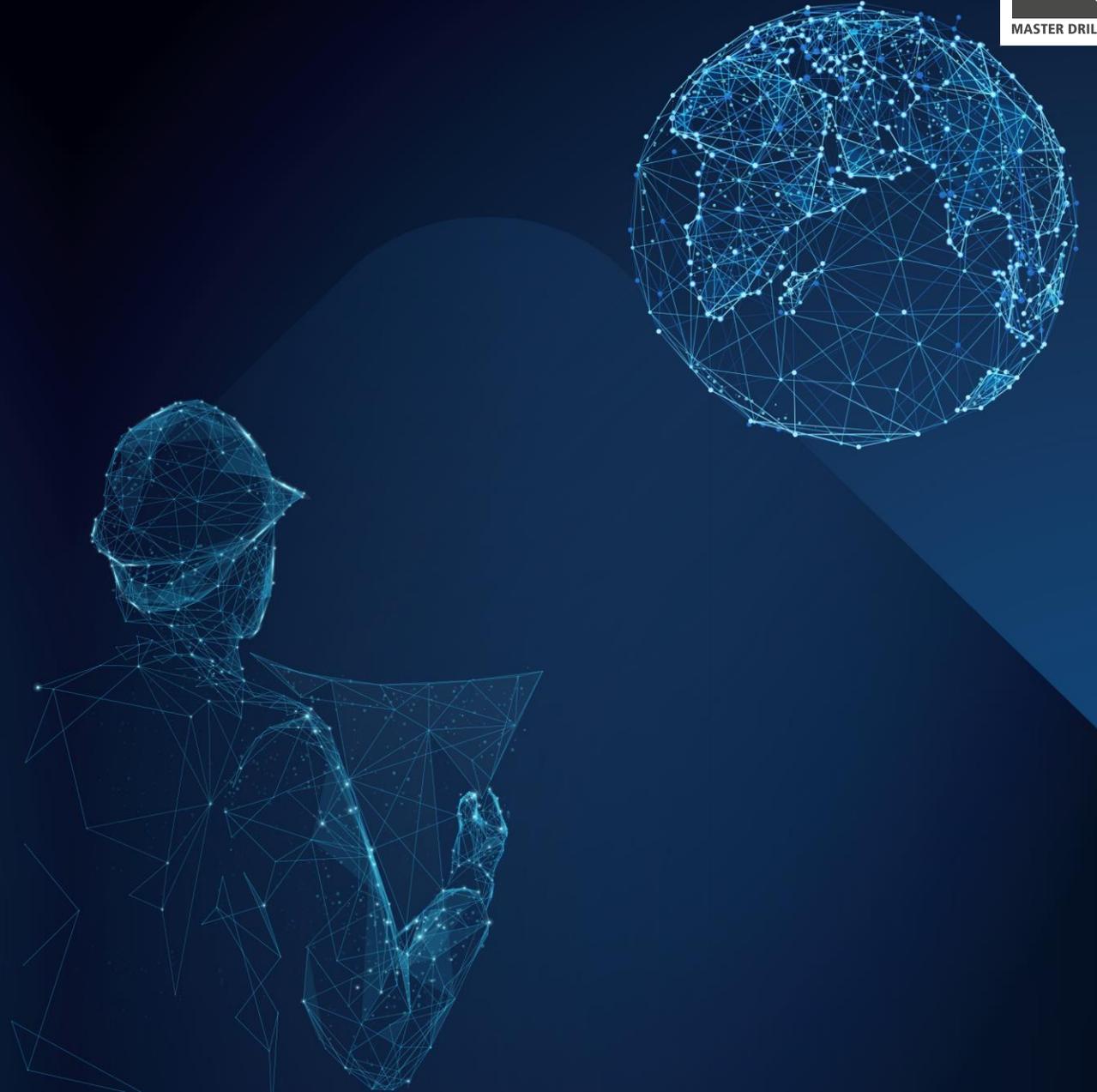






FULL-YEAR CONSOLIDATED RESULTS

FOR THE 12 MONTHS ENDED 31 DECEMBER 2023



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** Best safety performance to date with LTIFR of **0.5**
- 02** USD Revenue increased by **7.2%** to record high **USD242.8 million**
- 03** Improved cash conversion ratio of **1.52** (2022: 1.01)
- 04** Significant progress on technology road map
- 05** Record orderbook and pipeline



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

SMART SOLUTIONS FOR SMART MINES

Smart mines produce the minerals and metals needed for our evolving economy. With highly engineered technologies and the application of artificial intelligence, Internet of Things and Big Data, the modern mine is digitally connected and operations are optimized in all aspects, including productivity, safety, accountability, environmental performance and local community support.

PRODUCTIVITY SAFETY ACCOUNTABILITY ENVIRONMENT COMMUNITY

1 ALTERNATIVE AND RENEWABLE POWER
Renewable energy sources such as wind, solar and bio-energy can reduce carbon, reduce and offset greenhouse gas emissions. Smart, modular reactors also offer promising potential.

2 AUTOMATION
The integration of autonomous vehicles and automation technologies supports more complex operations and enables sites deep and remote areas to operate more effectively and safely.

3 ORE SORTING
Ore sorting reduces the quantity of material that needs to be crushed and ground to unlock valuable minerals and metals, saving energy and resulting in less fine waste.

4 VENTILATION ON DEMAND
This airflow system saves energy by safely directing fresh air only where and when it is needed. This reduces ventilation costs and increases the potential for expanding a mine without the need for new infrastructure.

5 HIGH ACCURACY GPS
High accuracy GPS technology brings precision to mining. From GPS enabled precision drilling to autonomous haul trucks for worker safety, GPS enables safe and efficient operations.

6 DRONE TECHNOLOGY
Drones provide real-time aerial footage of mining sites for intelligence, monitoring (e.g., the environment) and mapping, which improves safety and increases efficiency and cost savings.

7 3D PRINTING AND MODULAR EQUIPMENT
The integration of 3D printing technologies into mining operations could increase efficiency and flexibility of operations, including the production of on-demand parts for equipment and repairs.

8 3D IMAGING
3D imaging of ore deposits, from their deep roots to the actual deposit, helps understand the geology of deposits for more efficient mining that reduces waste and minimizes disturbances.

9 DATA OPTIMIZATION & MACHINE LEARNING
Optimizing data collected from equipment and monitoring devices enables engineers to create simulations to precisely plan and schedule operations, and complete highly complex tasks.

10 EQUIPMENT MANAGEMENT
The shift towards smart mining includes the integration of new sensors to track and optimize mining operations. Digitally integrated, these sensors data about all aspects of mining, and allow operators to predict and avoid failures (e.g., avoid taking down natural and expensive costly structures).

11 WEARABLES ON WORKERS
Workers wearing monitoring devices will have on-demand access to critical information regarding mine operations, including equipment status reports, and air quality conditions.

12 ALTERNATIVE POWERED VEHICLES
The mines of the future will have lower carbon footprints with electric and hydrogen-powered vehicles. As an alternative to diesel power, the air quality is improved for workers operating underground.

Presented by THE CANADIAN MINERAL AND METALS PLAN LA PLAN CANADIEN DES MINÉRAUX ET MÉTALLÉS

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Canada 125

ESG CAPITALIST

Image source: Mining.com

TECHNOLOGY INVESTMENT AND DEVELOPMENT



MD

Business divisions / segments	Affiliated entities	Technology projects	Types of technologies	Maturity / contribution
Raise boring	Incl. Future acquisitions	Additional RD8 and RD7 rigs First LP100 slot borer	Automation, remote operation, digitisation	2x RD7s 2023, 1x RD8 2024 1x unit YE 2023
Exploration / slim hole drilling	Incl. Hallcore	UG robotic core rig Surface robotic core rig	Robotics, water reuse / cleaning, electrification	1 x unit H1 2024 1 x unit H1 2024
New technology	Shaft sinking	SBS 4300 manufacturing / testing Studies and larger scope work	Continuous rock excavation, virtual reality, remote operation	50m test sink H1 2024
	Tunnelling	TP MTB re-build (Gen 1 Mark 4) New Gen 2 MTB Continuous hard rock miner Cut & break development	Continuous rock excavation	H1 2024 2025 Ongoing learning / development Ongoing experimentation & development
	None explosive mining	Reef boring	Continuous rock excavation, virtual reality, remote operation	H2 2024 System surface commissioning
Digitisation	Incl. A&R and AVA	Scraper winch proximity detection Missing person locator	Digitisation, AI and virtual reality	YE 2023 first system operational YE 2023 first system operational
	Local / regional operational entities e.g., Mexico, Canada etc.			



SELECTIVE HIGH-GRADE MINING







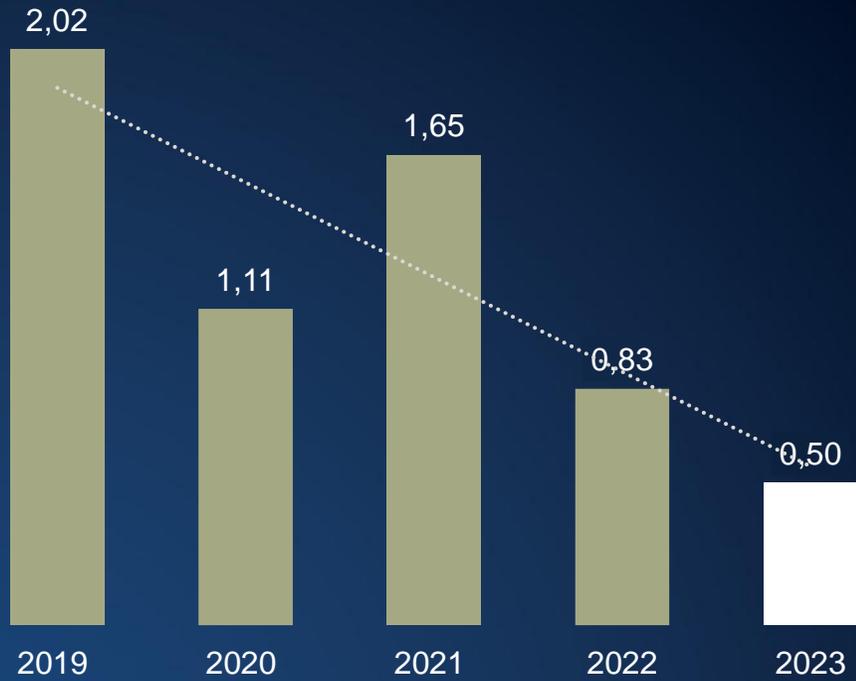
OPERATIONAL OVERVIEW

ROELOF SWANEPOEL, COO

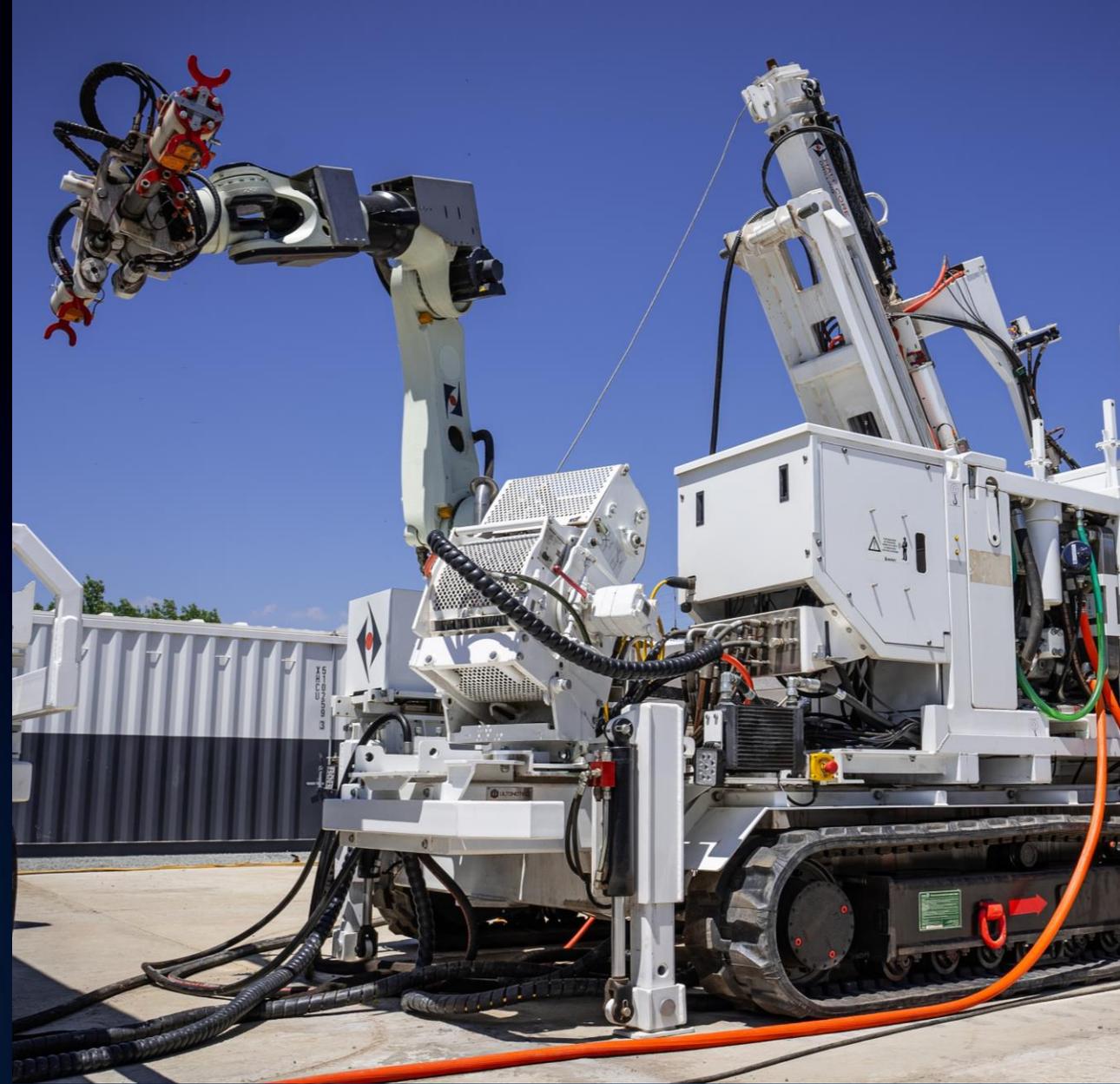


SAFETY

LTIFR



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



Robotic rod handling to improve safety and efficiencies

OUR PEOPLE



R

RESPECT

Workforce

Gender diversity

A

ACCOUNTABILITY

3 007
(2022: 2 859)

18%
(2022: 16%)

I

INNOVATION

Investment
in training
USD1.5m
(2022: USD1.3m)

Succession planning
in place for middle &
senior management

S

SAFETY

LTIFR

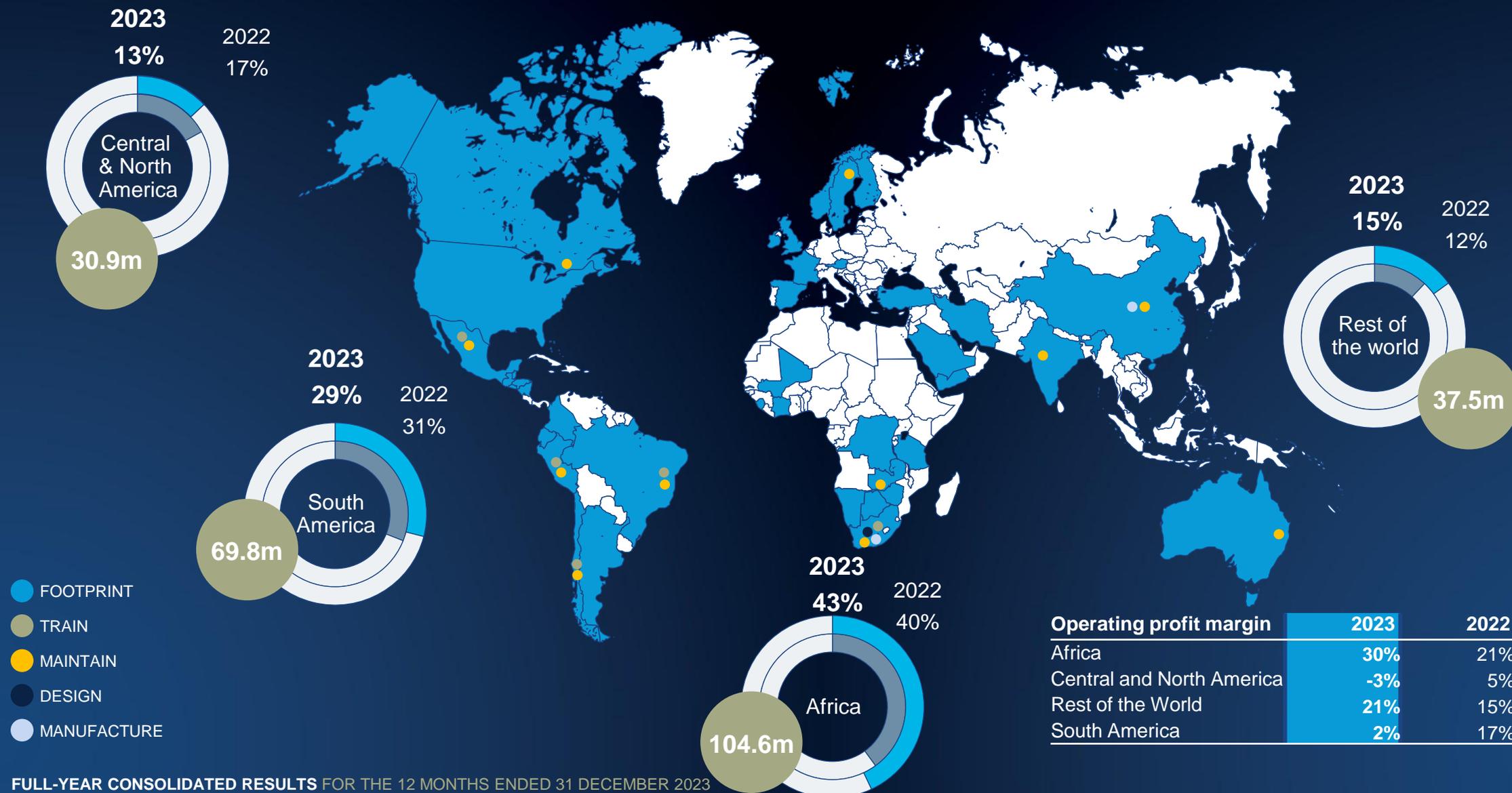
Improved local employment

E

EFFICIENCY

0.50
(2022: 0.83)

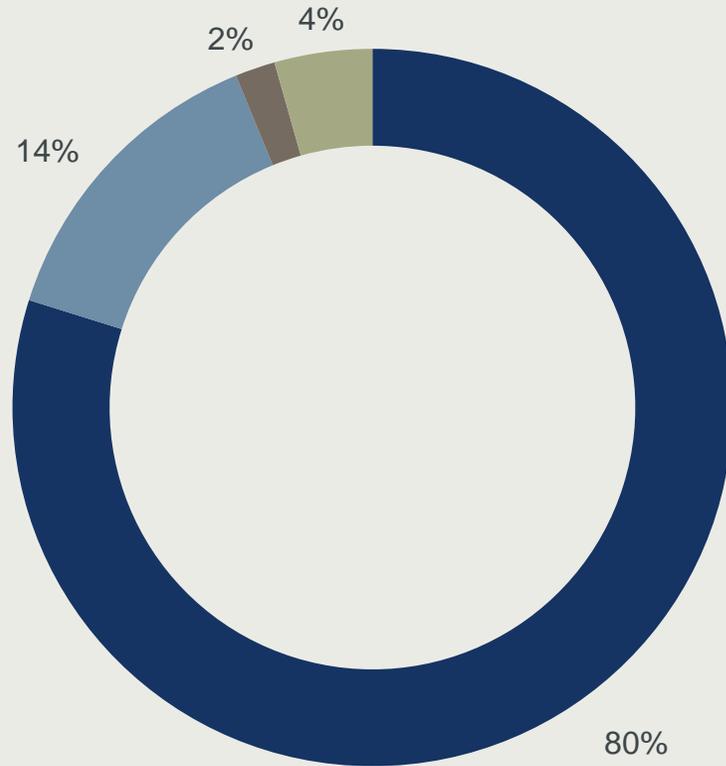
GEOGRAPHIC REVENUE DIVERSIFICATION



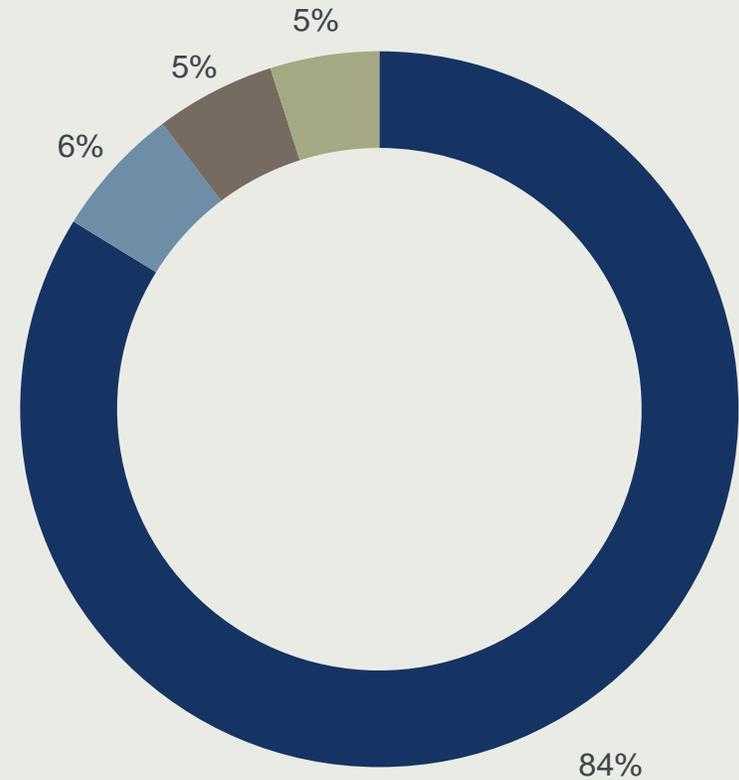
REVENUE BY BUSINESS PILLAR



2023



2022

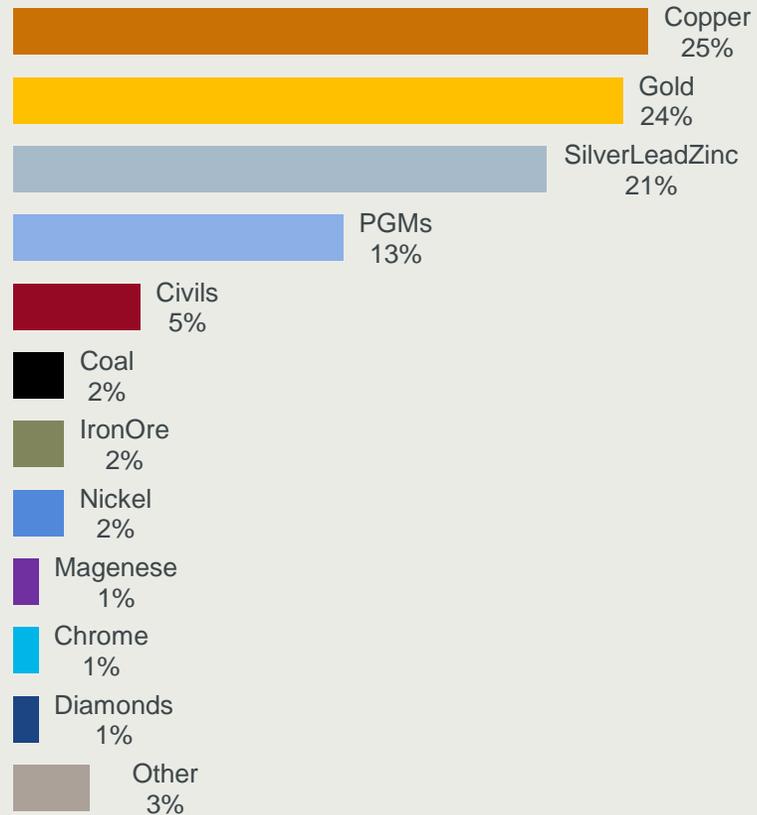


■ Raise boring and support services ■ Digitalisation and smart mining ■ Mechanical rock excavation and cutting ■ Slim drilling

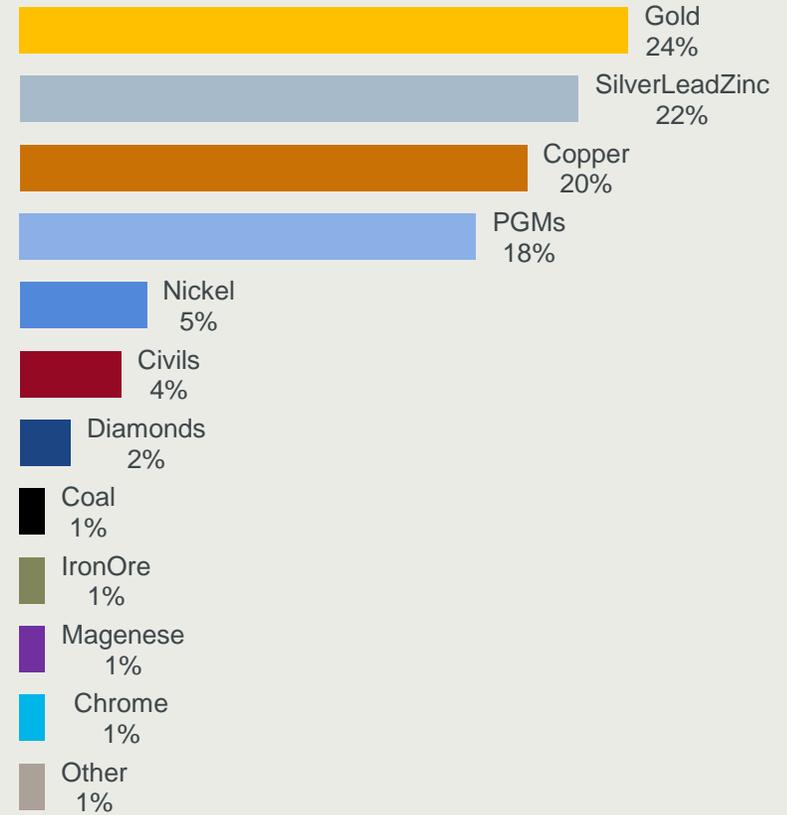
COMMODITY REVENUE DIVERSIFICATION



2023



2022



ARPOR SUMMARY PER ANNUM



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

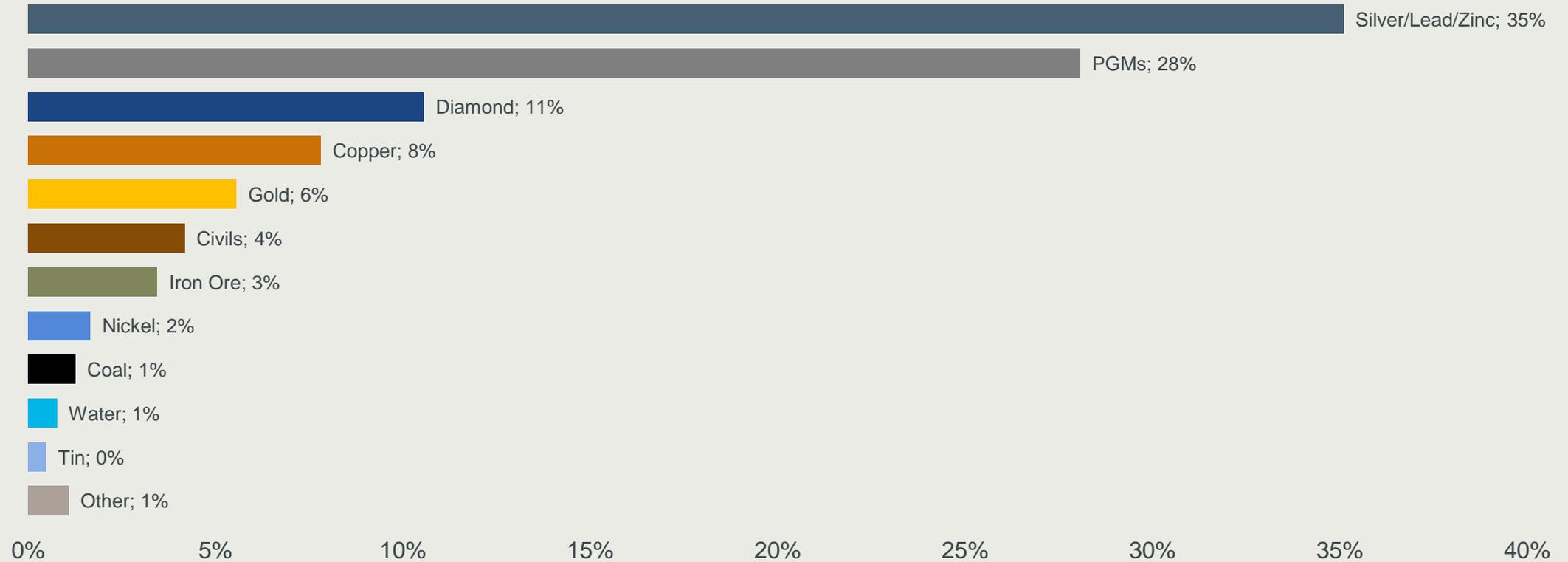
APROR: Average monthly revenue per operating rig

* Includes rigs not under direct control

ORDERBOOK MOVEMENT



AWARDED ORDERS BY COMMODITY



PIPELINE



USDm

Total pipeline
USD535m

2026
and beyond



2025



2024



0 50 100 150 200 250 300 350

■ Awarded (100%)

■ Awaiting adjudication (>70% probability)

■ Proposal (>50% probability)

FINANCIAL OVERVIEW

ANDRÉ VAN DEVENTER, CFO



HIGHLIGHTS FOR THE PERIOD 2023



USD revenue increased by 7.3% to record high of **USD242.8 million**

Record EBITDA of **USD50.4 million**

Cash generated from operations **USD51.3 million** at conversion rate of **1.52** (2022: USD35.3 million)

Return on capital employed (EBIT) **12.2%**

HEPS increased **USD: 14.5c** (up 3.6%)
ZAR: 267,7c (up 15,1%)

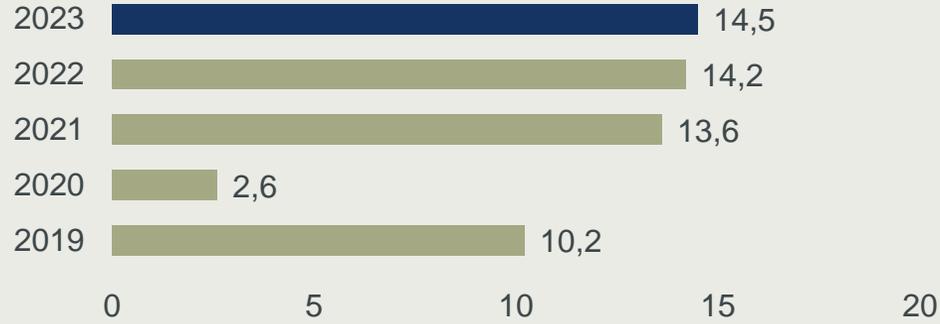
Highest ever dividend declared **52,5 cents** in ZAR terms



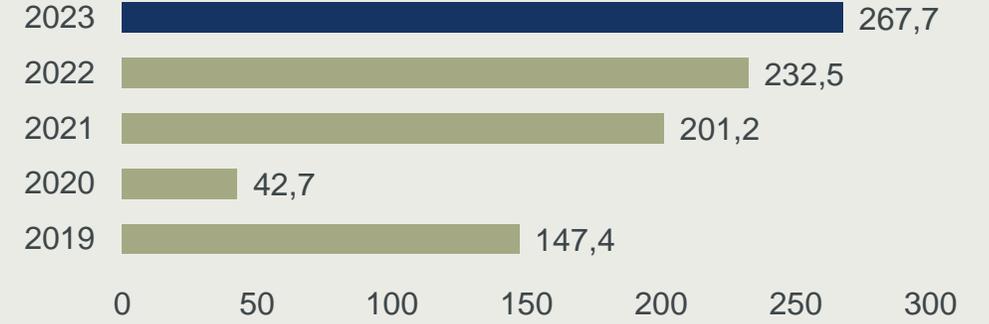
HEADLINE EARNINGS PER SHARE



HEPS (USDc)



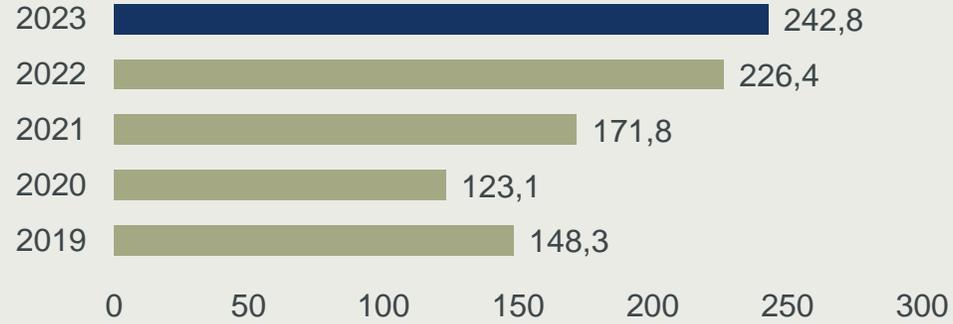
HEPS (ZARc)



EBITDA MARGIN

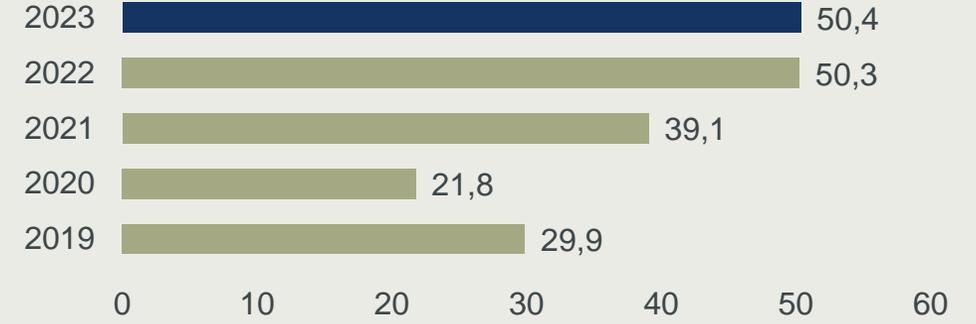


REVENUE (USDm)



EBITDA
20.8%
(2022:
22.2%)

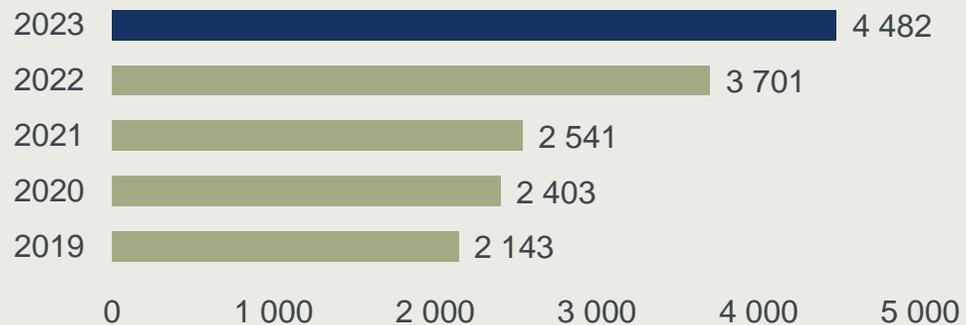
EBITDA (USDm)



COMPOUNDED ANNUAL GROWTH RATE



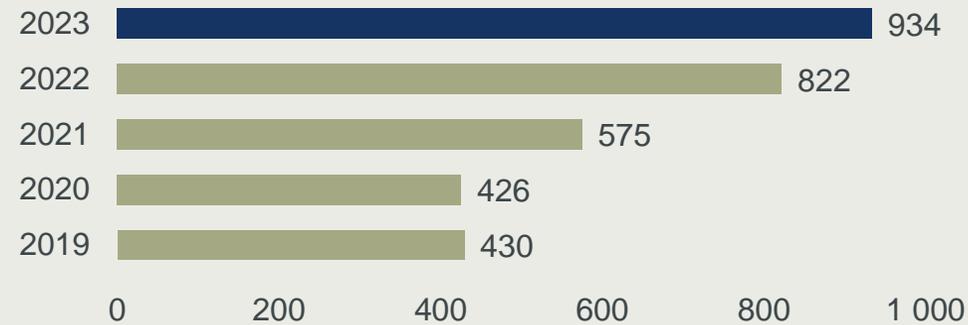
REVENUE (ZARm)



REVENUE
19.2%*

EBITDA
17.1%*

EBITDA (ZARm)



* 2018 as a base

STATEMENT OF FINANCIAL POSITION



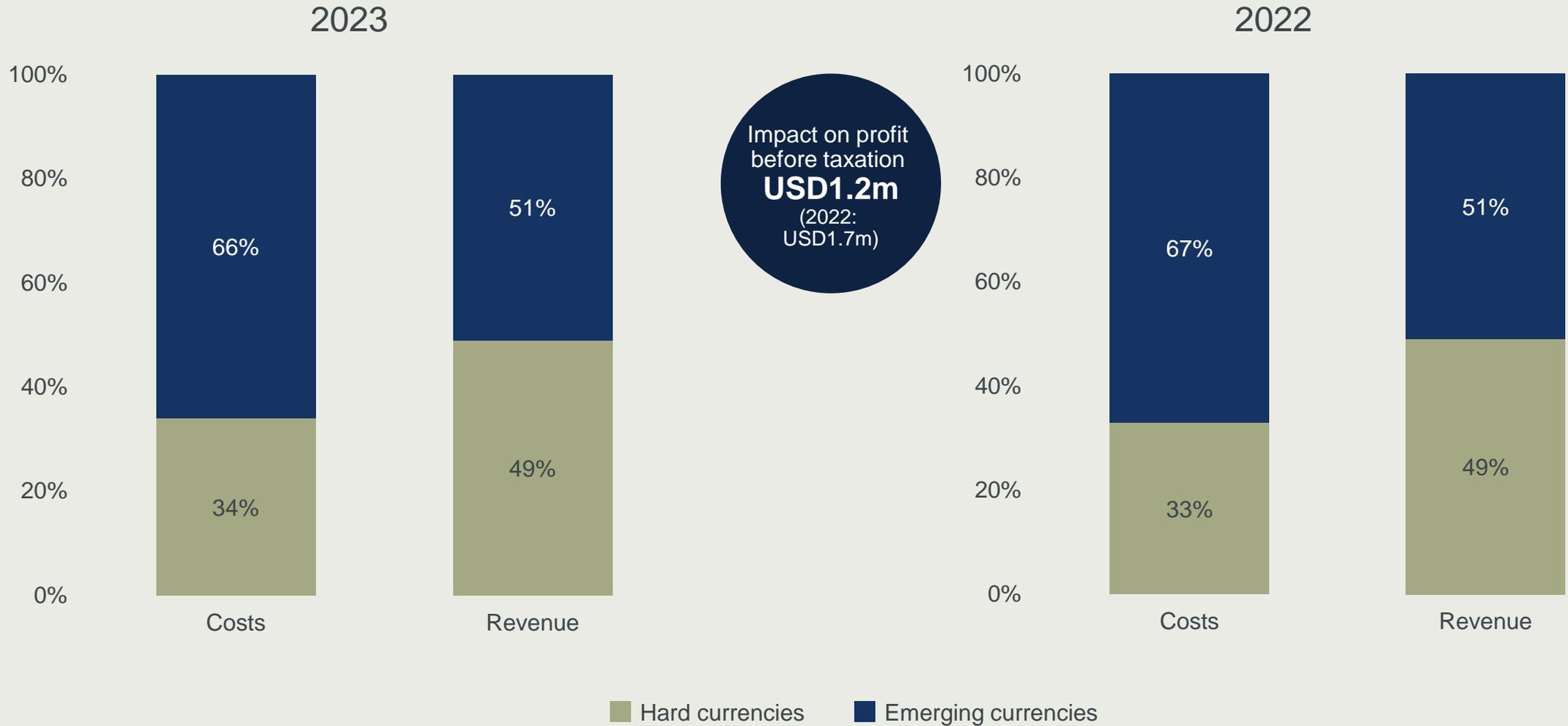
	2023 USDm	2022 USDm	Comment
Assets			
Non-current assets	205.2	190.4	Record amount of capital spent for future growth
Current assets	157.7	161.6	Current ratio 1.87 Reduction in debtor day's biggest contributor WC days now below the 100-day target
Total assets	362.9	352.0	
Equity and liabilities			
Equity	184.9	173.0	
Non-controlling interest	24.1	23.1	
Total equity	209.0	196.1	
Liabilities			
Non-current liabilities	68.8	73.7	Gearing ratio flat at 7.8%
Current liabilities	85.1	82.2	
Total liabilities	153.9	155.9	
Total equity and liabilities	362.9	352.0	

STATEMENT OF COMPREHENSIVE INCOME



	2023 USDm	2022 USDm	Comment
Revenue	242.8	226.4	Addition of A&R revenue biggest contribution Best ARPOR numbers also contributed
Cost of sales	(174.4)	(161.5)	A&R costs in line with revenue increase Once off impairment cost of USD2.2m
Gross profit	68.4	64.9	
Other operating income	3.1	2.1	
Other operating expenses	(37.6)	(32.2)	Put option costs – USD1.4m Client contract amort – US\$1m Bad debt
Operating profit	33.9	34.8	
Investment income	1.4	0.9	
Fair value adjustments	(0.2)	(0.2)	
Finance costs	(5.8)	(4.5)	Increase in borrowing rates
Share of profit/(loss) from equity accounted investment	0.7	1.4	
Profit before taxation	30.2	32.4	
Taxation	(7.9)	(10.3)	
Profit for the year	22.3	22.1	

IMPACT OF CURRENCY ON PROFIT BEFORE TAXATION



REVENUE WATERFALL BREAKDOWN

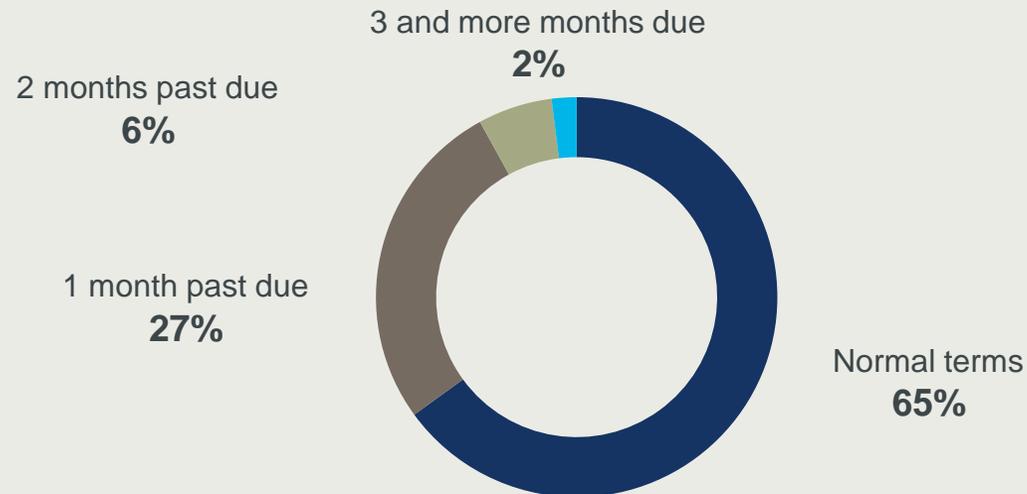


WORKING CAPITAL BREAKDOWN



USDm	2023 USDm	2022 USDm	Movement
Inventory	48.1	46.5	1.6
Trade and other receivables	76.4	79.4	(3.0)
Trade and other payables	63.8	57.3	6.5

Trade receivable ageing



BALANCE SHEET RATIOS



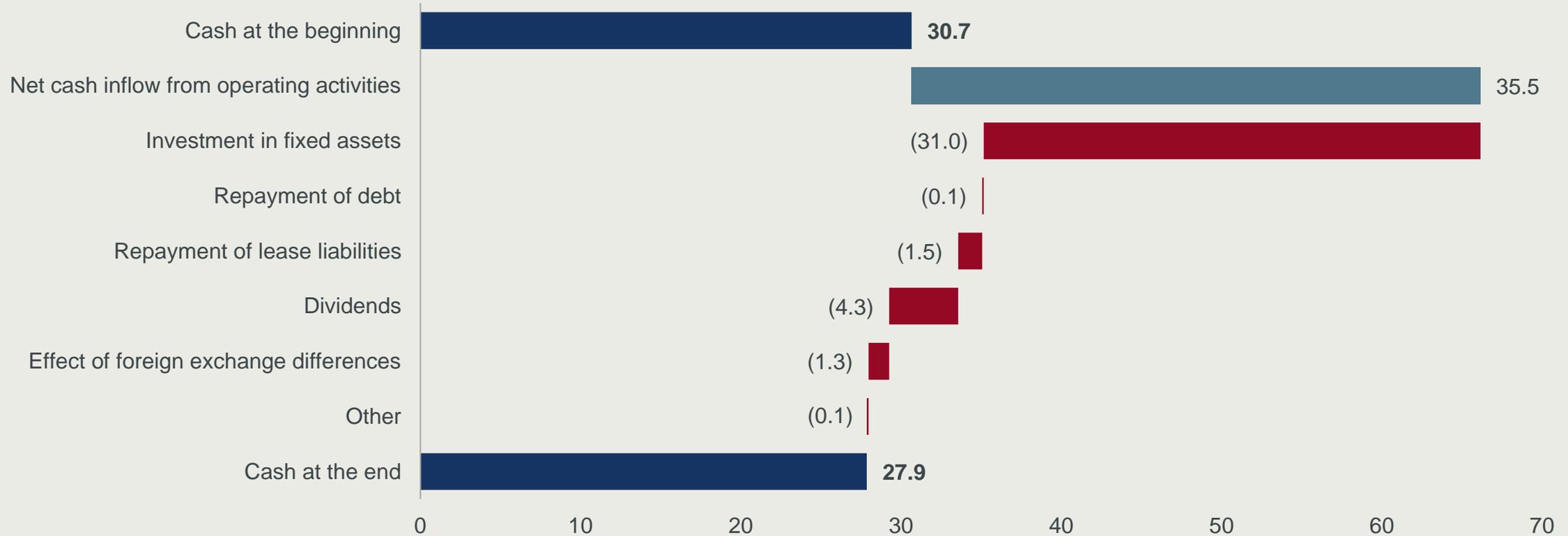
	2023	2022
Return on equity (PAT)	10.7%	11.3%
Return on capital employed (EBIT)	12.2%	12.9%
Return on capital employed (EBITDA)	18.2%	18.9%
Working capital ratio (days)	91.3	110.5
Gearing ratio (net debt/equity)	7.8%	7.8%



CASHFLOW WATERFALL

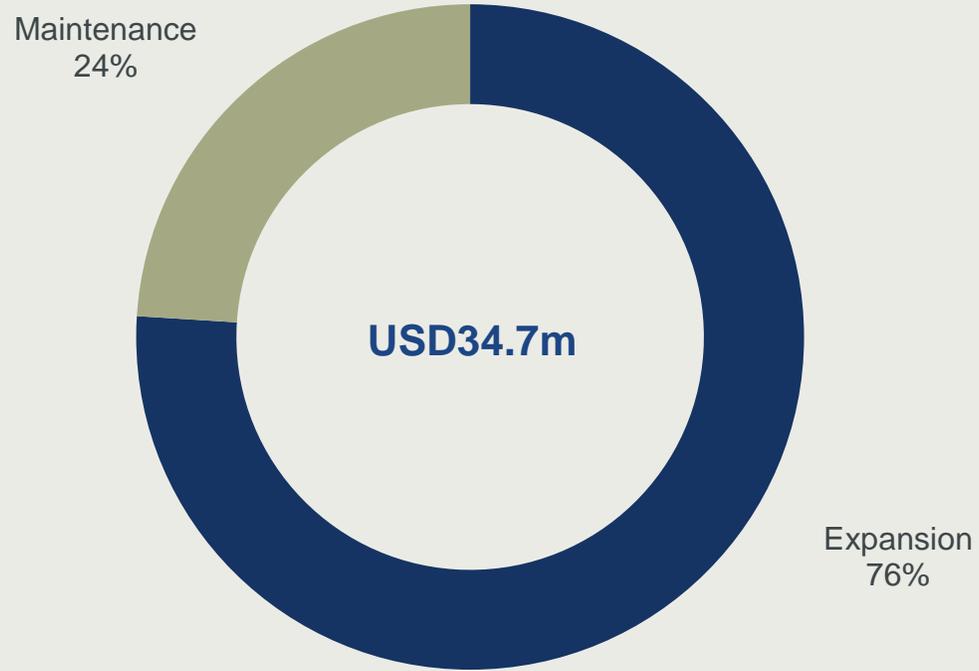


USDm



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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Executive

Daniël (Danie) Coenraad Pretorius
André Jean van Deventer
Barend Jacobus (Koos) Jordaan

Chief executive officer and founder
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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