

# HY2023 RESULTS

Investor presentation // 31 August 2023



# WE ARE DRA GLOBAL

We are a global multi-disciplinary engineering, project delivery and operations management group, focused on the mining, minerals and metals industry.

We have an extensive track record spanning almost four decades across a wide range of commodities, with deep expertise in mining and processing, and related non-process infrastructure including water and energy sustainability solutions.

Our teams deliver comprehensive advisory, engineering and project delivery services throughout the capital project lifecycle, from concept through to operational readiness and commissioning as well as ongoing operations, maintenance and engineering services. We do this with a focus on sustainability and assisting clients to achieve their ESG goals.



## TEAMS SERVICING OUR CLIENTS AROUND THE GLOBE

Engaged and talented workforce of 4,200 people across five continents

## WORLD CLASS CAPABILITY

Across engineering, project development, delivery and execution, and operations management

## CULTURE OF DELIVERING

8,000 projects, studies and managed service solutions successfully completed

## DEEP EXPERTISE

In base and precious metals, battery minerals and bulk commodities



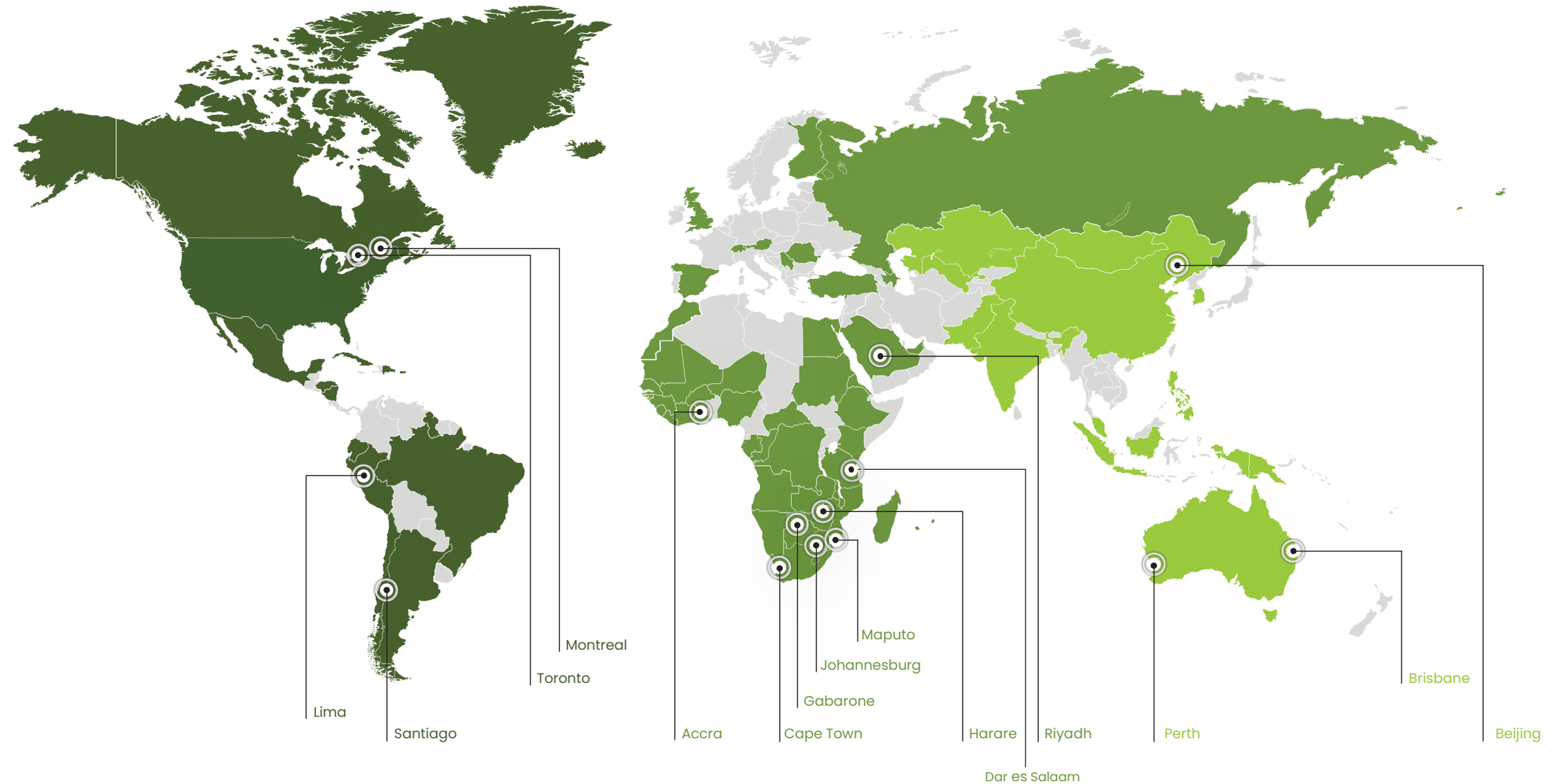
# GLOBAL REACH, LOCAL EXPERTISE

 **ORIGINATE**  
PROJECT DEVELOPMENT

 **DELIVER**  
PROJECT DELIVERY AND EXECUTION

 **OPTIMISE**  
OPERATIONS AND MAINTENANCE

- Precious metals
- Base metals
- Battery minerals
- Rare earths
- Bulk commodities
- Precious stones
- Industrial minerals
- Mineral sands
- Thermal and metallurgical coal



# SOLID HY2023 OUTCOMES

## **FURTHER STABILITY**

in underlying operating performance across our business units

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## **DRIVING SUSTAINED MOMENTUM**

in Group profitability

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## **ENABLING SUBSTANTIAL IMPROVEMENT**

in liquidity and net cash

# HEALTH, SAFETY AND WELLBEING

Committed to the health and wellbeing of our employees and creating a strong culture of continuous safety improvement

## GROUP SAFETY PERFORMANCE INDICATORS

**REPORTED PERSON HOURS: 8,829,322**

**TRIFR: 0.32** (0.66 HY2022)

TRIFR down by **52%** from HY2022

**LTIFR: 0.16** (0.20 HY2023)

LTIFR down by **20%** from HY2022



We remain committed to and focused on **active leadership** participation and ongoing implementation of awareness programs, setting clear expectations and behaviours to help **reduce risk** at the frontline

We are deeply saddened by the fatality of an employee of one of our contractor partners in Saudi Arabia on 15 July 2023. Any loss of life is a devastating reminder of the **absolute importance of constant vigilance and attention to safe operating practices**



**8,829,322 reported person-hours** on 17 projects during the half year, with **15 being LTI-free**, and 32 maintenance and operation sites, with **28 being LTI-free**



**97 first aiders** across the Group and **9 dedicated mental health first aiders** in Australia



EMEA Projects has achieved **strong safety results** for key projects, including Booyendal, Bimha, Der Brochen, Two Rivers Platinum and Bokoni Platinum



The Minopex team operating the South African Ore Beneficiation (SAOB) plant has been **five years LTI-free**, highlighting its unwavering commitment to safety

# FINANCIAL RESULTS

Profitable first half delivered in a return to operational and financial stability

**A\$424M**

**Revenue**

A\$477M HY2022

**26** cents per share

**Adjusted EPS<sup>4</sup>**

(72) cents per share HY2022

**A\$26.8M**

**Statutory EBIT**

A\$(17.3)M HY2022

**A\$23.5M**

**Underlying EBIT<sup>1</sup>**

A\$(16.4)M HY2022

**A\$19.4M**

**Statutory NPAT**

A\$(16.9)M HY2022

**A\$16.1M**

**Underlying NPAT<sup>1</sup>**

A\$(13.7)M HY2022

**A\$88.5M**

**Net Cash<sup>2</sup>**

A\$59.1M at 31 Dec 2022

**14.2%**

**Gearing<sup>3</sup>**

21.2% at 31 Dec 2022

1. Non-IFRS measure. A reconciliation is disclosed in the Appendix of this presentation.

2. Cash net of interest-bearing borrowings, other financial liabilities and lease liabilities.

3. Gearing is total borrowings (excluding lease liabilities) over equity.

4. Adjusted earnings per share is a non-IFRS measure. Earnings is adjusted for revaluation of Upside Participation Rights on issue. Refer note 8 to the half-year financial statements.

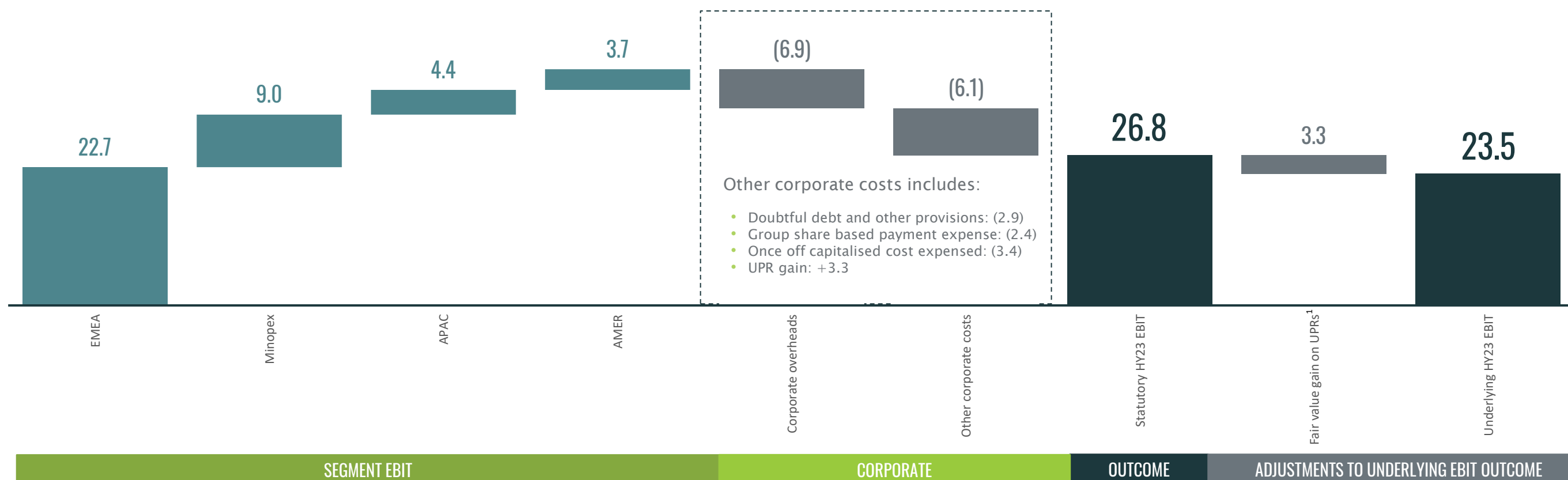
# HY2023 EARNINGS ANALYSIS

## KEY OUTCOMES

- Solid earnings across all major businesses in line with expectations
- Continued growth in EMEA, Minopex and AMER earnings
- APAC returned to profitability post divestment of G&S business

## STATUTORY AND UNDERLYING EBIT

(A\$M)



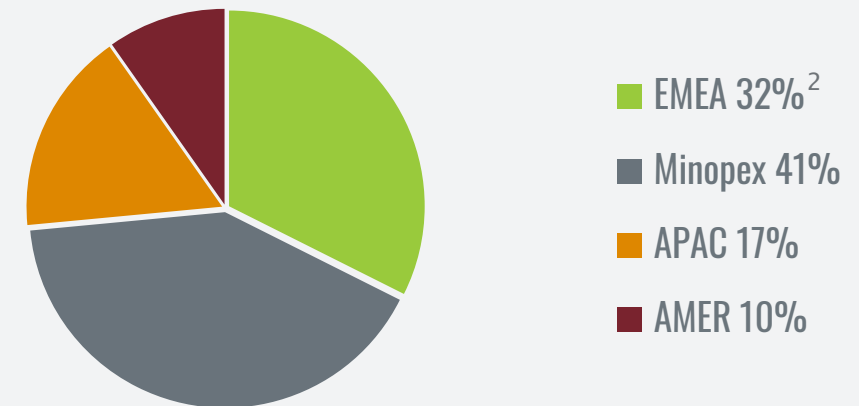
1. Unlisted upside participation rights (UPR) issued to former Stockdale investors as part of a buy-back completed on 14 April 2021.

# FINANCIAL REVIEW

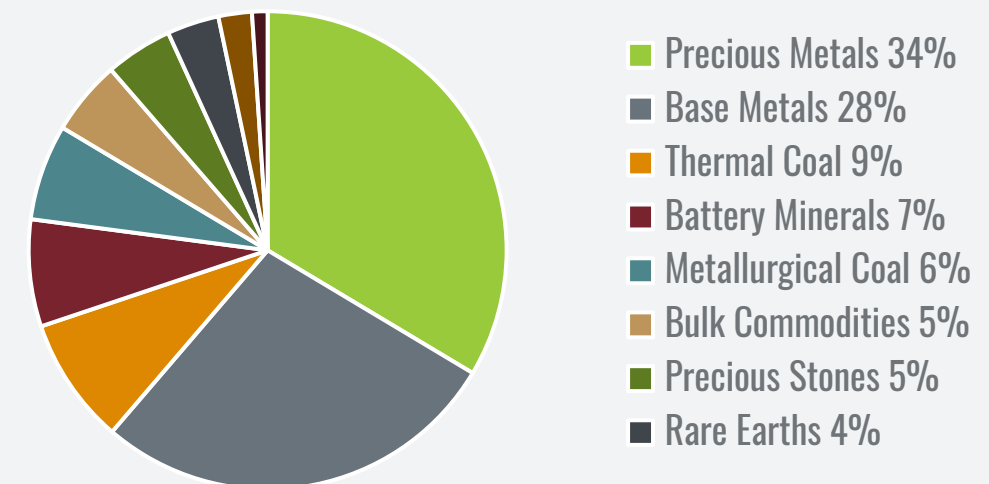
- **Delivered profitable first half**, underpinned by **diversified revenue** across regions, commodities and clients
- **Converting opportunities into contracts** with A\$426 million in new contracts and extensions secured in H1 2023 compared to A\$278 million in H1 2022
- **Continued focus** on quality of earnings, with a commitment to high-calibre clients and work in combination with responsible pricing
- Global demand for **critical minerals** driving investment in nickel, lithium and other energy transition minerals projects
- Driving **increased revenue** in our growing APAC<sup>1</sup> and AMER business units

1. Excluding G&S Engineering business  
2. EMEA Includes EMEA Projects, SENET and Water.

## REVENUE BY SEGMENT



## REVENUE BY COMMODITY





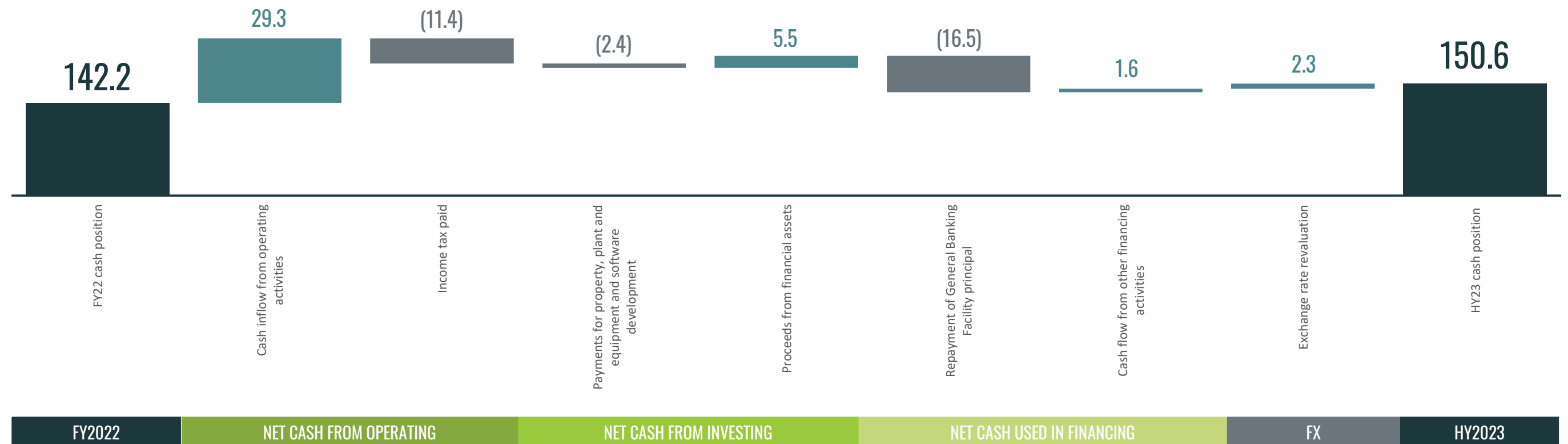
# CASH FLOW ANALYSIS

## KEY OUTCOMES

- Cash position grew by A\$8.4M through the half
- Strengthened balance sheet with repayment of General Banking Facility
- Maintained adequate working capital
- Gearing reduced from 21% (FY22) to 14%

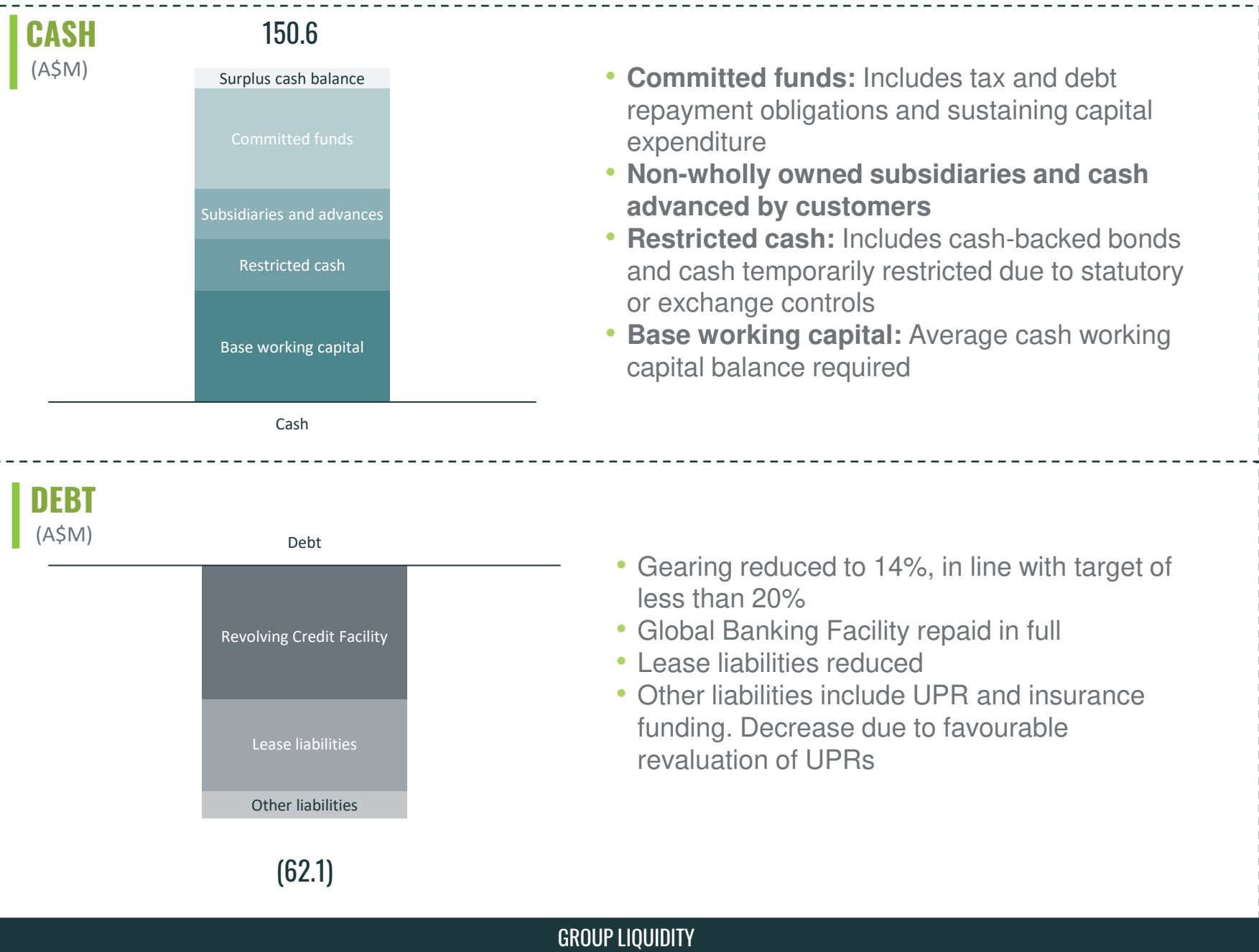
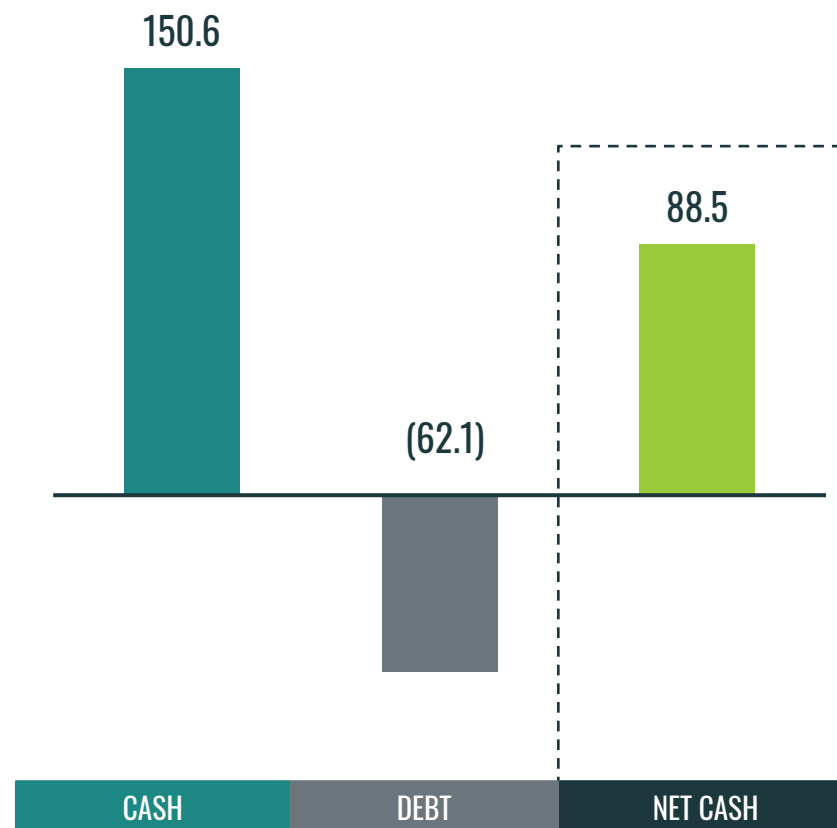
## CASH POSITION

(A\$M)



# BALANCE SHEET

## NET CASH POSITION (A\$M)



GROUP LIQUIDITY

# CAPITAL ALLOCATION FRAMEWORK

Prudent capital management has significantly reduced gearing to within target levels

→  
**DIVIDEND DISTRIBUTION  
POLICY**

Targeting annual dividend distributions of 30% to 60% of net profit after tax from normal operations

→  
**ENSURING SUSTAINABLE,  
EFFICIENT RETURNS**

Future distributions will be a function of profitability, having consideration for capital allocation priorities

→  
**CAPITAL ALLOCATION PRIORITIES  
THROUGH SECOND HALF OF FY2023**

- Balance sheet strength
- Retain and invest in our people
- Maintain gearing ratio within target level
- Sustain base working capital
- Incremental capital investment on near-term growth opportunities

**SUSTAINABLY GROWING OUR PEOPLE  
AND OUR BUSINESS WHILE TARGETING  
ATTRACTIVE CAPITAL DISTRIBUTIONS**



# OPERATIONAL PERFORMANCE

Focused on delivering safe and efficient operational performance

→ **Solidified our footprint with diversified revenue** across geographies, service offerings, clients and commodities

→ Strong pre-tax operational cashflow of **A\$29M** during the period

→ APAC returned to **profitability** and **set for growth**

→ Winning key projects for our **next phase of growth**

→ EMEA Projects progressively growing **hydrometallurgy capabilities** and **energy solutions** capacity, as well as **battery minerals** and **underground mining pipeline**

→ Minopex **renewed the Kroondal and Ad Duwayhi contracts**, a testament to the high-quality services provided to long-term clients

→ AMER is growing its **advisory offerings and battery minerals expertise** through multiple due diligence, operational readiness and optimisation engagements; moving into project execution in lithium and copper

→ APAC is building a presence in the **critical minerals industry** to leverage expertise and experience in areas such as lithium and rare earths

# CONTRACT WINS

Secured **A\$426M** in new, high-quality contracts and extensions during the period

## A\$50-100M



**KROONDAL 1 (PGM):**  
Contract renewal



**KAMOA KAKULA (Cu):**  
Ongoing EPCM

**PLATREEF (PGM-Ni-Cu-AU):**  
Ongoing EP/EPCM

**KIPUSHI (Zn-Cu):**  
Engineering and operational readiness



**BOKONI (PGM):**  
Ongoing works to early ounces EPCM and DFS

**TWO RIVERS (PGM):**  
Merensky concentrator EPCM

## A\$10-50M



**AD DUWAYHI (Au):**  
Management contract renewal

**AR RJUM (Au):**  
BFS



**WHABOUCHI (Li):**  
FEL 4

**WHABOUCHI (Li):**  
FEL 3 bridge engineering

**WHABOUCHI (Li):**  
FEL 3 reporting



**MT WELD (REE):**  
Concentrator upgrade design



**P1000 (Li):**  
Engineering project

## A\$5-10M



**MOGALAKWENA (PGM):**  
CPR Plant

**MOTOTOLO (PGM):**  
Der Brochen EPCM

**MAFUTA (Di):**  
Generator and thruster upgrade EPCM



**WESSELS NORTH BLOCK (Mn):**  
Expansion EPCM



**KCGM FIMISTON EXPANSION (Au):**  
Integrated Owners Team



**MINERAL PARK (Cu, Mo):**  
LNTF for EPCM

# PEOPLE, CULTURE AND SUSTAINABILITY

Committed to empowering talent, investing in local communities and supply chains, and building a resource-efficient, low carbon future

→ Refreshed Global Leadership Team focused on **unlocking future value**

→ Empowering our people through a strong focus on **leadership development** and **career path progression**

→ **Maintained** B-BBEE rating in South Africa and **continue to invest** in enterprise and supplier development initiatives in areas where we operate

→ Focused on creating a sustainable future through the **development of a group-wide sustainability strategy** and **ESG framework**

→ **23%** female workplace, with **20%** female leadership representation

**20** new graduates and **21** graduates promoted to new positions

→ **12,870** e-training courses completed, and **178 leaders** enrolled in leadership development courses

→ Continue to **invest in local communities** by donating food, office supplies and school supplies, constructing a sports field and donating funds for shelters

# BOARD OF DIRECTORS

Three new appointments complementing existing strategic, financial and operational experienced Directors



**Peter Mansell**  
Independent Non-Executive Director and Chair



**James Smith**  
Chief Executive Officer  
Managing Director  
(appointed July 2023)



**Sandra Bell**  
Independent Non-Executive Director  
(appointed July 2023)



**Les Guthrie**  
Independent Non-Executive Director



**Johnny Velloza**  
Independent Non-Executive Director



**Charles Pettit**  
Non-Executive Director  
(appointed July 2023)



**Paul Lombard**  
Independent Non-Executive Director

# SENIOR MANAGEMENT

Experienced and motivated Executive Committee and Global Leadership Team working together to unlock value for all stakeholders



**James Smith**  
Chief Executive Officer



**Michael Sucher**  
Chief Financial Officer



**Alistair Hodgkinson**  
Chief Operating Officer



**Bronwyn Baker**  
Chief Corporate  
Services Officer



**Victoria Hawkins**  
General Counsel



**JC Heslinga**  
MD and EVP:  
DRA Projects (EMEA)



**Darren Naylor**  
MD and EVP: DRA APAC



**Pierre Julien**  
President DRA Americas  
(MD) and EVP: DRA AMER



**Rashid Kader**  
MD and EVP:  
Minopex



**Marius von Wielligh**  
MD and EVP: SENET





# BUSINESS OUTLOOK



# GLOBAL STRATEGIC DIRECTION

Our aspiration is to turn the **future of mining into reality** as the most sought-after company in our field

## → FOR OUR PEOPLE

To provide a supportive and inspiring work culture, which allows employees to thrive and grow while doing meaningful work that helps them fulfil their career aspirations.

## → FOR OUR COMMUNITIES

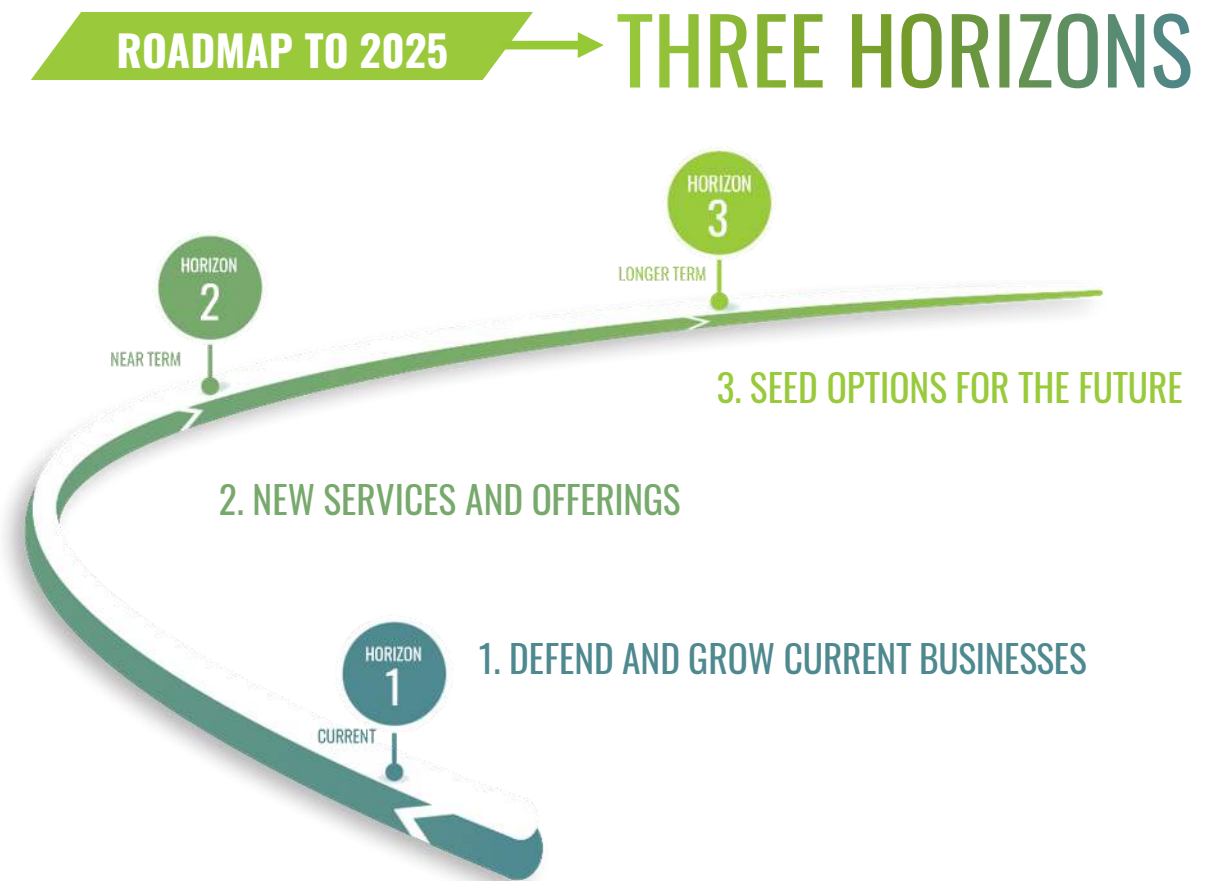
To be trusted as the organisation that, through innovative engineering, can deliver the resource commodities that economies need while sourcing, extracting and processing in a way that leaves a positive, sustainable impact in our communities.

## ← FOR OUR CLIENTS

To be recognised as the company that creates more value for our clients than any other competitor through a differentiated approach that helps to shape the future of the mining industry and grow our brand in the market.

## ← FOR OUR SHAREHOLDERS

To deliver sustainable, long-term success of our business so that it consistently grows in value over time. We achieve this by applying sound principles of governance, risk management and capital allocation.



# BUSINESS OUTLOOK

Underlying business performance expected to continue through the second half

→ Employee health, safety and wellbeing a **core business priority**

→ Focus on stable ongoing business performance and **quality of earnings**

→ Strong total **pipeline of A\$4.0 billion** with promising near-term opportunities

→ Strong demand in EMEA, APAC and AMER driven by the **global energy transition and critical minerals**

→ Resilient commodity demand **despite interest rate rises**

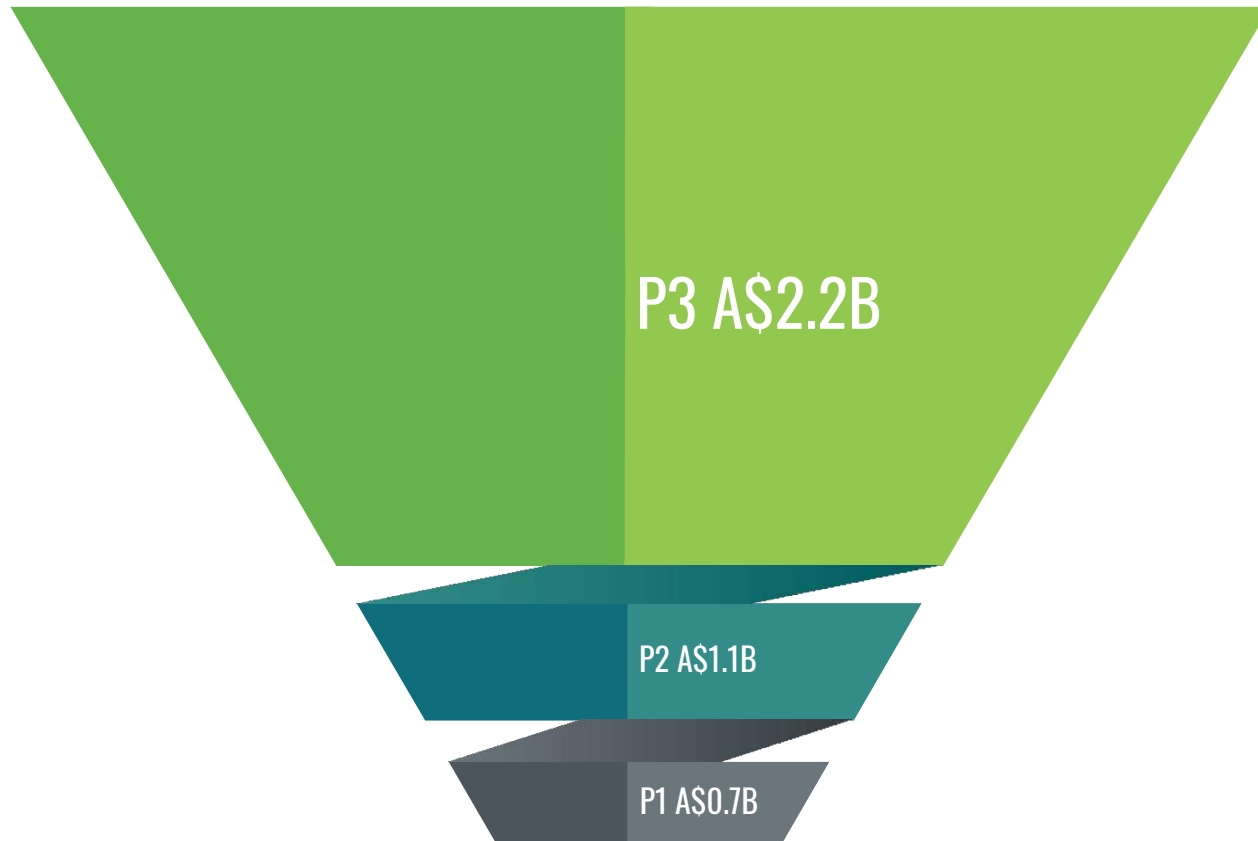
→ Inflationary pressures and **skilled labour availability** remain key risks

→ Continued application of the **Group's capital allocation framework**

# FORWARD LOOKING PIPELINE

Robust pipeline is underpinned by our strong commitment to high-calibre clients and work in combination with responsible pricing

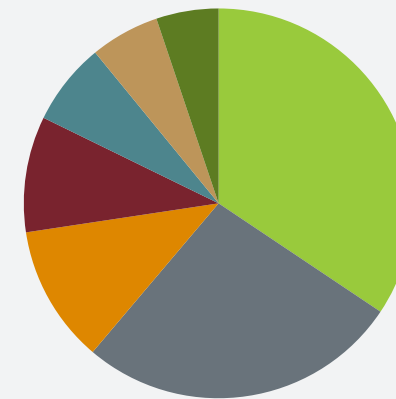
## TOTAL PIPELINE A\$4.0B



- P3** Longer-term, in development –qualified opportunity
- P2** Near-term, medium likelihood, active engagement (shaping) – focus on conversion to P1
- P1** Near-term, high likelihood – in tender, tender submitted or being negotiated

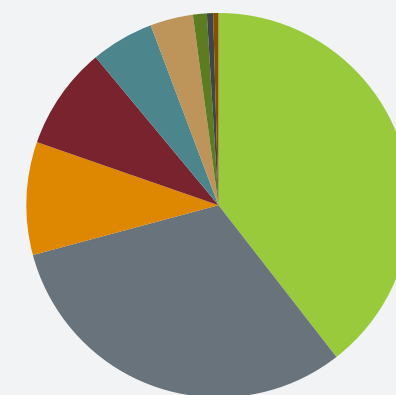
## BY SERVICE OFFERING AND COMMODITY

### OPERATIONS A\$1.2B



- Base Metals 34%
- Precious Metals 27%
- Bulk Commodities 11%
- Precious Stones 10%
- Battery Minerals 7%
- Thermal Coal 6%
- Industrial Minerals 5%

### PROJECTS A\$2.8B



- Precious Metals 39%
- Base Metals 31%
- Rare Earths 9%
- Battery Minerals 9%
- Bulk Commodities 5%
- Thermal Coal 4%
- Precious Stones 1%
- Other 1%
- Industrial Minerals 1%

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## ABOUT DRA GLOBAL LIMITED



DRA Global Limited (DRA or the Company) is an international multi-disciplinary engineering, project management and operations management group, predominantly focused on the mining, minerals and metals industry.

The Group has an extensive track record spanning almost four decades across a wide range of commodities, delivered 8,000 projects, studies and managed services solutions, and currently operates more than a dozen sites through its operations and maintenance division.

Our teams have expertise in the mining, minerals and metals processing industries, as well as related non-process infrastructure such as environmental, social, and governance (ESG), water, and energy solutions. The Group delivers comprehensive advisory, engineering and project delivery services throughout the capital project lifecycle, from concept through to operational readiness and commissioning as well as ongoing operations.

DRA covers all major mining centres with offices across Africa, North and South America, the Middle East and the Asia-Pacific.

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# APPENDICES



# BALANCE SHEET

A\$M	HY2023	FY2022
Cash and cash equivalents	150.6	142.2
Contract assets and trade receivables	182.3	174.2
Other current assets	39.1	48.6
Other non-current assets	173.3	178.8
<b>Total assets</b>	<b>545.3</b>	<b>543.8</b>
Trade and other payables	97.2	86.2
Contract liabilities	32.8	32.9
Other financial liabilities	0.3	3.6
Other current liabilities	91.7	87.8
Other non-current liabilities	56.6	79.9
<b>Total liabilities</b>	<b>278.6</b>	<b>290.4</b>
<b>Net Assets</b>	<b>266.7</b>	<b>253.4</b>
<b>NAV per share (cents)</b>	<b>490</b>	<b>466</b>



# RECONCILIATION OF STATUTORY TO UNDERLYING RESULTS

A\$M	H1 FY2023	H1 FY2022
<b>Statutory NPAT</b>	<b>19.4</b>	<b>(16.9)</b>
<i>Adjusted for:</i>		
Taxes	6.9	(4.0)
Net Interest expense	0.5	3.6
<b>Earnings before interest and tax (EBIT)</b>	<b>26.8</b>	<b>(17.3)</b>
<i>Underlying adjustments:</i>		
Fair value gain on UPRs	(3.3)	(17.5)
Impairment of goodwill and intangibles	-	18.9
Legal costs related to pre-IPO disputes	-	1.8
Dispute settlements	-	(2.3)
<b>Underlying EBIT</b>	<b>23.5</b>	<b>(16.4)</b>
<i>Adjusted for:</i>		
Depreciation and amortisation	5.8	9.8
<b>Underlying EBITDA</b>	<b>29.3</b>	<b>(6.6)</b>
<i>Adjusted for:</i>		
Net Interest income/(expense) and Taxes	(7.4)	2.0
Depreciation and Amortisation	(5.8)	(9.1)
<b>Underlying NPAT</b>	<b>16.1</b>	<b>(13.7)</b>

→ DRA results are reported under Australian Accounting Standards as issued by Australian Accounting Standards Board which are compliant with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board

→ The Company discloses certain non-IFRS measures that are not prepared in accordance with IFRS and therefore are considered non-IFRS financial measures

→ The non-IFRS measures should only be considered in addition to and not as a substitute for other measures of financial performance prepared in accordance with IFRS



**THANK YOU**

