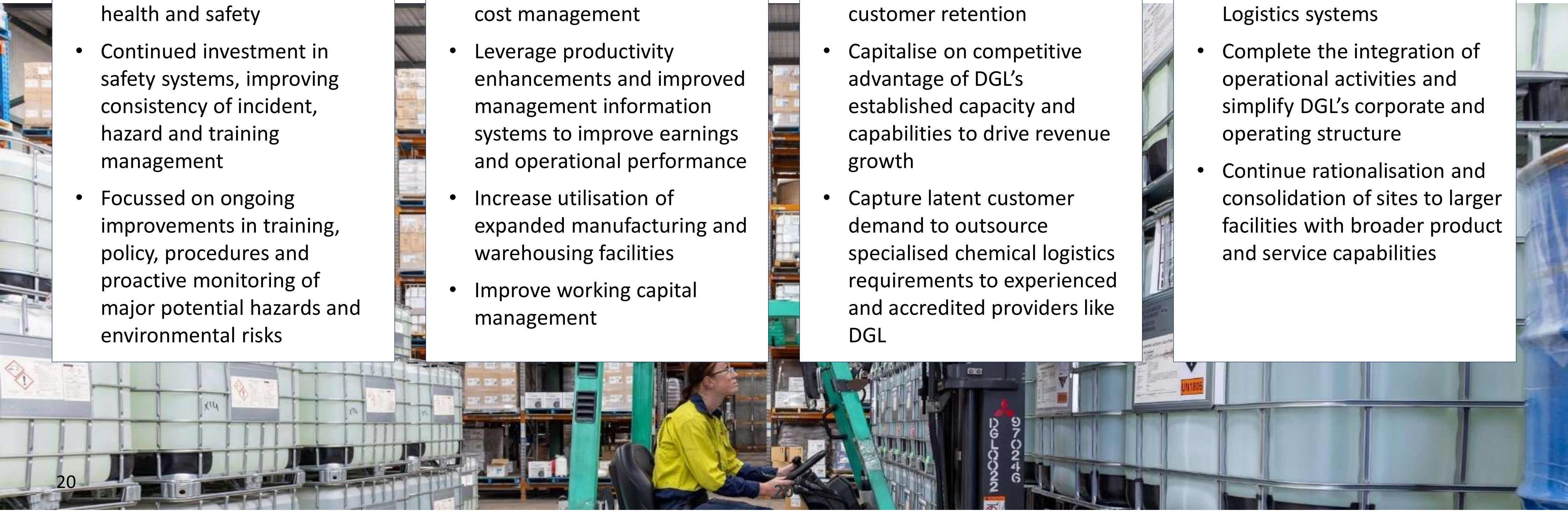
- Intense focus on margin improvement and overhead cost management
- Leverage productivity enhancements and improved management information systems to improve earnings and operational performance
- Increase utilisation of expanded manufacturing and warehousing facilities
- Improve working capital management

Organic Growth

- Accelerate new customer gains while prioritising customer retention
- Capitalise on competitive advantage of DGL's established capacity and capabilities to drive revenue growth
- Capture latent customer demand to outsource specialised chemical logistics requirements to experienced and accredited providers like DGL

Integration & Consolidation

- Complete implementation of core group-wide ERP, HR and Logistics systems
- Complete the integration of operational activities and simplify DGL's corporate and operating structure
- Continue rationalisation and consolidation of sites to larger facilities with broader product and service capabilities



Trading Update and Outlook

Trading Update

- DGL has budgeted for revenue and earnings improvement in FY27 and positive early signs in FY27 that performance is improving
- We are seeing encouraging demand early in crop protection and pest control driven by favourable weather patterns in W.A. and central Australia
- We expect fuel prices to remain elevated for the medium term with volatility in raw materials pricing and availability, and some stabilisation in international freight rates
- Better availability and more stable pricing of used lead acid batteries is encouraging for our recycling performance
- Performance in our manufacturing operations in early FY27 is encouraging after performance disruptions in FY26

FY27 Outlook

- We expect ongoing disruptions to global transport and shipping in FY27, impacting timeframe and cost for import and export of key raw materials
- Despite the uncertainties and cautious economic conditions, we continue to see solid demand for our products and services
- We have a very strong sales drive to improve earnings yield through better utilisation of our expanded warehouse and manufacturing facilities
- DGL maintains an intense focus on cost management, and on extracting the benefits of integration and consolidation of operations and systems to drive profitability
- The chemical manufacture and distribution sector is essential to society and industry globally and remains highly attractive, with significant opportunities for organic growth and consolidation.

INVESTMENT STRENGTHS

Leading supplier of chemicals, logistics and services to essential industries in Australia, New Zealand and beyond

Integrated service provider delivering a complete solution to customers

Operating in highly regulated industries with significant barriers to entry

Diversified across industries, product and geography

Focussed on core business and reinvestment of earnings for organic growth

Driving efficiency and productivity through integration of operations and consolidation of group systems

CONTACT:
Barbara Furci (DGL Group Limited)
info@dglgroup.com
+61 487 962 595