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ASX RELEASE

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DGL Group Limited

2026 Annual General Meeting

Chairman's Address

Good morning, and thank you for joining DGL's 2026 Annual General Meeting.

We are holding the AGM as an online meeting to allow the broadest access for our shareholders.

As announced to the market in August, FY26 was a challenging year for DGL Group. Margins were impacted by generally weaker economic conditions and ongoing global volatility and uncertainty. Our investment in larger warehouse and manufacturing facilities also reduced margins during the past year, as these larger facilities take time to reach full utilisation. While navigating these conditions, DGL continues to play an important role providing essential chemical logistics and services to a wide range of industries in Australia and New Zealand.

FY26 in Review

Sales revenue decreased 4.8% to $458 million in FY26 primarily due to the closure of DGL's lead acid battery recycling facility in Victoria in late FY25, partially offset by stronger revenue in Manufacturing and Logistics.

Gross profit declined 10.3% to $182.7 million due to higher cost of sales. Higher fuel and raw material costs, increased international shipping rates, import competition and reduced availability of used lead-acid batteries put pressure on margins. Driver shortages led to increased use of sub-contractors, which further contributed to the decline in profitability.

The Group reported a statutory loss after tax of $40.2m. This included non-cash write downs relating to assets held for sale, plant and equipment, and impairment of goodwill in DGL's Logistics division.

Operating cash flows were positive at $15.8m, reduced by significant income tax payments in FY26 relating to prior year tax in FY25. Operating cash conversion was solid at 100%.

DGL made no acquisitions in past year, due to the focus on improving productivity and efficiency in our extensive operations. We continued to invest selectively to increase capacity and capabilities to better serve our broad range of customers.

Notwithstanding the challenges in the external environment, we accept that DGL's recent performance has been unsatisfactory.

DGL's strategy remains clear, but the acquisitions made since the IPO, and the execution of them, haven't delivered the results that were expected. The current Board inherited most of these acquisitions, and we have since sharpened the focus on performance: we have reduced headcount, overheads and other expenses, commenced major systems integrations, and placed greater emphasis on productivity and on the profitability of the work we take on.

The resumption of trading in DGL shares on the ASX was a welcome development following the period of suspension. That experience reinforced the importance of strong governance, effective internal controls and robust financial and management reporting. These areas have been a key focus for your Board and remain important priorities for the Company.

Turning to the current financial year, I am pleased to note that there has been a material improvement in earnings in the first quarter of FY27 compared to the prior year, which CEO Simon Henry will elaborate on in his address.

Board and Management

As announced in September, John West and I, both Independent Directors, have not sought re-election at this meeting. Independent Director Liz Smith will also resign at the conclusion of this meeting.

I would like to thank John West and Liz Smith for their significant contributions to DGL Group as Independent Non-Executive Directors. John has served on the Board for just over three years and Liz for approximately 20 months. Both have brought valuable experience, governance and independent judgement to the Board, and I thank them for their commitment and service to the Company.

The Company has received two nominations for Director appointments, Mr Warren Inwood and Mr Dean Oehlmann, nominated by the Company's founder and CEO, Mr Simon Henry in his capacity as the majority shareholder of the Company. Their profiles are set out in the Notice of Meeting, and their appointments will be voted on later in this meeting.

I would also like to note the appointment of Gagan Singh as Chief Financial Officer during the year after a period as acting CFO.

Remuneration Report

The Board aims to ensure that executive pay is appropriate and is aligned with the objectives of the business. During the year, CEO Simon Henry voluntarily proposed a reduction in his CEO salary, from $700,000 to $150,000 per annum. The Board accepted this proposal, which reflected Simon's recognition of the Group's financial performance, and his desire to align his remuneration with the delivery of improved performance. In other respects, we believe our remuneration practices are in line with the scope of DGL's business and the industries in which we operate.

We have, however, received a high proportion of proxies voting against the Remuneration Report, and we take this voting outcome seriously. It is apparent that one driver of the negative vote is shareholder frustration with the Company's financial performance. We understand this, and we agree that performance needs to improve—a challenge we have been seeking to address.

Closing remarks

DGL continues to play an important role in supporting industry across Australia and New Zealand, delivering critical products and services to more than 5,000 customers, whom we value.

I would like to thank you, our shareholders for your continued support, my fellow Directors, and our more than 800 team members across Australia and New Zealand for their effort and commitment to our business.

I will now hand over to CEO Simon Henry, to provide an update on the performance of the business in FY26 and the outlook for the current financial year.

This announcement was authorised by the Board of DGL Group Limited.

Investor Enquiries

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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.