



**APPENDIX 4D AND
INTERIM FINANCIAL REPORT**
For the half year ended 30 June

2021



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Please note: All references to \$ are in AUD unless otherwise specified, M = million and B = billion.

The Appendix 4D and Interim Financial Report for the financial half year ended 30 June 2021 are provided to ASX pursuant to Listing Rule 4.2A. The Interim Financial Report does not include all the notes of the type normally included in an annual financial report. These documents and the contained information should be read in conjunction with DRA Global's Annual Report for the financial year ended 31 December 2020, and any announcements made by DRA Global during or since the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.



APPENDIX 4D

For the half year ended 30 June 2021

DRA Global Limited
ACN 622 581 935

Details of reporting period

Reporting period For the half year ended 30 June 2021
Previous reporting period For the half year ended 30 June 2020

Results for announcement to the market

				\$'000
Revenues from ordinary activities	up	31.7%	to	569,272
Profit from ordinary activities after tax attributable to the owners of DRA Global Limited	up	15.2%	to	15,075
Profit for the period attributable to the owners of DRA Global Limited	up	15.2%	to	15,075

Refer to the commentary on the results for the half year contained in the review of operations included within the Directors' report.

The condensed consolidated statement of profit or loss, condensed consolidated statement of other comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows are included within the Interim Financial Report.

The Interim Financial Report for the financial half year ended 30 June 2021 has been reviewed by BDO Audit (WA) Pty Ltd.

Net tangible assets

	Reporting period	Previous period
	Cents	Cents
Net tangible assets per ordinary security	200.78	230.76

The net tangible assets exclude right-of-use assets and lease liabilities.

Dividends

It is not proposed to pay a dividend for the reporting period.

There were no dividends paid, recommended or declared during the previous reporting period.

Dividend reinvestment plans

There was no dividend reinvestment plan in operation during the reporting period.

Details of Changes in Controlled Entities'

There were no changes in controlled entities during the financial period.

Details of Associates and Joint Venture Entities'

Name of Entity	Percentage holding Reporting period %	Percentage holding Previous reporting period %
LSL Consulting Pty Ltd	25%	25%
Tekpro Projects Pty Ltd	25%	25%
Fine Tech Minerals Pty Ltd	28%	25%

The Group's aggregate share of associates and joint venture entities' profit/(loss) was not material for the reporting period.



DIRECTORS' REPORT

// Directors' report

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group' or 'DRA') consisting of DRA Global Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 30 June 2021.

Directors

The following persons were Directors of DRA Global Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Peter Mansell (Chairman)	
Andrew Naudé (Managing Director and Chief Executive Officer)	
Kathleen Bozanic	
Lee (Les) Guthrie	
Paulus (Paul) Lombard	(appointed 1 May 2021)
Greg McRostie	(resigned 4 May 2021)
Leon Uys	(resigned 4 May 2021)
Rafael Eliasov	(resigned 28 January 2021)
Jean Nel	(resigned 29 January 2021)
Kenneth Thomas	(resigned 11 January 2021)

Principal activities

DRA, listed on the ASX and JSE, is a multi-disciplinary engineering, project management and operations management group predominantly focused on the mining and mineral resources sector. DRA has expertise in mining, minerals and metals processing and related non-process infrastructure including water and energy solutions for the mining industry. DRA delivers advisory, engineering and project delivery services as well as ongoing operations, maintenance and shutdown services. DRA has an extensive global track record, spanning more than three decades and 7,500 studies and projects as well as operations and maintenance solutions across a wide range of commodities.

Review of operations

DRA derives revenue from advisory services, services provided throughout the capital project lifecycle from concept through to commissioning as well as ongoing operations, maintenance and shutdown services.

Projects: services related to capital investment in projects

DRA's Projects service offering incorporates project development services (including concept development, preliminary economic assessment, feasibility studies and front-end engineering design) and project delivery and execution services (including engineering design, project management, procurement, construction management and commissioning). Projects revenues for the period increased relative to the same period last year and accounted for approximately 51% of total consolidated revenues.

Operations: services related to ongoing operating expenditures and improvements

DRA's Operations service offering incorporates operational readiness, asset integrity management, maintenance, process optimisation, outsourced operations and maintenance and related systems. Operations revenues for the period increased relative to the same period last year and accounted for approximately 49% of total consolidated revenues.

The Group, headquartered in Perth, Australia operates in Australia and internationally. The Group employs over 4,500 people and has 20 offices worldwide.

The Group delivers services across two regional operating segments:

- / Asia-Pacific, North and South America (APAC/AMER); and
- / Europe, Middle East and Africa (EMEA).

// Directors' report

April 2021. A further deferred cash payment of \$30.3M will become due and payable on 31 December 2021. In total \$64.8M of financial liabilities were recognised in respect of the deferred cash payment and upside participation rights (UPRs) issued to the seller. For more details, refer to note 9 and note 10 of the financial statements.

Adjusting for the effect of the share buy-back transaction, net assets improved by \$27.9M as a result of profitable operation for the period and appreciation of foreign currencies against the Australian Dollar in respect of DRA's foreign operations.

Cash flows

Cash flows from operating activities was \$2.5M for the period (2020 H1: \$44.5M), impacted by the following factors:

- / Unwinding of advanced payments received from customers in relation to projects; and
- / Increased tax payments in the EMEA region after utilisation of tax losses in the prior period.

After adjusting for the effect of advanced payments, tax expenses and net interest movement, cash flow from operating activities is \$32.4M (2020 H1:\$10.8M) representing 84% (2020 H1:32%) of EBITDA.

Significant changes

B-BBEE restructure

The Group implemented a restructure of its South African operations to facilitate a broad-based black economic empowerment ("B-BBEE") ownership transaction in terms of which private equity funds managed by Ascension Capital Partners Proprietary Limited (Ascension) acquired an interest in DRA's major South African operating subsidiaries. As a result, the effective B-BBEE ownership at this level increased to 51%.

The restructure of the B-BBEE shareholding and introduction of Ascension aligns DRA's ownership to the criteria per the South African Mining Charter (Mining Charter 3). It also enables the Group to remain competitive and build on its long track-record of servicing the South African mining market and, ensuring a sustainable platform for continued operations and growth.

Matters subsequent to the end of the financial period

Initial Public Offering (IPO)

On 9 July 2021, the Company completed its IPO and listed on the Australian Securities Exchange (ASX) and Johannesburg Stock Exchange (JSE).

Minново put option

The put option liability of \$18.9M recorded by the Company fell away on 9 July 2021 when the Company listed on the ASX.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

This report is made in accordance with a resolution of the Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors



Peter Mansell

Chairman



Andrew Naudé

Managing Director
and Chief Executive Officer

19 August 2021

AUDITOR'S INDEPENDENCE DECLARATION



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DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF DRA GLOBAL LIMITED

As lead auditor for the review of DRA Global Limited for the half-year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of DRA Global Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Neil Smith', with a stylized flourish at the end.

Neil Smith
Director

BDO Audit (WA) Pty Ltd
Perth, 19 August 2021

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



FINANCIAL STATEMENTS

Condensed consolidated statement of profit or loss

For the period ended 30 June 2021

	Note	2021 H1 \$'000	2020 H1 \$'000
Revenue	4	569,272	432,210
Cost of sales		(470,130)	(342,761)
Gross profit		99,142	89,449
Other income		1,676	1,782
Fair value adjustment on Upside Participants Rights (UPRs)	9	1,000	-
Other gains/(losses) – net		427	7,885
Initial public offering and transaction costs		(2,214)	-
Advertising and marketing expenses		(342)	(459)
General and administrative expenses		(73,688)	(78,219)
Share of net profit of associates accounted for using the equity method		108	266
Earnings before interest and tax		26,109	20,704
Net finance income		740	1,697
Profit before income tax expense	5	26,849	22,401
Income tax expense	6	(10,252)	(8,057)
Profit after income tax expense for the year		16,597	14,344
Profit for the period is attributable to:			
Non-controlling interest		1,522	1,263
Owners of DRA Global Limited		15,075	13,081
		16,597	14,344
		Cents	Cents
Earnings per share for profit attributable to the owners of DRA Global Limited			
Basic earnings per share	7	22.88	15.88
Diluted earnings per share	7	20.49	15.85

The above condensed consolidated statement of profit or loss should be read in conjunction with the accompanying notes

Condensed consolidated statement of other comprehensive income

For the period ended 30 June 2021

	2021 H1 \$'000	2020 H1 \$'000
Profit after income tax expense for the period	16,597	14,344
Other comprehensive income/(loss)		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	12,204	(34,587)
Other comprehensive income/(loss) for the period, net of tax	12,204	(34,587)
Total comprehensive income/(loss) for the period	28,801	(20,243)
Total comprehensive income/(loss) for the period is attributable to:		
Non-controlling interest	1,545	1,264
Owners of DRA Global Limited	27,256	(21,507)
	28,801	(20,243)

The above condensed consolidated statement of other comprehensive income should be read in conjunction with the accompanying notes

Condensed consolidated statement of financial position

As at 30 June 2021

	Note	30 Jun 2021 \$'000	31 Dec 2020 \$'000
Assets			
Current assets			
Cash and cash equivalents		155,542	204,809
Trade and other receivables		126,767	125,210
Contract assets		72,507	38,587
Inventories		4,441	4,099
Financial assets at fair value through profit or loss		2,750	3,160
Other financial assets at amortised cost	8	2,016	3,822
Current income tax assets		7,967	5,505
		371,990	385,192
Assets of disposal groups classified as held for sale		-	59
Total current assets		371,990	385,251
Non-current assets			
Trade and other receivables		3,956	-
Investments accounted for using the equity method		2,378	2,154
Other financial assets at amortised cost	8	18,487	12,642
Property, plant and equipment		20,072	17,889
Right-of-use assets		35,281	37,338
Intangibles and goodwill		117,857	117,891
Deferred tax assets		56,966	57,031
Total non-current assets		254,997	244,945
Total assets		626,987	630,196
Liabilities			
Current liabilities			
Trade and other payables		146,797	108,515
Contract liabilities		39,832	53,718
Interest-bearing borrowings		2,032	932
Leases liabilities		8,740	9,013
Current income tax liabilities		5,024	7,212
Employee benefits		31,757	35,887
Provisions		49,785	49,600
Other financial liabilities	9	82,761	18,890
Total current liabilities		366,728	283,767
Non-current liabilities			
Interest-bearing borrowings		1,368	250
Leases liabilities		30,455	31,659
Deferred tax liabilities		3,072	3,615
Employee benefits		1,495	1,269
Other financial liabilities	9	1,049	1,004
Total non-current liabilities		37,439	37,797
Total liabilities		404,167	321,564
Net assets		222,820	308,632
Equity			
Issued capital	10	161,089	162,547
Reserves	11	(94,974)	6,000
Retained earnings		149,010	133,935
Equity attributable to the owners of DRA Global Limited		215,125	302,482
Non-controlling interests		7,695	6,150
Total equity		222,820	308,632

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes

Condensed consolidated statement of changes in equity

For the period ended 30 June 2021

	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2020	162,788	55,322	110,790	3,173	332,073
Profit after income tax expense for the period	-	-	13,081	1,263	14,344
Other comprehensive income/(loss) for the period, net of tax	-	(34,588)	-	1	(34,587)
Total comprehensive income/(loss) for the period	-	(34,588)	13,081	1,264	(20,243)
Issue of ordinary shares (note 10)	3,956	-	-	-	3,956
Buy back of shares (note 10)	(4,197)	-	-	-	(4,197)
Share-based payments expense	-	682	-	-	682
Balance at 30 June 2020	162,547	21,416	123,871	4,437	312,271

	Issued capital \$'000	Reserves \$'000	Retained profits \$'000	Non-controlling interests \$'000	Total equity \$'000
Balance at 1 January 2021	162,547	6,000	133,935	6,150	308,632
Profit after income tax expense for the period	-	-	15,075	1,522	16,597
Other comprehensive income for the period, net of tax	-	12,181	-	23	12,204
Total comprehensive income for the period	-	12,181	15,075	1,545	28,801
Issue of ordinary shares (note 10)	500	-	-	-	500
Cost of capital raising (note 10)	(1,958)	-	-	-	(1,958)
Buy-back of shares (inclusive of costs) (note 11)	-	(114,689)	-	-	(114,689)
Share-based payments settled in cash	-	(23)	-	-	(23)
Share based payments expense	-	1,557	-	-	1,557
Balance at 30 June 2021	161,089	(94,974)	149,010	7,695	222,820

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Condensed consolidated statement of cash flows

For the period ended 30 June 2021

	Note	2021 H1 \$'000	2020 H1 \$'000
Cash flows from operating activities			
Receipts from customers		515,663	462,633
Payments to suppliers and employees		(497,157)	(420,094)
		18,506	42,539
Finance income received		1,546	1,907
Finance cost paid		(1,691)	(1,268)
Income taxes (paid)/received		(15,822)	1,361
Net cash from operating activities		2,539	44,539
Cash flows from investing activities			
Payments for property, plant and equipment		(5,728)	(2,657)
Proceeds from sale of property, plant and equipment		782	1,260
Payment for intellectual property and software development costs		(989)	(426)
Net sale of software		3	189
Proceeds from sale of other financial assets		1,237	-
Loans to shareholders (employees)		-	(2,018)
Proceeds from shareholders (employees)		64	-
Net cash used in investing activities		(4,631)	(3,652)
Cash flows from financing activities			
Proceeds from borrowings		3,881	1,918
Principal elements of borrowings		(1,695)	(924)
Principal elements of lease payments		(4,719)	(5,028)
Proceeds from issue of shares (net of costs)		500	3,956
Payments for share buy-back (inclusive of costs)	10	(49,909)	-
Net cash used in financing activities		(51,942)	(78)
Net (decrease)/increase in cash and cash equivalents		(54,034)	40,809
Cash and cash equivalents at the beginning of the financial period		204,809	126,735
Effects of exchange rate changes on cash and cash equivalents		4,767	(6,493)
Cash and cash equivalents at the end of the financial period		155,542	161,051

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes



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Note 1. Reporting entity

DRA Global Limited (the Company) is a for-profit company limited by shares incorporated in Australia. On 9 July 2021, the Company was admitted into the Australia Securities Exchange (ASX) and the Johannesburg Stock Exchange (JSE).

The condensed consolidated financial statements of the Company comprise the Company and its controlled entities (the Group) and the Group's interest in associates and joint arrangements.

Note 2. Significant accounting policies

Basis of preparation

These general purpose financial statements for the half year reporting period ended 30 June 2021 have been prepared in accordance with Australian Accounting Standard AASB 134 *'Interim Financial Reporting'* and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *'Interim Financial Reporting'*.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2020 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated. Refer to "New or amended Accounting Standards and Interpretations adopted" and note 11 'Reserves' for details.

New or amended Accounting Standards and Interpretations adopted

AASB 138 *Intangible Assets* — Configuration or customisation of costs in a cloud computing arrangement

In April 2021, the IFRS Interpretations Committee (IFRIC) published its final agenda decision on accounting for configuration and customisation costs in a SaaS (software as a service) arrangement.

The Group voluntarily changed its accounting policy for configuration or customisation costs as a result of this agenda decision for period ended 30 June 2021. The amount of software capitalised in the Group as at 30 June 2021 was \$3.4M of which \$1.6M related to SaaS and has been reclassified to prepayments. These SaaS expenses will be amortised over the duration of the respective contract periods when the Group obtains access to the software provided by the suppliers. The Group has adopted the accounting policy retrospectively but has not restated the prior corresponding period as there was no material impact on prior period results.

Other than the above, a number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adoption.

Initial Public Offering (IPO) costs

During the half year ended 30 June 2021, the Group undertook an IPO to list on the ASX and JSE. Costs incurred that are directly attributable and incremental to the issuance of new equity (net of tax) have been recognised in equity. All other costs in relation to listing were taken directly to profit or loss.

Note 3. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) in DRA.

The CODM assesses the financial performance and position of the Group and makes strategic decisions. The CODM consists of the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer (newly appointed during the half year period).

Identification of operating segments

The CODM has identified its operating segments based on the internal reports that are used in assessing performance and in determining the allocation of resources. Operating segments are identified based on the geographical regions of operation.

The Group aggregates two or more operating segments into a single operating segment when the Group has assessed and determined the aggregated operating segments share similar economic and geographical characteristics, such as the type of customers for the Group's services and similar expected growth rates and regulatory environment.

The Group has the following segments:

- / Europe, Middle East and Africa (EMEA) - this part of the business provides project and/or operation services in the mining industries throughout EMEA.
- / Asia Pacific and Americas (APAC/AMER) - this part of the business provides project and/or operation services in the mining and energy industries in the Asia Pacific, North and South Americas.
- / Group and unallocated items.

The following items are not allocated to operating segments as they are not considered part of the core trading operations of any segment:

- Corporate overheads;
- Group finance;
- Information technology;
- Origination;
- Treasury;
- Corporate secretarial; and
- Certain strategic investments.

These amounts are presented in the 'Group and unallocated items' column in the operating segment information below.

There is no change in the operating segments in the half year ended 30 June 2021.

Note 3. Operating segments (continued)

Operating segment information

2021 H1	EMEA \$'000	APAC/ AMER \$'000	Group and unallocated items \$'000	Total \$'000
Revenue				
Segment revenue	305,299	272,736	13,434	591,469
Inter-segment revenue	(7,442)	(1,321)	(13,434)	(22,197)
Total revenue	297,857	271,415	-	569,272
EBIT				
Net finance income	33,842	240	(7,973)	26,109
Profit before income tax expense				26,849
Income tax expense				(10,252)
Profit after income tax expense				16,597
Assets				
Segment assets	322,817	167,703	136,467	626,987
Total assets				626,987
Liabilities				
Segment liabilities	161,894	165,508	76,765	404,167
Total liabilities				404,167

2020 H1	EMEA \$'000	APAC/ AMER \$'000	Group and unallocated items \$'000	Total \$'000
Revenue				
Segment revenue	279,498	157,737	10,002	447,237
Inter-segment revenue	(2,962)	(2,063)	(10,002)	(15,027)
Total revenue	276,536	155,674	-	432,210
EBIT				
Net finance income	25,387	(306)	(4,377)	20,704
Profit before income tax expense				22,401
Income tax expense				(8,057)
Profit after income tax expense				14,344

31 December 2020

Assets				
Segment assets	347,034	146,424	136,738	630,196
Total assets				630,196
Liabilities				
Segment liabilities	195,506	122,168	3,890	321,564
Total liabilities				321,564

Note 4. Revenue

Disaggregation of revenue by major service lines and geographical regions:

	EMEA \$'000	APAC/ AMER \$'000	Total \$'000
2021 H1			
Revenue recognised over time:			
Projects	164,760	126,913	291,673
Operations	133,096	144,503	277,599
	297,856	271,416	569,272
2020 H1			
Revenue recognised over time:			
Projects	159,559	48,990	208,549
Operations	116,977	106,684	223,661
	276,536	155,674	432,210

Management continues to apply the same significant judgements and estimates in relation to revenue recognition as disclosed in the FY2020 Annual Financial Report.

Note 5. Profit and loss information

Significant items

Profit for the half year includes the following items that are significant non-cash expenses and unusual items because of their nature, size or incidence:

	2021 H1 \$'000	2020 H1 \$'000
Other income		
Job keeper grant	39	1,247
Other gains/(losses) – net		
Foreign exchange (loss)/gain	(1,933)	11,841
Profit/(loss) on foreign currency contracts	1,302	(3,268)
Expenses		
Net impairment (reversal)/losses on trade receivables and contract assets	(724)	3,014
Share-based payment expenses	1,557	682
Depreciation of right-of-use assets	4,996	3,742
Depreciation of property, plant and equipment	4,463	4,466
Amortisation of intangible assets	3,024	4,770
(Reversal)/impairment of other financial assets	(209)	359

Note 6. Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the half year to ended 30 June 2021 is 38%, compared to 35% for the six months ended 30 June 2020. The tax rate was higher in 2021 H1 due to withholding tax paid in foreign jurisdictions in relation to transfer of dividends and other revenue activities.

Note 7. Earnings per share

(i) Earnings per share

	2021 H1 \$'000	2020 H1 \$'000
Profit after income tax	16,597	14,344
Non-controlling interest	(1,522)	(1,263)
Profit after income tax attributable to the owners of DRA Global Limited	15,075	13,081
Fair value adjustment on UPRs	(1,000)	-
Profit after income tax attributable to the owners of DRA Global Limited used in calculating diluted earnings per share	14,075	13,081
	Cents	Cents
Basic earnings per share	22.88	15.88
Diluted earnings per share	20.49	15.85

(ii) Earnings per share (excluding revaluation of UPRs)

Included in profit or loss is the revaluation of UPRs which is driven by the Company's share price and the remaining life of the UPRs. The Directors are of the opinion that any gain or loss from revaluation of UPRs is not representative of the underlying operation of the Group. In order to provide an accurate representation of the performance of the Group, a revised earning per share which excluded the gain or loss from revaluation of UPRs have been provided on the table below:

	2021 H1 \$'000	2020 H1 \$'000
Profit after income tax attributable to the owners of DRA Global Limited	15,075	13,081
Fair value adjustment on UPRs	(1,000)	-
Profit after income tax excluding revaluation of UPRs	14,075	13,081
	Cents	Cents
Basic earnings per share (excluding revaluation of UPRs)	21.36	15.88
Diluted earnings per share (excluding revaluation of UPRs)	20.49	15.85

Note 7. Earnings per share (continued)

(iii) Headline earnings per share

The presentation of headline earnings (and per share measure) is mandated under the Listings Requirements of the JSE Limited and is calculated in accordance with Circular 1/2019, 'Headline Earnings', issued by the South African Institute of Chartered Accountant.

	2021 H1 \$'000	2020 H1 \$'000
Profit after income tax attributable to the owners of DRA Global Limited	15,075	13,081
Add back items under Circular 1/2019:	-	-
(Profit) on disposal of property, plant and equipment	(548)	(543)
(Reversal)/impairment of asset	(209)	359
Foreign translation currency reserve reclassified to (profit)	(8)	-
Taxation effects on adjustments	220	37
Headline earnings from continuing operations	14,530	12,934
Fair value adjustment of UPRs	(1,000)	-
Headline earnings from continuing operations used in calculating diluted earnings per share	13,530	12,934

	Cents	Cents
Basic headline earnings per share	22.05	15.70
Diluted headline earnings per share	19.69	15.68

(iv) Weighted average number of ordinary shares

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	65,892,488	82,380,714
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	495,000	130,549
UPRs	2,318,344	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	68,705,832	82,511,263

The above table disclosed a reconciliation of weighted average number of ordinary shares used as the denominator in calculating earnings per share, earnings per share (excluding valuation of UPRs) and headline earnings per share.

Note 8. Other financial assets at amortised cost

	30 Jun 2021 \$'000	31 Dec 2020 \$'000
Current assets		
Loan receivable - at amortised cost	1,023	772
Loans to shareholders (employees) - at amortised cost (i)	-	2,081
Other loans	993	969
	2,016	3,822
Non-current assets		
Loan receivable - at amortised cost (ii)	16,303	12,642
Loans to shareholders (employees) - at amortised cost (i)	2,184	-
	18,487	12,642
	20,503	16,464

(i) These loans accrue interest at the prime lending rate in South Africa, currently 7% per annum. The repayment date of the loans were extended to 2 years from the original repayment deadline of 60 days after listing.

(ii) Included in the loan receivables was a loan agreement that the Group entered into with Limpopo Iron Ore Proprietary Limited (LIO) during the half year ended 30 June 2021. The loan receivable has a net carrying amount of ZAR 24.8M (AUD \$2.3M) (31 December 2020: nil) which represents amounts that could be recovered.

The loan bears interest of 12% to 15% per annum and is repayable by 31 December 2023.

Refer to note 12 for further information on fair value measurement of financial assets and liabilities.

Note 9. Other financial liabilities

	30 Jun 2021 \$'000	31 Dec 2020 \$'000
Other financial liabilities at amortised cost		
Current liabilities		
Put option liability (i)	18,890	18,890
Deferred cash consideration (ii)	30,371	-
	49,261	18,890
Non-current liabilities		
Contingent consideration	1,049	1,004
Other financial liabilities at fair value through profit or loss		
Current liabilities		
UPRs (ii)	33,500	-

(i) Subsequent to 30 June 2021, the put option liability was extinguished when the Company was admitted to ASX. Refer to note 16.

(ii) These financial liabilities relate to the Stockdale share buy-back transactions. The deferred cash consideration accrues interest at 1.41% per annum. The UPRs have been revalued as at 30 June 2021 with a \$1.0M gain recognised in profit or loss. The fair value is determined using an option pricing model with reference to the Company's share price. Refer to note 10.

Note 9. Other financial liabilities (continued)

The UPRs have been valued using a option pricing model. The model takes into consideration that the holder of the UPRs have the right to the upside between the strike price (\$3.10) and the cap (\$6.50), such that the payoff to the holder is capped at \$3.40 (\$6.50 less \$3.10).

	At initial recognition	At 30 Jun 2021
Value of the underlying share	\$3.95	\$3.95
Exercise price	\$3.10	\$3.10
Cap	\$6.50	\$6.50
Life of the Rights (years)	2.75	2.50
Volatility	40%	40%
Risk-free rate	0.11%	0.11%
Number of UPRs	25,000,000	25,000,000
Valuation per UPR	\$1.38	\$1.34
Total value of UPRs	\$34,500,000	\$33,500,000

Note 10. Issued capital

	30 Jun 2021 Shares	31 Dec 2020 Shares	30 Jun 2021 \$'000	31 Dec 2020 \$'000
Ordinary shares - fully paid	54,227,777	84,101,195	161,089	162,547
Settlement shares	(4,715,456)	-	-	-
	49,512,321	84,101,195	161,089	162,547

Movements in contributed equity:

	2021 H1 Shares	2021 H1 \$'000
Ordinary shares on issue		
1 January 2021	84,101,195	162,547
Buy-back of shares (i)	(30,000,000)	-
Shares to be issued (ii)	126,582	500
Cost of capital raising	-	(1,958)
30 June 2021	54,227,777	161,089
Settlement shares		
Settlement shares (iii)	(4,715,456)	-
	49,512,321	161,089

(i) Stockdale share buy-back

On 28 January 2021, the Company entered into a Share Buy-back Agreement with Stockdale to purchase 30 million shares in the Company. The Share Buy-back consideration includes initial cash consideration of ZAR 550M (\$49.9M) paid on 14 April 2021 and further cash consideration of \$30.3M to be paid prior to 31 December 2021, totalling \$80.2M and the issue of 25M UPRs which were initially valued at \$34.5M. The transaction was accounted in the share buy-back reserve under the policy outlined in note 11.

The unpaid cash consideration and the UPRs are recorded as other financial liabilities. Refer to note 9.

(ii) Initial public offering

These shares were subscribed for as part of the Initial Public Offering. The offer was closed on 24 June 2021 with new shares issued on 2 July 2021.

Note 10. Issued capital (continued)

(iii) Settlement shares

Included in the ordinary shares are shares purchased by employees including certain key management personnel between 2014 and 2017 through loans provided by the Group (Share Schemes). The Share Schemes gave rise to loan funding from certain subsidiaries of the Group (Share Schemes Lenders) to participants in the Share Schemes (Share Schemes Loans).

In June 2021, the Company, the Share Schemes Lenders and loan holders entered into a Share Schemes Sale and Loan Deed to formally record and confirm the terms of the Share Schemes Loan and the settlement of the Share Schemes Loan previously provided by the Share Schemes Lender to the loan holder and confirm the rights and obligations of the parties in respect of the Settlement Shares (Share Schemes Sale and Loan Deed).

The loans are settled with the Group having the right to the proceeds from sale of shares or conduct a future buyback. These shareholders also have appointed the Company as their attorney to sell Shares (Settlement shares) on their behalf (and agreed to have a holding lock placed on the Settlement Shares) to settle loans due to Share Schemes Lenders.

Under the power of attorney, restrictions on disposal and escrow arrangements in accordance with terms and conditions of the Share Schemes and Loan Deed, the Company has a relevant interest in 4,715,456, comprising 8.7% of the total number of shares on issue.

Under the accounting standards, these settlement shares are accounted like "treasury shares" of the Company under AASB 132 *Financial Instruments: Presentation* until the shares are sold to a third party buyer or bought back by the Company through a selective buy-back.

Note 11. Reserves

	30 Jun 2021 \$'000	31 Dec 2020 \$'000
Foreign currency reserve	29,819	17,638
Other reserve - Broad Based Black Economic Empowerment Structure	3,214	3,214
Share-based payment reserve	5,572	4,038
Put option reserve	(18,890)	(18,890)
Share buy-back reserve	(114,689)	-
	(94,974)	6,000

Foreign currency reserve

Exchange differences arising on translation of the foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Other reserve - Broad Based Black Economic Empowerment Structure

Share-based payment reserve to account for the liability in terms of Broad Based Black Economic Empowerment legislation within South Africa.

Share-based payment reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Put option reserve

The reserve is used to recognise the value of the put option arising from a transaction with the Company's shareholders.

Share buy-back reserve

The reserve is used to recognise shares bought back from shareholders. Refer to Share buy-back policy below.

Note 11. Reserves (continued)

Movements in reserves

Movements in each class of reserve during the current financial period are set out below:

	Foreign currency reserve \$'000	Other reserve - Broad Based Black Economic Empowerment Structure \$'000	Share-based payment reserve \$'000	Put option reserve \$'000	Share buy- back reserve \$'000	Total \$'000
Balance at 1 January 2021	17,638	3,214	4,038	(18,890)	-	6,000
Foreign currency translation	12,181	-	-	-	-	12,181
Share-based payment settled in cash	-	-	(23)	-	-	(23)
Share-based payment expenses	-	-	1,557	-	-	1,557
Buy-back of shares	-	-	-	-	(114,689)	(114,689)
Balance at 30 June 2021	29,819	3,214	5,572	(18,890)	(114,689)	(94,974)

During half year ended 30 June 2021, the Company adopted a formal share buy-back accounting policy as stated below:

Recognition and measurement**Share buy-back**

Where the Company acquires its own equity instruments as a result of share buy-back, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity contributable to the owner of the Company as a share buy-back reserve.

Note 12. Fair value measurement of financial assets and liabilities**Fair value hierarchy**

The following tables detail the Group's financial assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

30 June 2021	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets				
Financial assets at fair value through profit or loss	2,104	-	646	2,750
Total assets	2,104	-	646	2,750
Liabilities				
Financial liabilities at fair value through profit or loss	-	33,500	-	33,500
Total liabilities	-	33,500	-	33,500

31 December 2020	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Assets				
Financial assets at fair value through profit or loss	2,626	-	534	3,160
Total assets	2,626	-	534	3,160

There were no transfers between levels during the half year.

Note 13. Contingencies

The Group occasionally receives legal claims arising from its operations in the course of its normal business. Group entities may also have potential financial liabilities that could arise from historical commercial contracts. At the date of this report the Group has a number of claims in progress, however it is not possible to estimate the financial effects of these claims should they be successful and, at the date of this report, the Directors have assessed the possibility of any net outflow of resources embodying economic benefits, which have not already been provided in this report, in relation to these matters to be unlikely. The Directors are of the opinion that the disclosure of any further information on these matters would be prejudicial to the interests of the Group.

Note 14. Share-based payments

FY2021 Share Option Plan

During the half year ended 30 June 2021, the Company granted options to the value of \$5.9M to key employees where the number of options to be issued will be determined based on the Company's share price after listing. FY2021 Share Option Plan will vest subject to satisfaction of Absolute Total Shareholders Return (ATSR) (50% of the grant value) and Earnings Per Share (EPS) (50% of the grant value) performance hurdles. These performance hurdles are mutually exclusive so that if only one of the hurdles is satisfied, vesting occurs for that performance hurdle.

EPS performance will be assessed against compound annual growth rate targets set by the Board. The target set for FY2021 Share Option Plan is currently 8% compound average growth rate. If the compound average growth rate over FY2021 to FY2023 is 8% or greater, the grant will become 100% performance qualified. 25% or 50% will vest if at least 2% or 4% compound growth over FY2021 to FY2023 performance period is achieved respectively.

ATSR performance is measured based on 10-day volume weighted average share price (VWAP) of the Company from date of listing and compare to the 30-day VWAP till 31 March 2024 (inclusive) assuming dividends are reinvested. If the ATSR from the date of listing to 31 March 2024 is 8% or greater, the grant will become 100% performance qualified. 25% or 50% will vest if at least 2% or 4% of ATSR is achieved from the date of listing to 31 March 2024 respectively. The expiry date of the options is 31 March 2026 with a weighted average remaining contractual life of options of 4.75 years in this reporting period.

The assessed fair value at grant date for the options issued to the value of \$5.9M was independently determined to be \$4,118,226 after taking into account the performance hurdles and other assumptions. The fair value per option can only be determined once the number of options to be issued is determined after the Company is listed on the ASX.

The fair value of the options is measured using Monte-Carlo simulation and Binomial models with the following inputs as at 29 June 2021:

Assumptions	ATSR Performance Hurdle	EPS Performance Hurdle
Grant Date	29-Jun-21	29-Jun-21
Amount granted	\$2,967,346	\$2,967,346
Fair value on amount granted	\$1,386,765	\$2,731,461
Vesting Date	31-Mar-24	31-Mar-24
Expiry Date	31-Mar-26	31-Mar-26
Expected Future Volatility	40%	40%
Risk Free Rate	0.78%	0.78%
Dividend Yield	3%	3%
Share price at grant date*	N/A	N/A

* Whilst the share price of the Company has not been determined at the grant date, the share price has an inverse relationship between the number of options and the share price of the Company, due to the product of the number of options and the share price being equal to the value of the options to be issued. Therefore a range of different indicative share prices were used in determining the share-based payment expense of the options.

Note 15. Related party transactions

Settlement shares

In June 2021, the Group, the Share Scheme Lenders and loan holders entered into a Share Scheme Sale and Loan Deed to formally record and confirm the terms of the Share Scheme Loan and the settlement of the Share Scheme Loan previously provided by the Share Scheme Lenders to the loan holder and confirm the rights and obligations of the parties in respect of the Settlement Shares. Loans amounted to \$1,970,288 in relation to key management personnel were settled in this arrangement. Refer to note 10 for more details.

Transactions with related parties

Other than above, there have been no other significant transactions since the end of the last annual reporting where disclosure is necessary for an understanding of the interim period.

Note 16. Events after the reporting period

Initial Public Offering (IPO)

On 9 July 2021, the Company completed its IPO and officially listed on the Australian Securities Exchange (ASX) and Johannesburg Stock Exchange (JSE).

Minново put option

The put option liability of \$18.9M recorded by the Company fell away on 9 July 2021 when the Company listed on the ASX.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Directors' declaration

In the Directors' opinion:

- / the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- / the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2021 and of its performance for the financial period ended on that date; and
- / there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Directors



Peter Mansell

Chairman



Andrew Naudé

Managing Director
and Chief Executive Officer

19 August 2021

INDEPENDENT AUDITOR'S REVIEW REPORT



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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of DRA Global Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of DRA Global Limited (the Company) and its subsidiaries (the Group), which comprises the condensed consolidated statement of financial position as at 30 June 2021, the condensed consolidated statement of profit or loss, the condensed consolidated statement of other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year then ended, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the half-year financial report does not present fairly, in all material respects, the financial position of the Company as at 30 June 2021 and of its financial performance and its cash flows for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'Neil Smith', is written over a small, faint BDO logo.

Neil Smith
Director

Perth, 19 August 2021

DISCLAIMER

Forward-looking Statements

This report contains certain forward-looking statements (including financial forecasts) with respect to the financial condition, operations and business of the Company and certain plans and objectives of the management of DRA. Forward looking statements can be identified by the use of forward-looking terminology, including, without limitation, the terms “believes”, “estimates”, “anticipates”, “expects”, “predicts”, “intends”, “plans”, “goals”, “targets”, “aims”, “outlook”, “guidance”, “forecasts”, “may”, “will”, “would”, “could” or “should” or, in each their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts.

Such forward looking statements involve known and unknown risks, uncertainties and other factors which because of their nature may cause the actual results or performance of the Company to be materially different from the results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding DRA's present and future business strategies and the political and economic environment in which DRA will operate in the future, which may not be reasonable, and are not guarantees or predictions of future performance. No representation is made that any of these statements or forecasts will come to pass or that any forecast result will be achieved, or that there is a reasonable basis for any of these statements or forecasts.

Forward-looking statements speak only as at the date of this report and to the full extent permitted by law, DRA and its respective affiliates and related bodies corporate and each of their respective related parties and intermediaries disclaim any obligation or undertaking to release any updates or revisions to information to reflect any change in any of the information contained in this report (including, but not limited to, any assumptions or expectations set out in the report).

Non-IFRS Financial Information

DRA's results are reported under the Australian Accounting Standards (AAS) as issued by Australian Accounting Standards Board which compliant with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. DRA discloses certain non-IFRS measures including Underlying EBITA, Earnings per share (excluding valuation of UPRs) and Headline earnings per shares that are not prepared in accordance with IFRS. These 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.

Not Financial Product Advice

This report is for information purposes only and is not a financial product or investment advice or recommendation to acquire DRA securities (or any interest in DRA Global securities) and does not take into consideration the investment objectives, financial situation or particular needs of any particular investor. You should make your own assessment of an investment in DRA and should not rely on this report. In all cases, you should conduct your own research of the Company and analysis of the financial condition, assets and liabilities, financial position and performance, profits and losses, prospects and business affairs of DRA and its business, and the contents of this report. You should seek legal, financial, tax and other advice appropriate to your jurisdiction.



CORPORATE DIRECTORY

Directors

Peter Mansell	<i>Non-executive Director and Chairman</i>
Andrew Naudé	<i>Managing Director and Chief Executive Officer</i>
Kathleen Bozanic	<i>Non-executive Director</i>
Lee (Les) Guthrie	<i>Non-executive Director</i>
Paulus (Paul) Lombard	<i>Non-executive Director</i>

Chief financial officer

Adam Buckler

Company secretary

Ben Secrett

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Telephone: +27 11 370 5000
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Auditor

BDO Audit (WA) Pty Ltd
38 Station Street Subiaco, WA 6008, Australia

Principal banker

HSBC
Level 1, 188-190 St George's Terrace, Perth WA 6000, Australia

Stock exchange listings

DRA Global Limited fully paid ordinary shares are listed on the following exchanges.

- / Australian Securities Exchange – ASX Code: DRA
- / Johannesburg Stock Exchange – JSE Code: DRA

Incorporation

DRA Global Limited is incorporated in Australia as a public company limited by shares.

- / ACN 622 581 935
- / ABN 75 622 581 935

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