





INTERIM CONSOLIDATED RESULTS

FOR THE 6 MONTHS ENDED 30 JUNE 2024



AGENDA



- 1** — BUSINESS OVERVIEW
- 2** — TECHNOLOGY OVERVIEW
- 3** — OPERATIONAL OVERVIEW
- 4** — FINANCIAL OVERVIEW
- 5** — Q&A AND CLOSING

Danie Pretorius

CEO

Koos Jordaan

Director

Roelof Swanepoel

COO

André van Deventer

CFO



BUSINESS OVERVIEW

DANIE PRETORIUS, CEO



KEY HIGHLIGHTS

- 01** Milestone of **5 million** fatality-free shifts reached
- 02** USD Revenue increased by **17.3%** to record interim high **USD127.0 million**
- 03** Healthy cash conversion ratio of **1.54*** (2023H1:0.93)
- 04** Significant progress on technology road map
- 05** Record pipeline of **USD600 million** and strong order book

*Excluding impairment losses



STRATEGY AND FUTURE INVESTMENT



Strategic pillars



Disruptive technology and innovation



Diversification and growth



Operational excellence



Positive sustainable impacts



Raise boring and support services



Slim drilling



Future mechanical rock excavation and cutting



Future digitalisation and smart mining

TECHNOLOGY OVERVIEW

KOOS JORDAAN, DIRECTOR



WHAT DOES THE FUTURE LOOK LIKE?

Exploration

- Robotic material handling
- Accelerated analysis and communication
- Trusted information

Mining

- Fast and quality access to orebodies
- Selective high grade ore extraction
- Efficient and alternative energy consumption

Digitisation

- Safe machinery and human interaction
- Information based intelligence
- Efficient operations



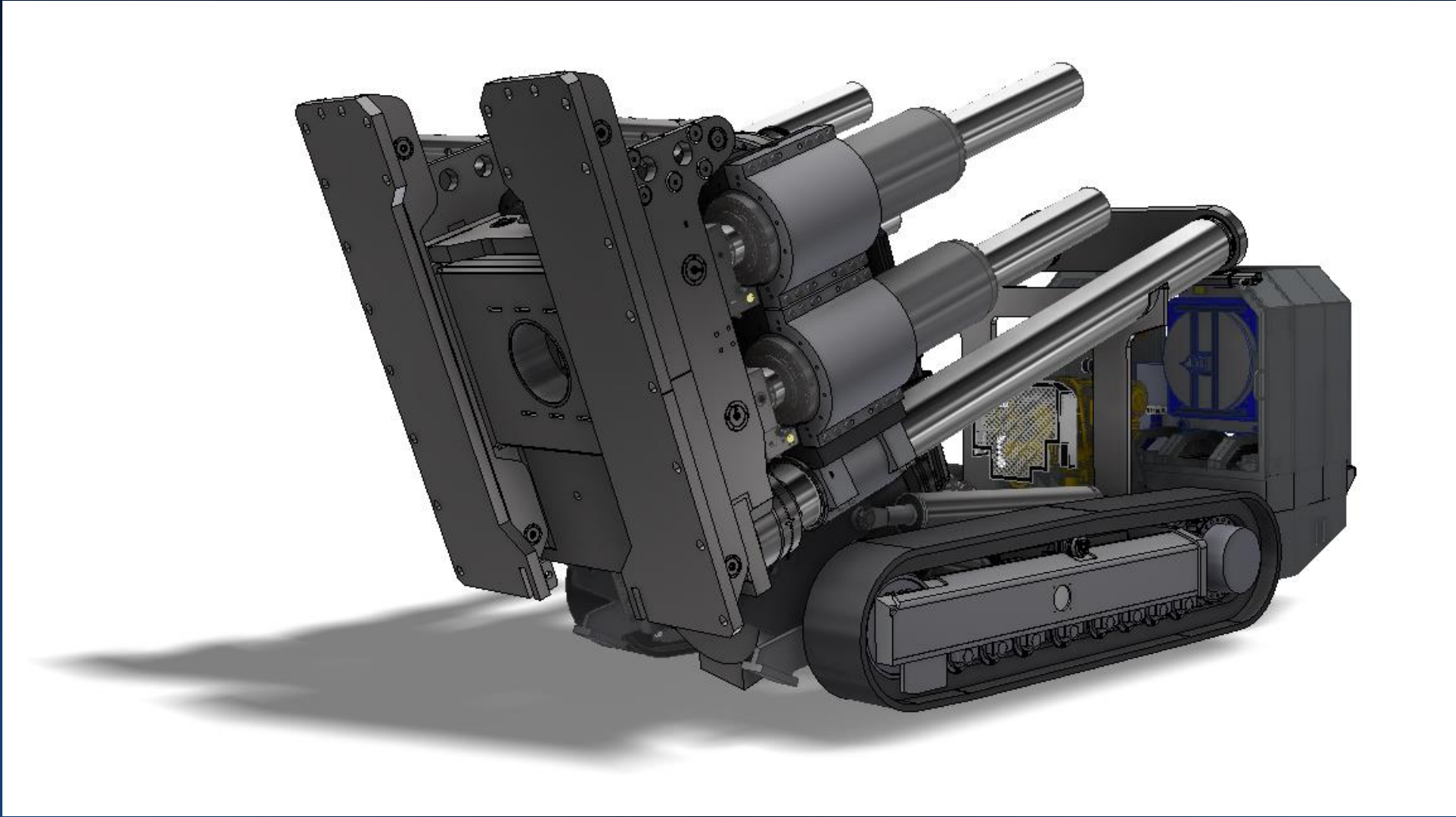
Image source: Mining.com

TECHNOLOGY INVESTMENT AND DEVELOPMENT



Business divisions / segments	Affiliated entities	Technology projects	Types of technologies	Maturity / contribution
Raise Boring	Incl. Future acquisitions	Bluebot	Automation, remote operation, digitisation	1 x unit Q1 2025
		RD6 DC LP		3 x unit HY 2025
Slim Drilling	Incl. HallCore	Surface robotic core rig	Robotics, water reuse / cleaning, electrification	1 x unit Q1 2025
New Technology	Shaft sinking	SBS 4300 manufacturing / testing	Continuous rock excavation, virtual reality, remote operation	50m test sink H2 2024
	Tunnelling	TP MTB re-build (Gen 1 Mark 4)	Continuous rock excavation	H2 2024
		CRCHI MTB design (Gen 2)		2025
		MC51 Komatsu		Ongoing experimentation & development
C&B (Cut & Break)	Ongoing experimentation & development			
	None explosive mining	Reef boring	Continuous rock excavation, virtual reality, remote operation	H1 2025 System surface commissioning
Digitisation	Incl. A&R and AVA	Working face network connectivity	Digitisation, AI and virtual reality	HY 2025
		Driver fatigue management		YE 2024

RAISE BORING ACCESS



HANDS-FREE CORE DRILLING



SHAFT SINKING ACCESS



DECLINE ACCESS



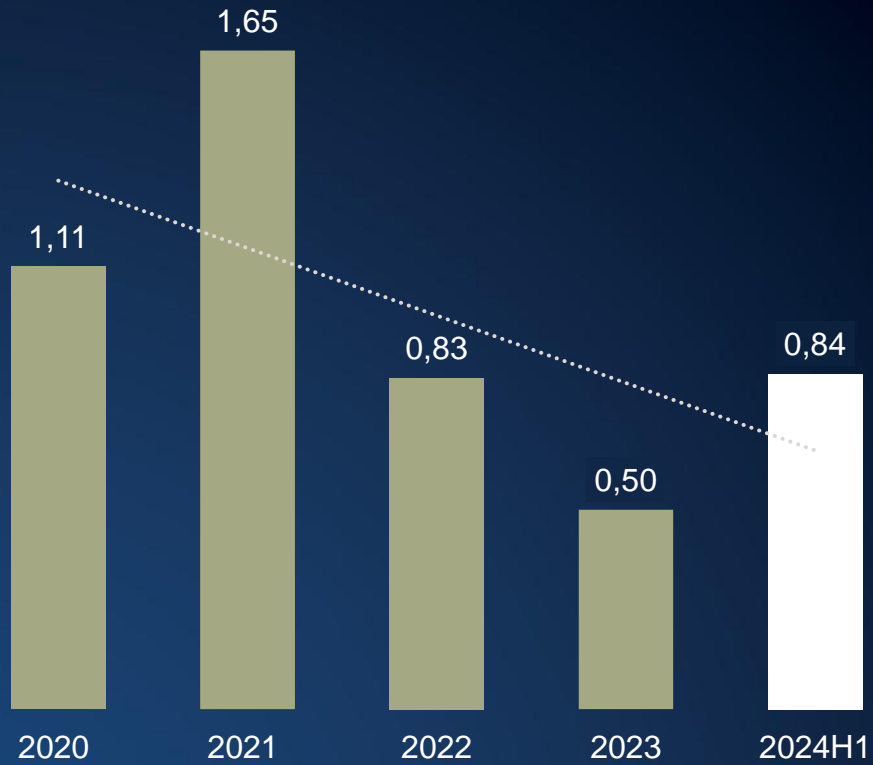
OPERATIONAL OVERVIEW

ROELOF SWANEPOEL, COO

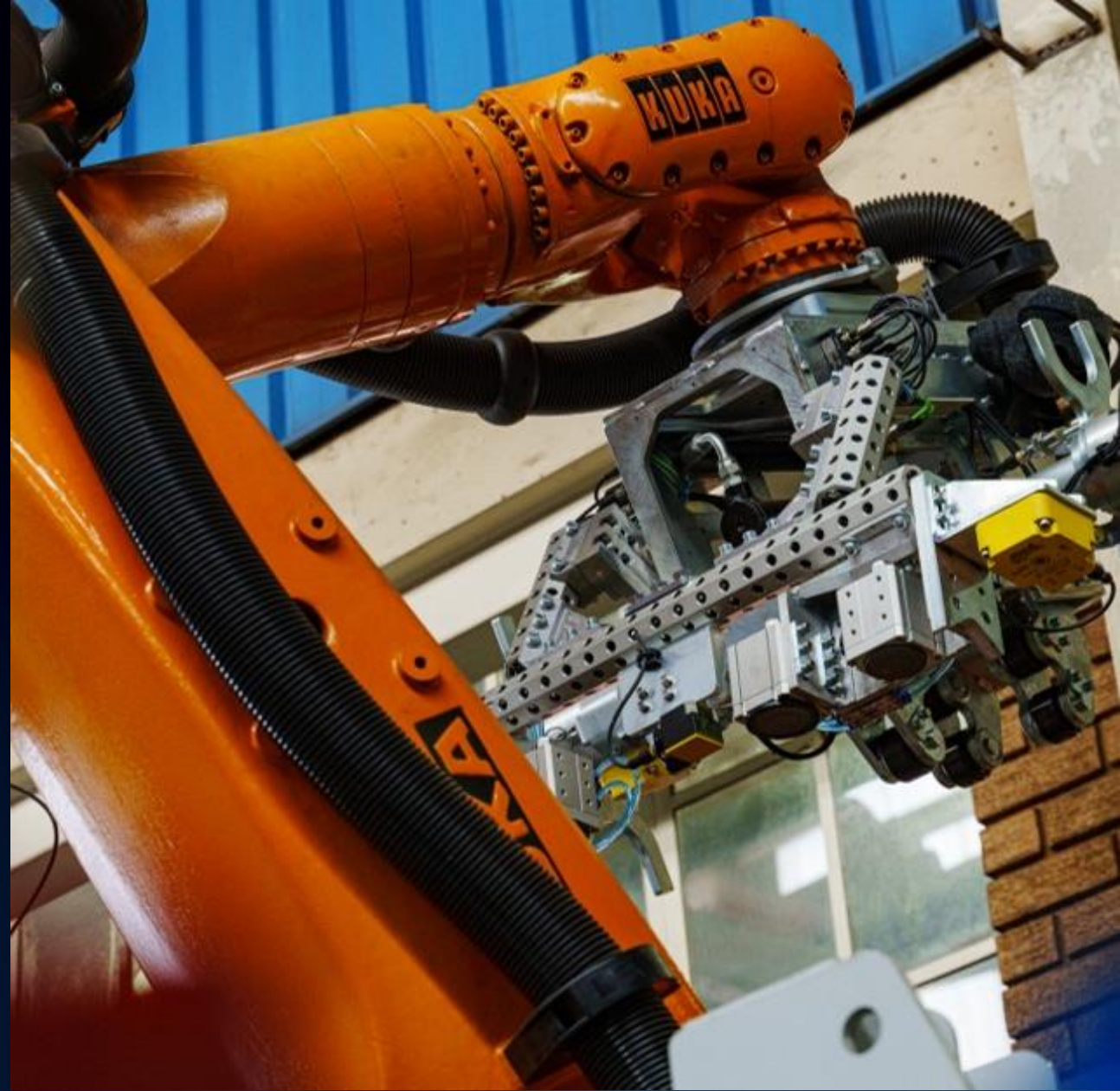


SAFETY

LTIFR



LTIFR – Lost Time Injury Frequency Rate | per 1 million hours



Robotic rod handling to improve safety and efficiencies

OUR PEOPLE



R

ESPECT

Workforce

Gender diversity

A

CCOUNTABILITY

2 940
(2023: 3 007)

20%
(2023: 18%)

I

NNOVATION

Investment
in training
USD1.1m
(2023: USD1.5m)

Differently abled
employees: **3.66%**
(Industry best)

S

AFETY

LTIFR

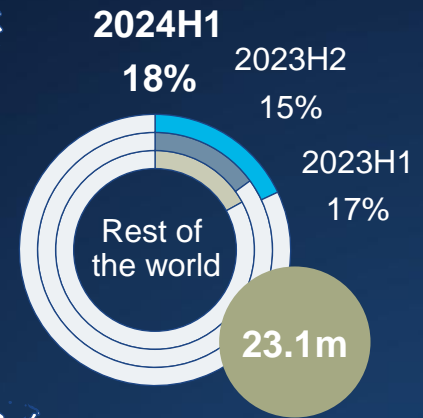
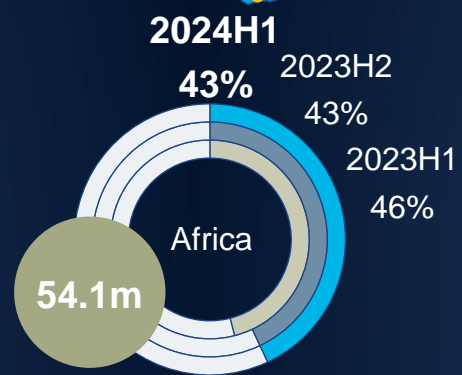
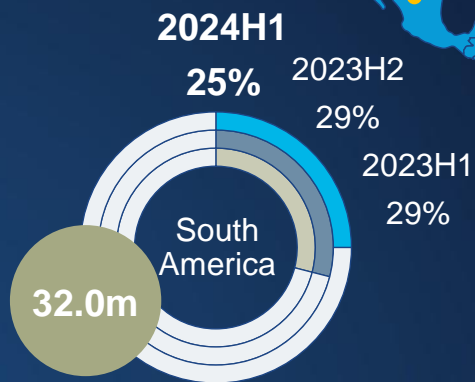
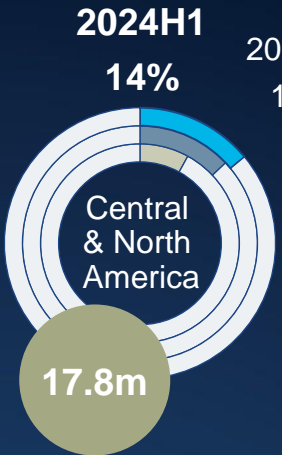
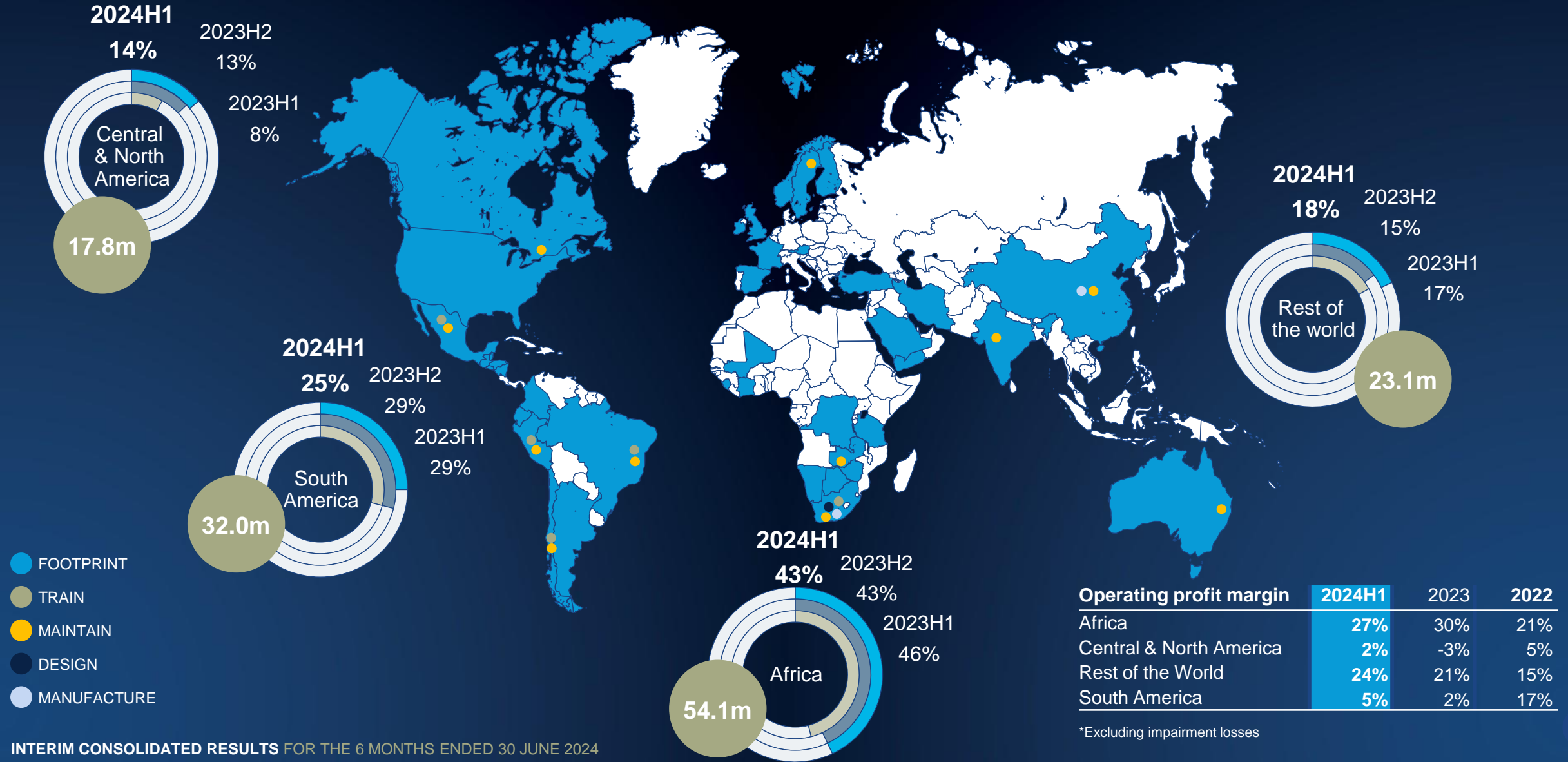
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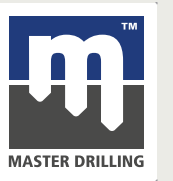
0.84
(2023: 0.5)

ENPS: 73%
(Employee Net Promoter Score)

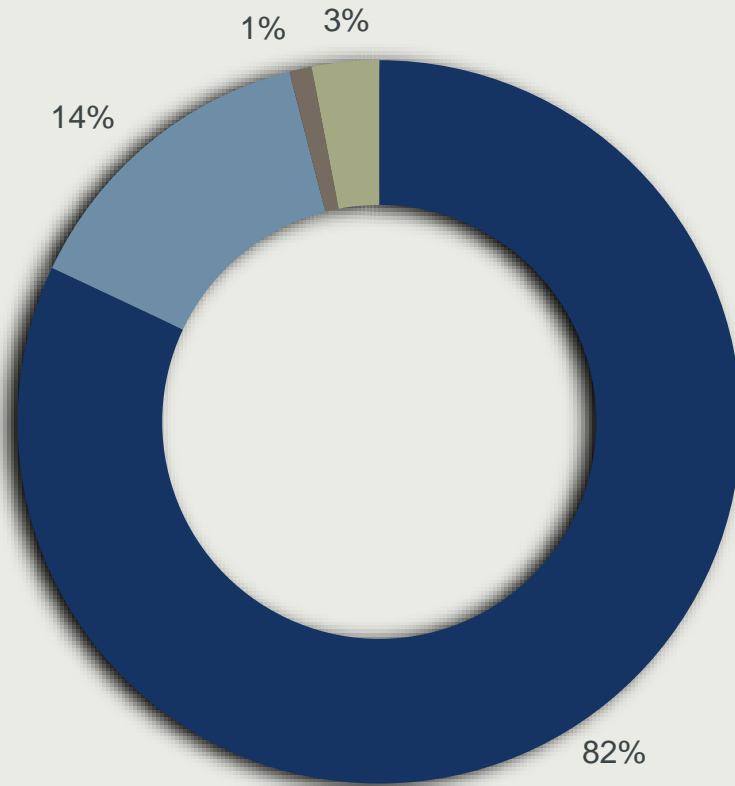
GEOGRAPHIC REVENUE DIVERSIFICATION



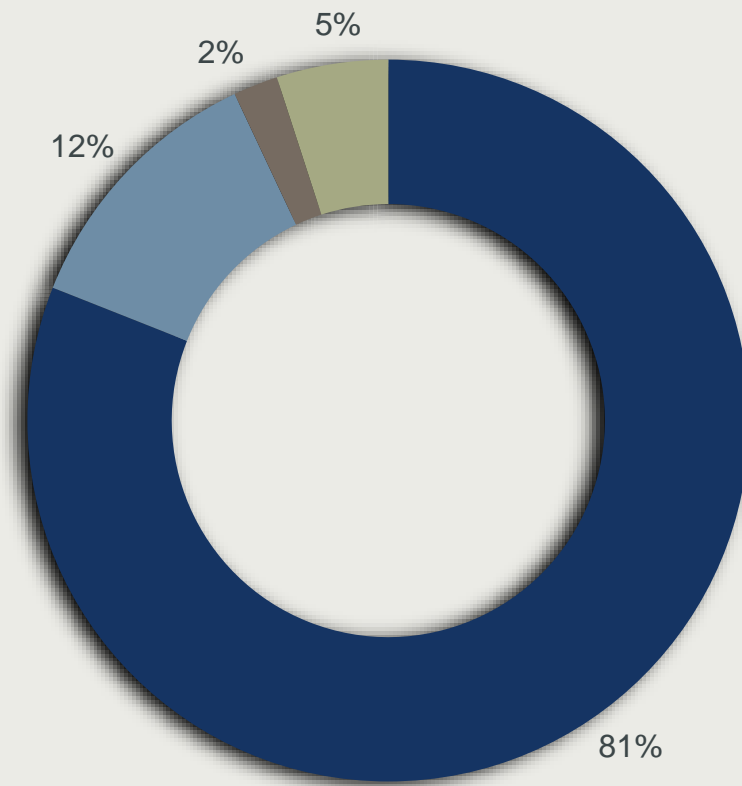
REVENUE BY BUSINESS PILLAR



2024H1



2023H1



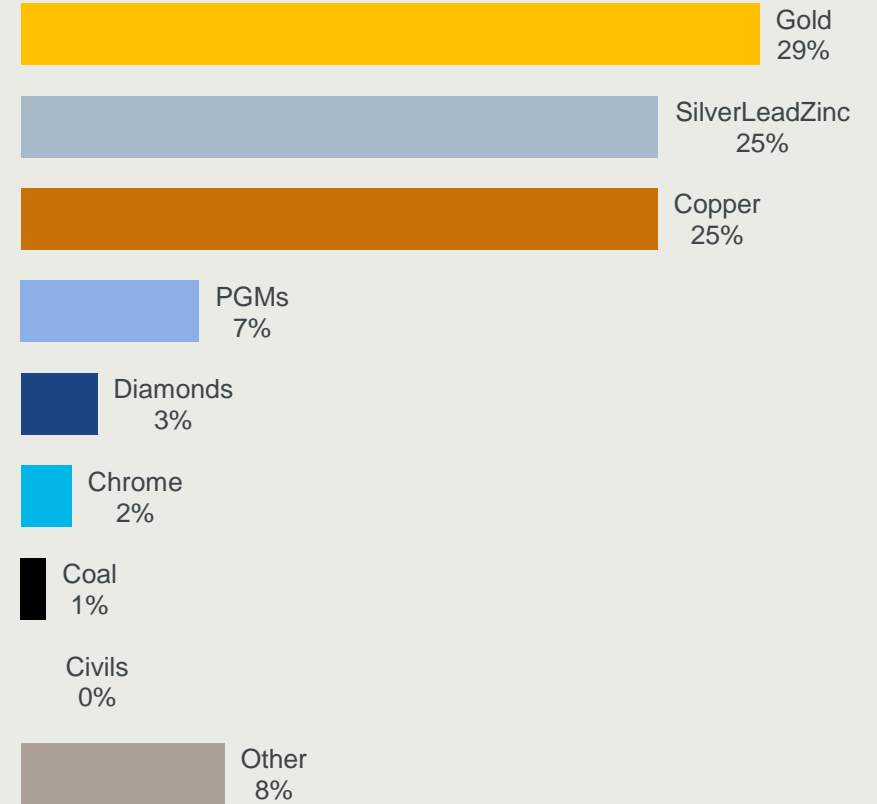
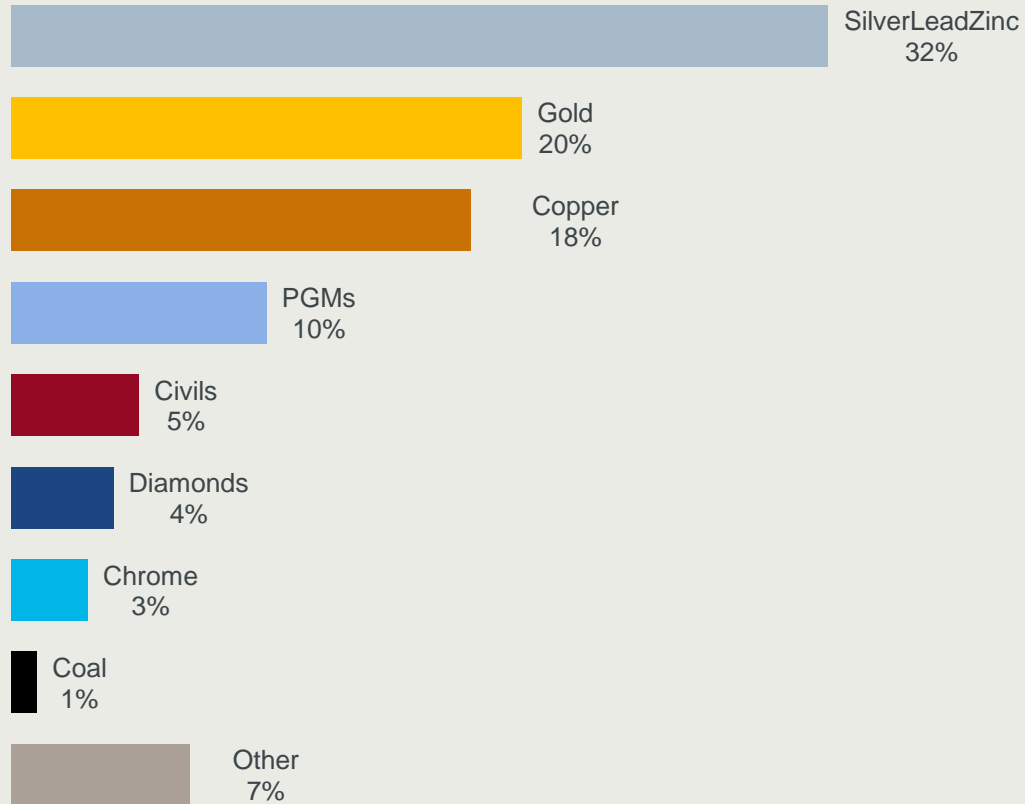
■ Raise boring and support services ■ Digitalisation and smart mining ■ Mechanical rock excavation and cutting ■ Slim drilling

COMMODITY REVENUE DIVERSIFICATION



2024H1

2023H1



ARPOR SUMMARY PER ANNUM

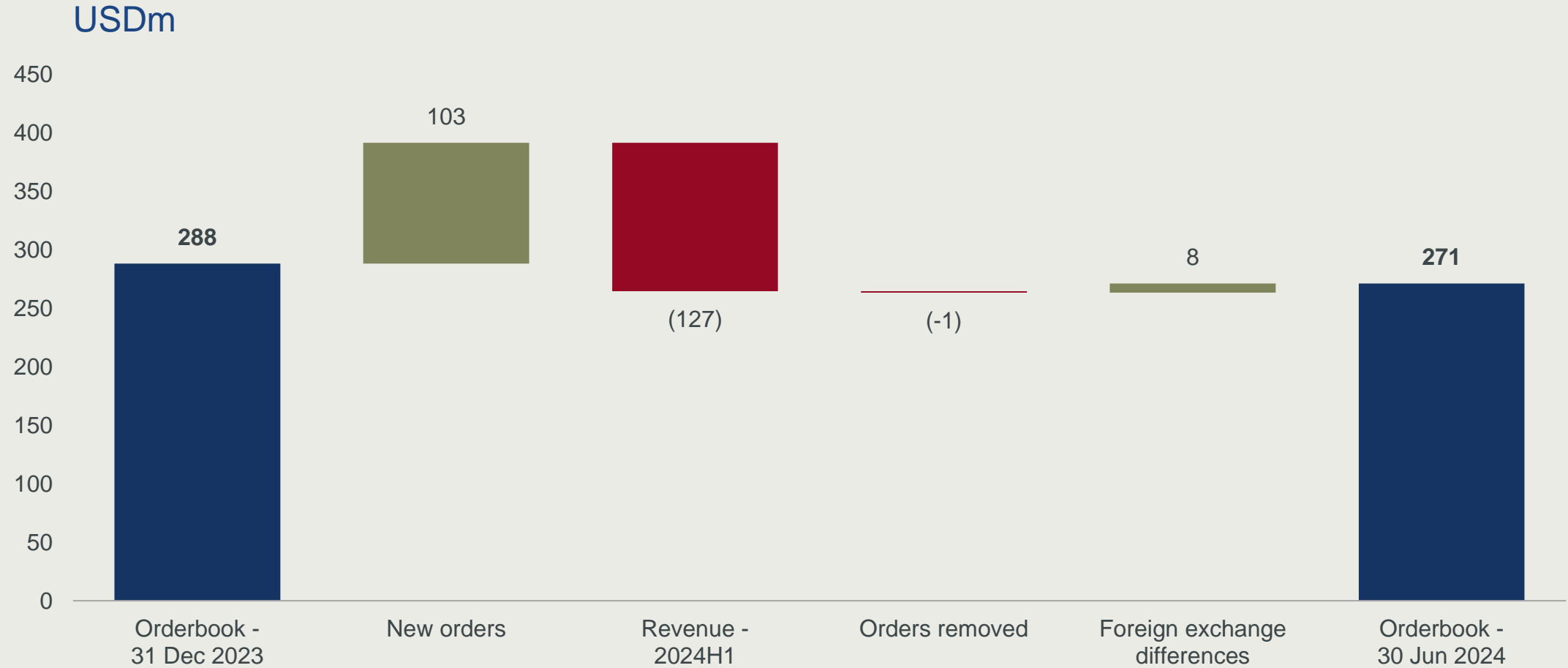


	2024H1	2023	2022	2021
Total Raise bore rigs	140	136	140	150
Utilisation %	75%	72%	77%	70%
Fleet Mix ARPOR (USD)	162 984	147 185	133 193	120 111
> Large Raise bore rigs	95	89	87	90
Utilisation %	79%	81%	89%	82%
ARPOR (USD)	183 955	171 391	154 509	136 586
< Large Raise bore rigs	45	47	53	60
Utilisation %	69%	58%	55%	50%
ARPOR (USD)	94 013	88 527	84 674	81 150
Total Slim rigs*	81	73	61	58
Utilisation %	55%	86%	82%	55%
ARPOR (USD)	51 415	39 864	49 645	31 493

APROR: Average monthly revenue per operating rig

* Includes rigs not under direct control

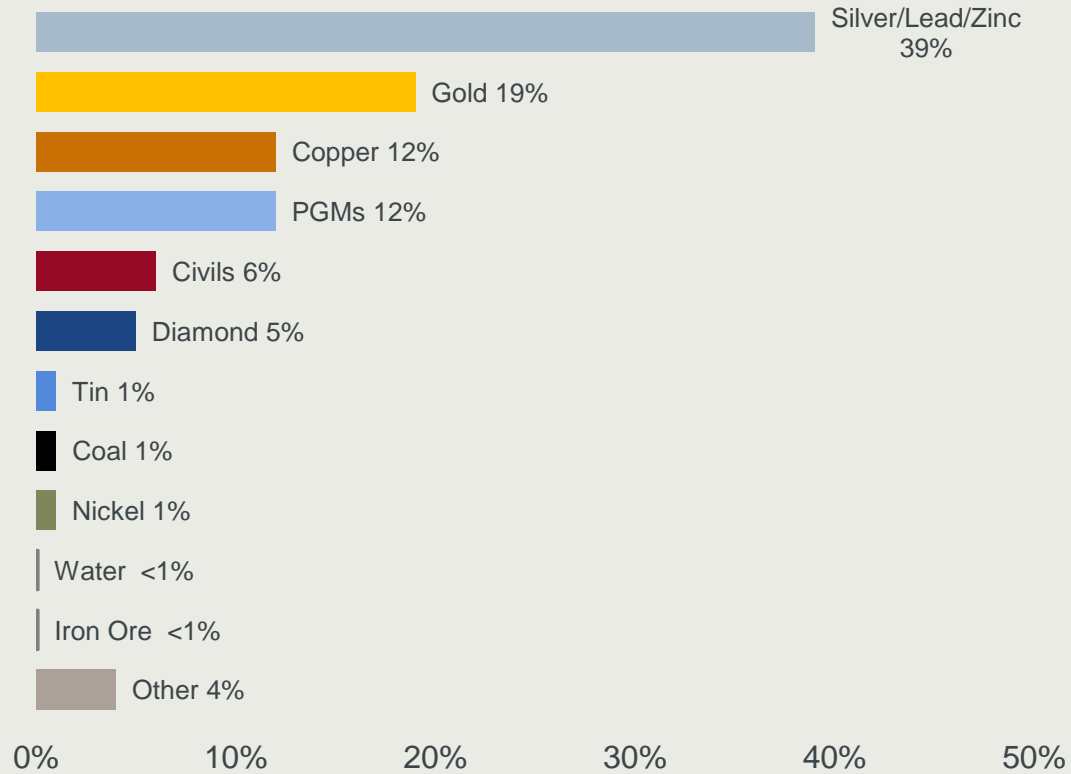
ORDERBOOK MOVEMENT



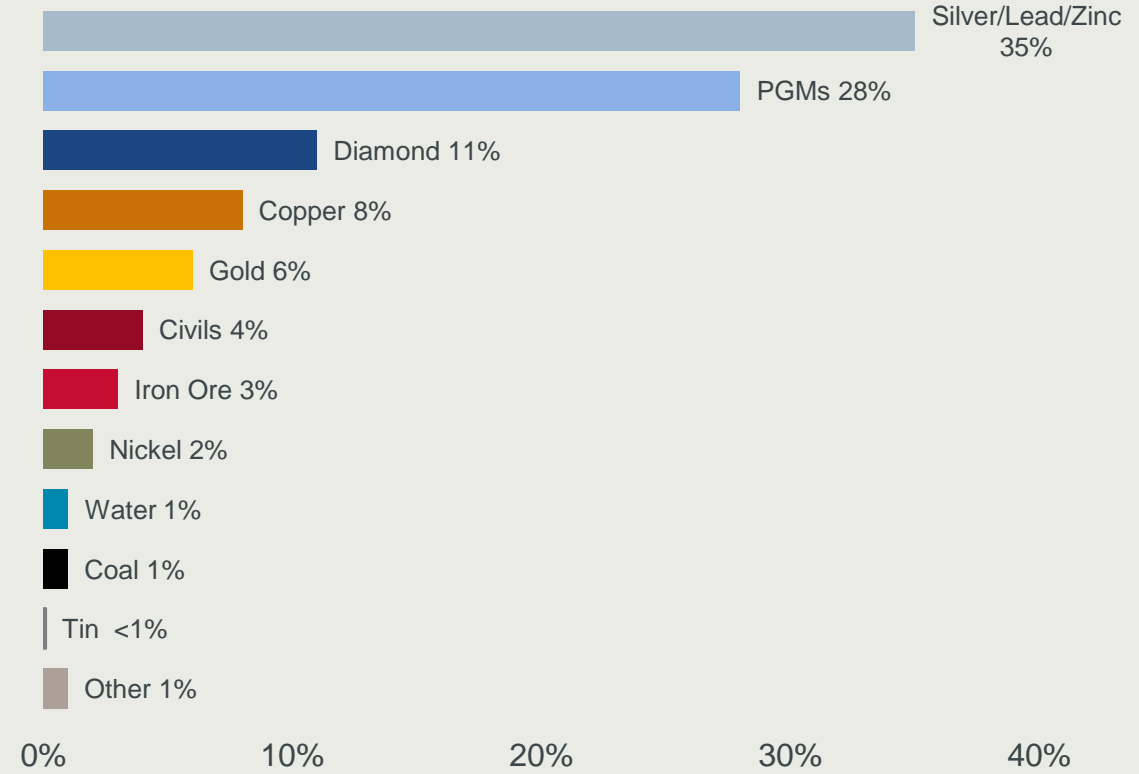
AWARDED ORDERS BY COMMODITY



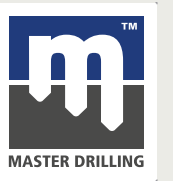
2024H1



2023



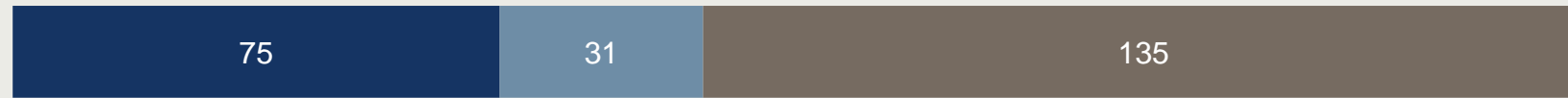
PIPELINE



USDm

Total pipeline
USD600m

2026
and beyond



2025



2024



0 50 100 150 200 250 300

■ Awarded (100%) ■ Awaiting adjudication (>70% probability) ■ Proposal (>50% probability)

FINANCIAL OVERVIEW

ANDRÉ VAN DEVENTER, CFO



HIGHLIGHTS FOR THE PERIOD 2024H1



USD revenue
increased by 17.3%
to record interim high
USD127.0 million

Healthy cash
conversion ratio of
1.54* (2023H1:0.93)

Successfully optimised working
capital, cutting the cycle to under
80 days

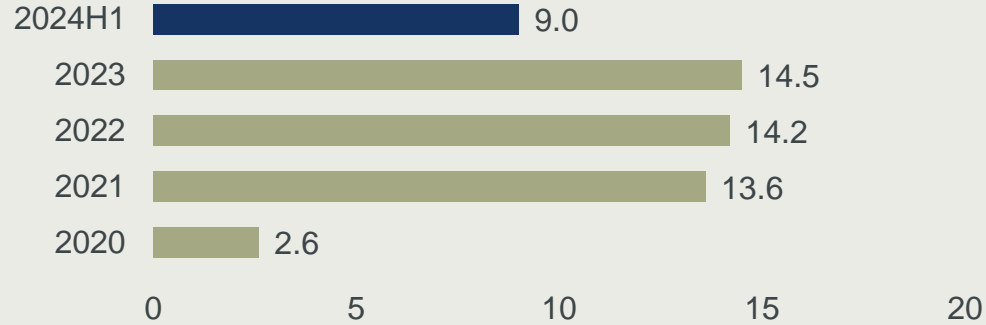


*Excluding impairment losses

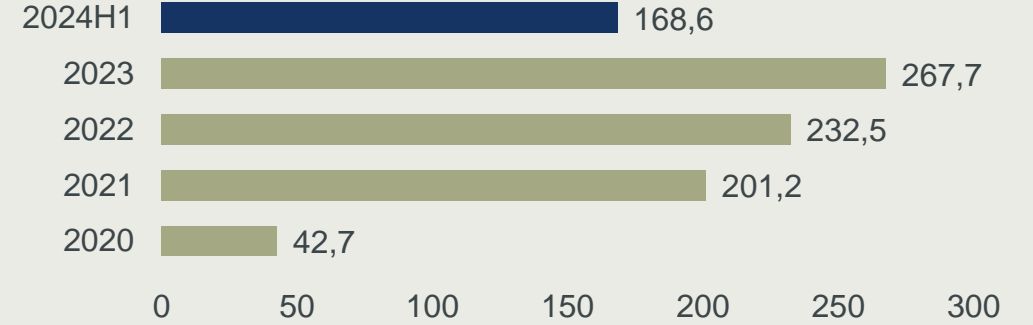
HEADLINE EARNINGS PER SHARE



HEPS (USDc)



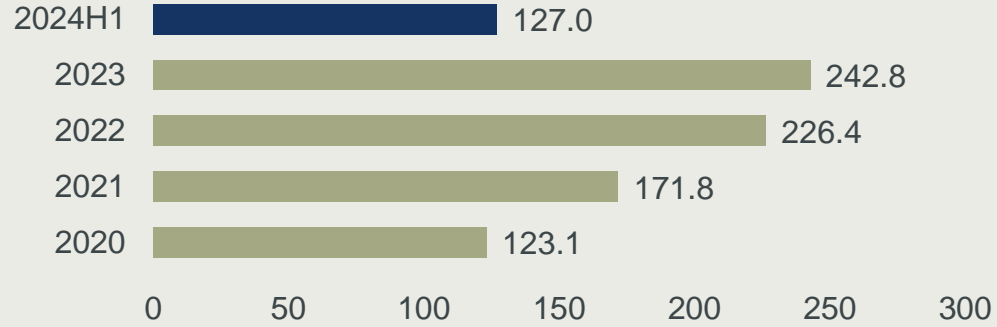
HEPS (ZARc)



EBITDA MARGIN

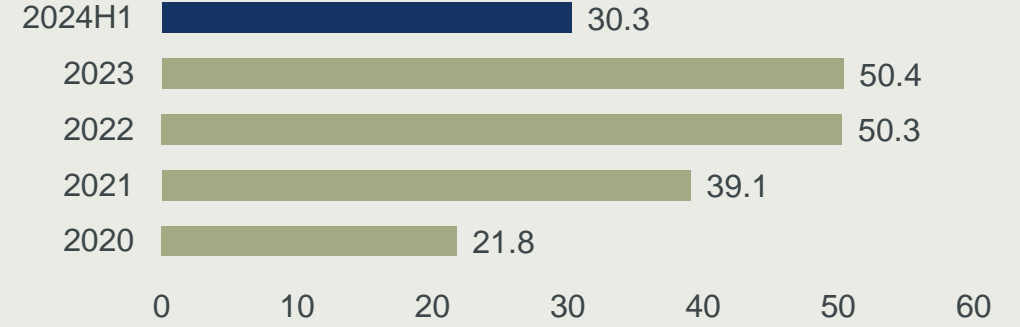


REVENUE (USDm)



EBITDA
23.8%*
(2023:
20.8%)

EBITDA (USDm)

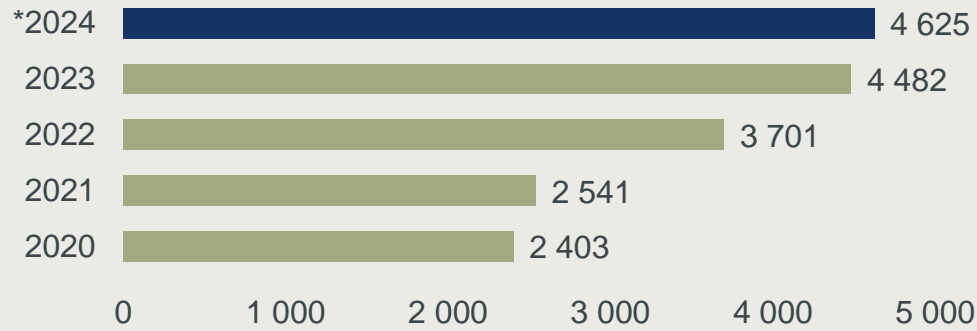


* Excluding impairments

COMPOUNDED ANNUAL GROWTH RATE



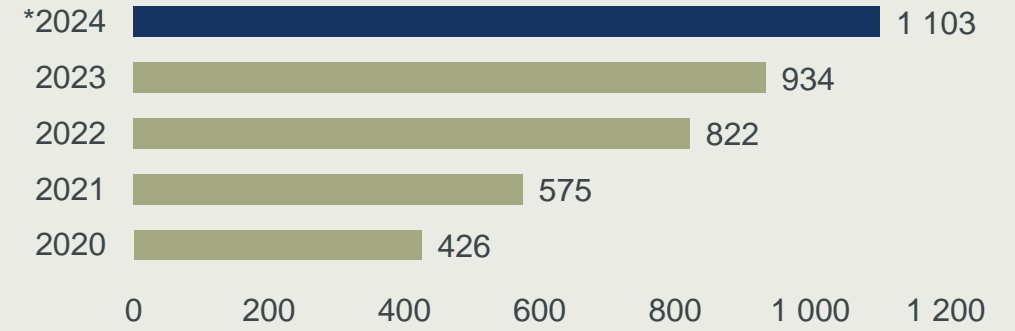
REVENUE (ZARm)



REVENUE
17,3%**

EBITDA
21,4%**

EBITDA (ZARm)



* Annualised
** 2019 as a base

STATEMENT OF FINANCIAL POSITION



	Jun 2024 USDm	Dec 2023 USDm	Comment
Assets			
Non-current assets	198.0	205.2	Record amount of capital spent for future growth
Current assets	163.1	157.7	Current ratio 1.76 Reduction in debtor day's biggest contributor WC days now below the 100-day target
Total assets	361.1	362.9	
Equity and liabilities			
Equity	179.6	184.9	Share buy back process underway
Non-controlling interest	24.4	24.1	
Total equity	204.0	209.0	
Liabilities			
Non-current liabilities	65.5	68.8	Gearing ratio flat at 6.8%
Current liabilities	91.6	85.1	
Total liabilities	157.1	153.9	
Total equity and liabilities	361.1	362.9	

STATEMENT OF COMPREHENSIVE INCOME



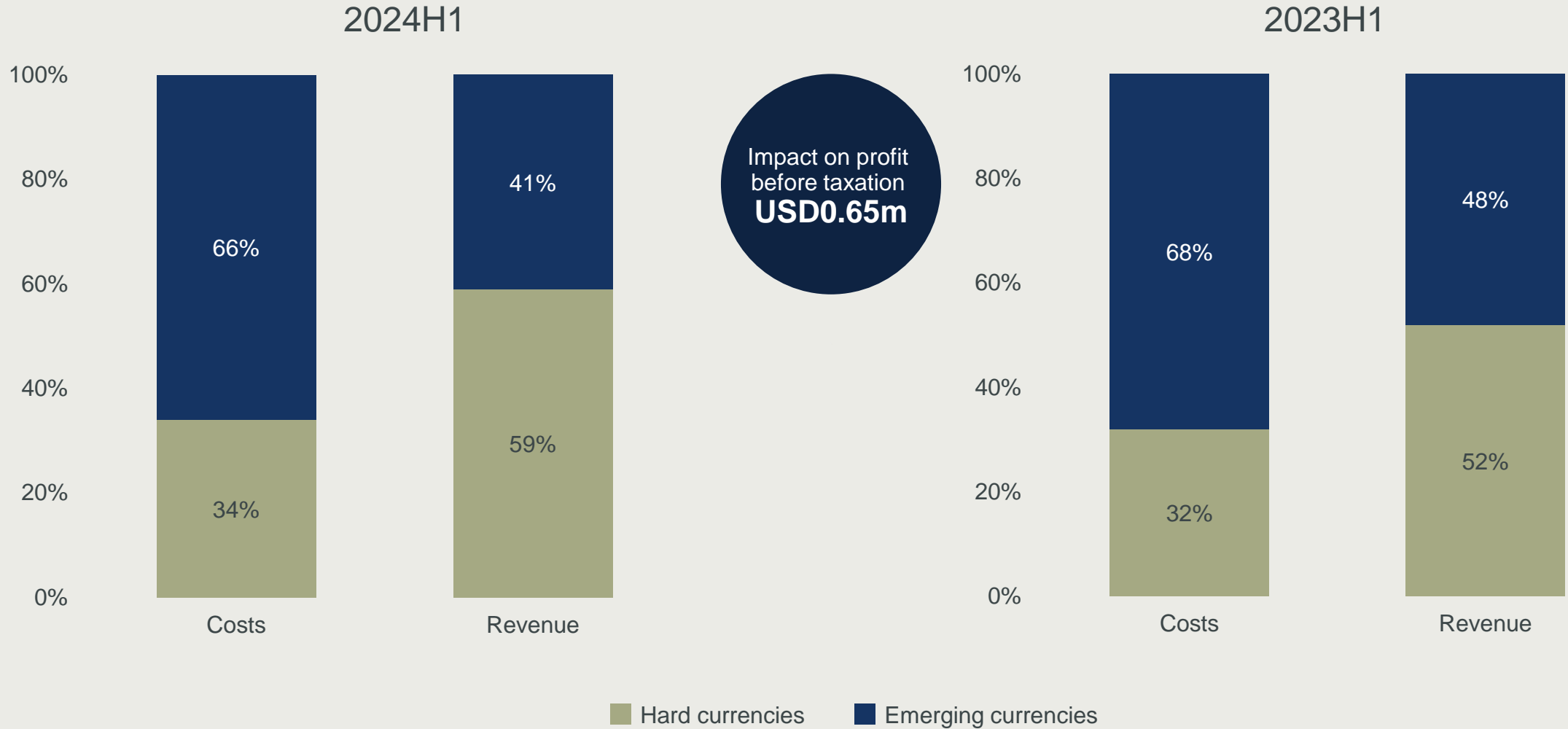
	Jun 2024 USDm	Jun 2023 USDm	Dec 2023 USDm	Comment
Revenue	127.0	108.2	242.8	Record interim revenue
Cost of sales	(89.5)	(75.3)	(174.4)	
Gross profit	37.5	32.9	68.4	
Other operating income	1.3	3.0	3.1	
Other operating expenses	(30.8)	(14.6)	(37.6)	Impairment of property, plant and equipment
Operating profit	8.0	21.2	33.9	
Investment income	0.6	0.1	1.4	
Fair value adjustments	0.0	0.0	(0.2)	
Finance costs	(2.8)	(1.9)	(5.8)	
Share of profit/(loss) from equity accounted investment	0.0	0.8	0.7	
Profit before taxation	5.8	20.1	30.2	
Taxation	(2.2)	(5.6)	(7.9)	
Profit for the year	3.6	14.6	22.3	

NORMALISED STATEMENT OF COMPREHENSIVE INCOME

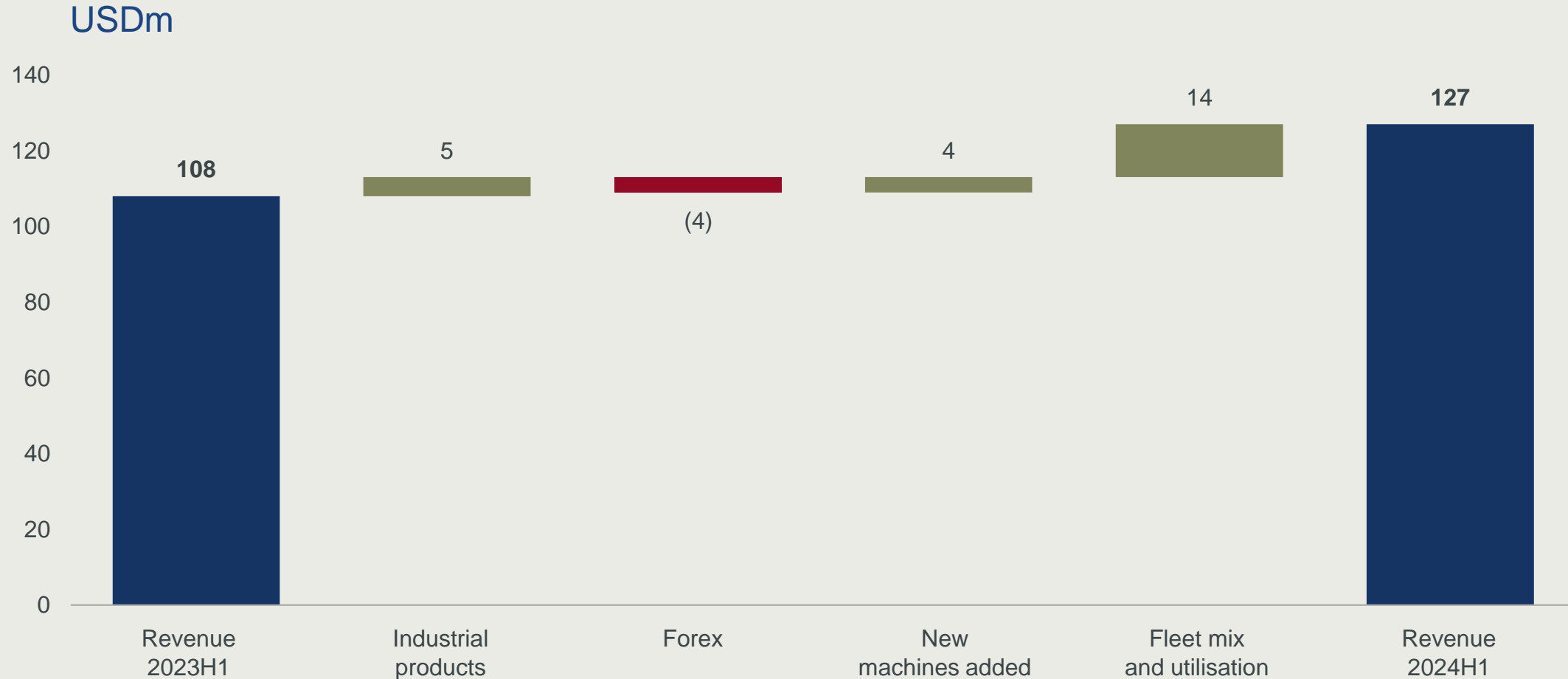


	Jun 2024 USDm	Jun 2023 USDm	Dec 2023 USDm
Revenue	127.0	108.2	242.8
Cost of sales	(89.5)	(75.3)	(174.4)
Gross profit	37.5	32.9	68.4
Other operating income	1.3	3.0	3.1
Normalised other operating expenses	(17.5)	(14.6)	(37.6)
Normalised operating profit	21.3	21.2	33.9
Investment income	0.6	0.1	1.4
Fair value adjustments	0.0	0.0	(0.2)
Finance costs	(2.8)	(1.9)	(5.8)
Share of profit/(loss) from equity accounted investment	0.0	0.8	0.7
Normalised profit before taxation	19.1	20.1	30.2
Taxation	(2.2)	(5.6)	(7.9)
Normalised profit for the year	16.9	14.6	22.3

IMPACT OF CURRENCY ON PROFIT BEFORE TAXATION



REVENUE WATERFALL BREAKDOWN

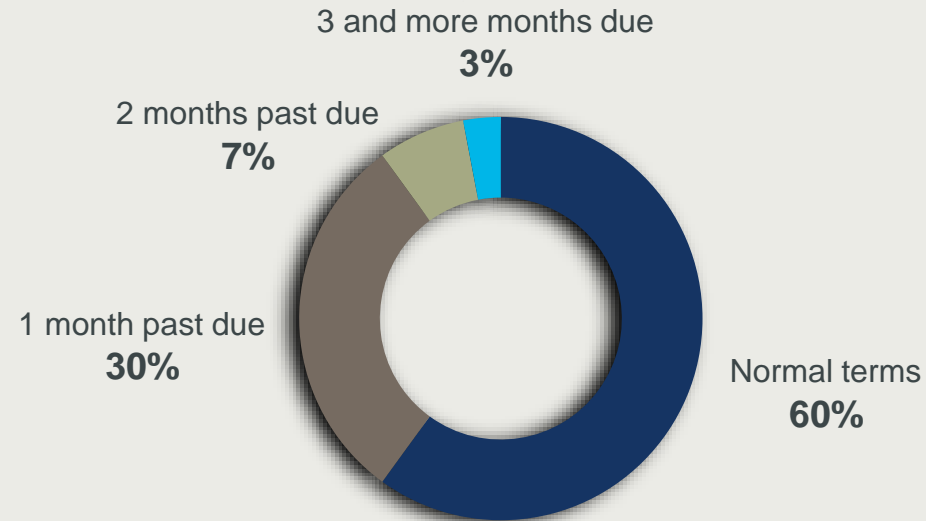


WORKING CAPITAL BREAKDOWN

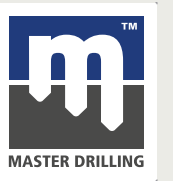


USDm	Jun 2024 USDm	Dec 2023 USDm	Movement
Inventory	52.2	48.1	4.1
Trade and other receivables	72.3	73.4	(1.1)
Trade and other payables	69.4	60.8	9.7

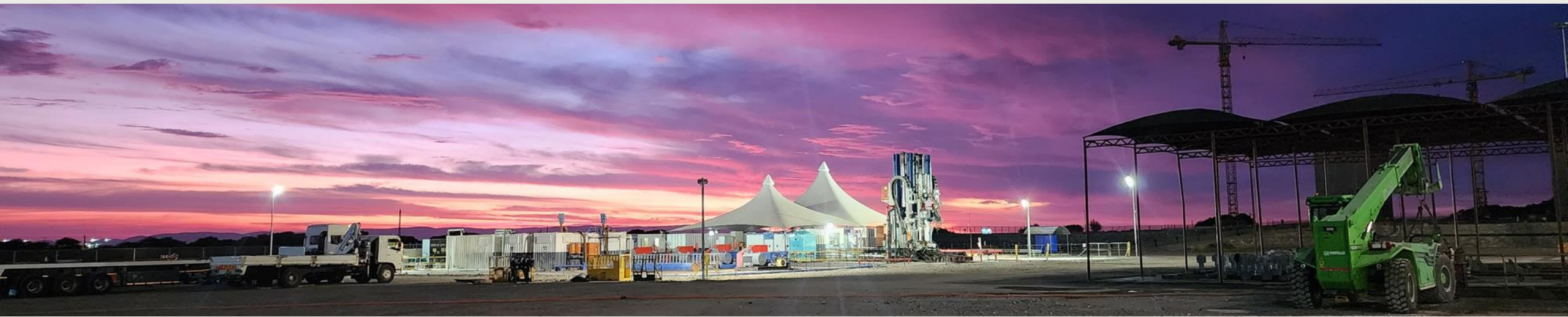
Trade receivable ageing



BALANCE SHEET RATIOS



	2024H1*	2024H1**	2023	2022
Return on equity (PAT)	3.6%	15.6%	10.7%	11.8%
Return on capital employed (EBIT)	5.9%	15.1%	12.2%	14.2%
Return on capital employed (EBITDA)	22.5%	21.4%	18.2%	14.2%
Working capital ratio (days)	79.3	79.3	91.3	110.5
Gearing ratio (net debt/equity)	6.8%	6.4%	7.8%	8.2%

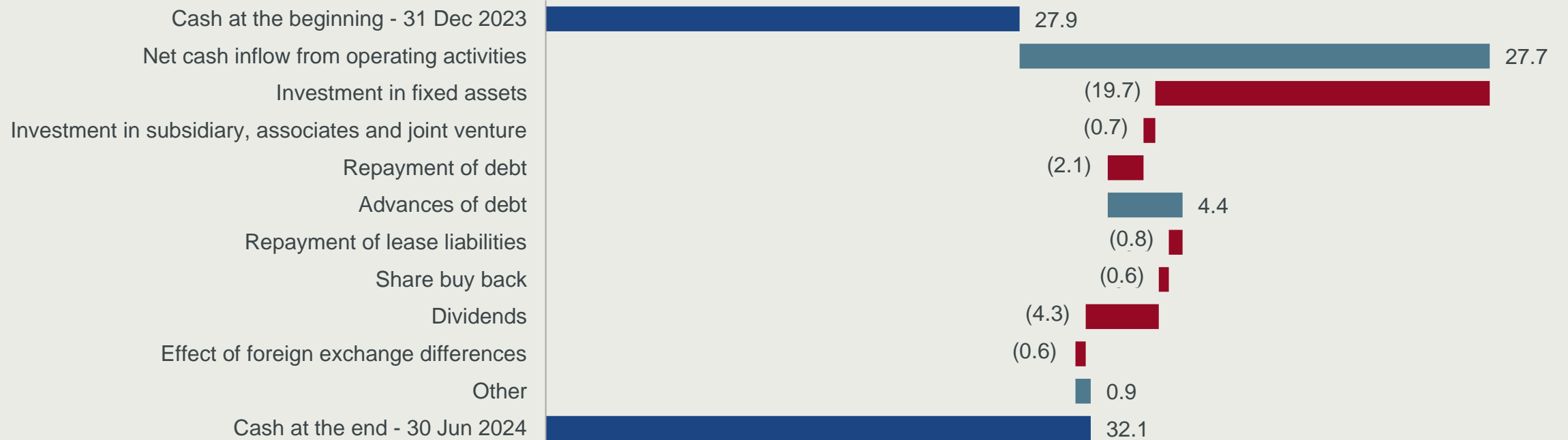


* Annualised
 ** Normalised data

CASHFLOW WATERFALL

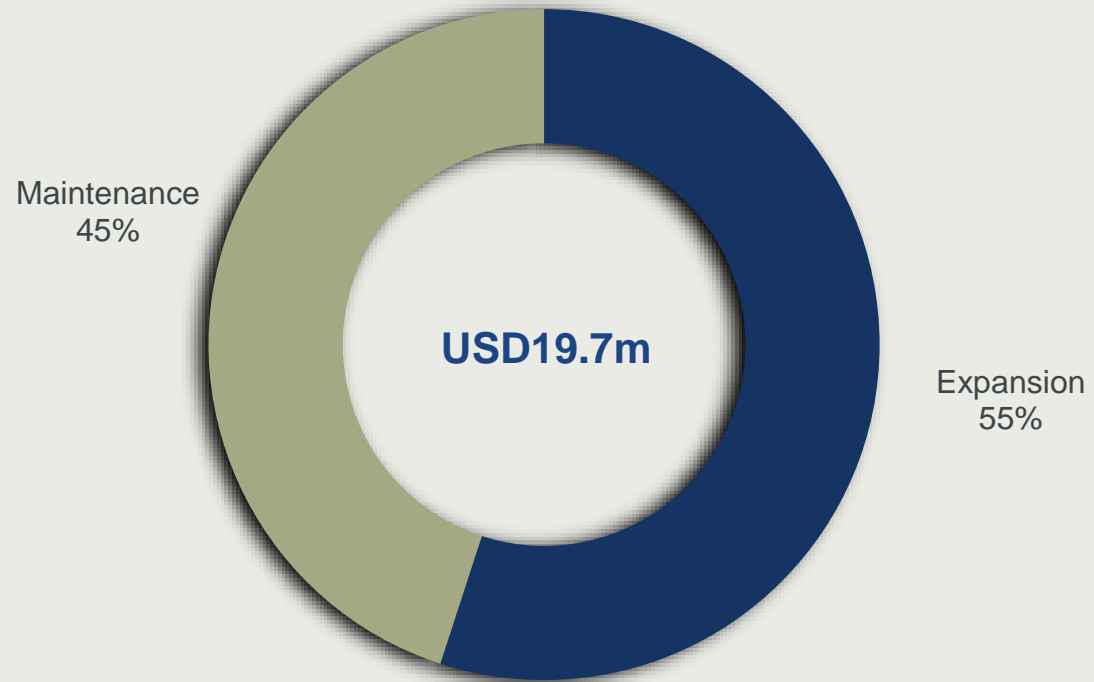


USDm



Cashflow waterfall for current reporting period

CAPITAL SPEND





Q&A AND CLOSING



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CORPORATE INFORMATION



MASTER DRILLING GROUP LIMITED

Registration number: 2011/008265/06
Incorporated in the Republic of South Africa
JSE share code: MDI
ISIN: ZAE000171948
LEI: 37890095B2AFC611E529

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André Jean van Deventer
Barend Jacobus (Koos) Jordaan

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Financial director and chief financial officer
Executive director

Non-executive

Hendrik (Hennie) Roux van der Merwe
Andries Willem Brink
Akhter Alli Deshmukh
Hendrik Johannes Faul
Mamokete Ramathe
Shane Trevor Ferguson

Chairman and independent non-executive
Independent non-executive
Independent non-executive
Independent non-executive
Independent non-executive
Non-executive

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