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The background of the cover is a photograph of an industrial facility, likely a refinery or chemical plant. It shows a complex network of steel beams, pipes, and structural supports. In the foreground, a large, circular, riveted metal structure is visible. A horizontal steel beam in the middle ground has the text 'SWL 2 TON' painted on it. The sky is a clear, pale blue.

ANNUAL REPORT AND APPENDIX 4E

For the financial year ended 31 December

2021

ABN 75 622 581 935



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Please note: All references to \$ are in Australian dollars unless otherwise specified

APPENDIX 4E

DRA Global Limited
ACN 622 581 935

DETAILS OF REPORTING PERIOD

Reporting period For the year ended 31 December 2021
 Previous reporting period For the year ended 31 December 2020

RESULTS FOR ANNOUNCEMENT TO THE MARKET

		%		\$'000
Revenues from ordinary activities	up	26.4%	to	1,186,370
Profit from ordinary activities after tax attributable to the owners of DRA Global	up	116.0%	to	50,000
Profit for the year attributable to the owners of DRA Global	up	116.0%	to	50,000

DIVIDENDS AND DIVIDEND REINVESTMENT PLANS

It is not proposed to pay any dividends for the reporting period.

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

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

NET TANGIBLE ASSETS

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	318.51	230.76

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

DETAILS OF CHANGES IN CONTROLLED ENTITIES

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

DETAILS OF ASSOCIATES AND JOINT VENTURE ENTITIES

	31-Dec-21	31-Dec-20
Finetech Minerals Pty Ltd	25%	25%
LSL Consulting Pty Ltd	25.5%	25%
Tekpro Projects Pty Ltd	25.5%	25%
Nokeng Joint Venture (Unincorporated)	50%	50%
Yaramoko Joint Venture (Unincorporated)	50%	50%

The Group's aggregate share of associates and joint venture entities' profits/(losses) are not material for the reporting period.

COMMENTARY

The consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of cash flows and condensed statement of changes in equity, together with notes to each of these statements, are contained within the audited Financial Statements sectionS of DRA's 2021 Annual Report.

Refer to the commentary on the results for the financial year contained in the Operational and Financial Overviews sections of DRA's 2021 Annual Report.

The financial report for the financial year ended 31 December 2021 has been audited by BDO Audit (WA) Pty Ltd, which has issued an unmodified audit opinion in respect of the consolidated financial statements.

2022 ANNUAL GENERAL MEETING

The Annual General Meeting of DRA Global Limited is scheduled to be held on 17 May 2022 at a time and places (in both Perth and Johannesburg) to be announced.



WHO IS DRA GLOBAL?

Headquartered in Perth, Western Australia, with 19 offices globally, DRA Global is a multi-disciplinary engineering, design, construction delivery, project management, advisory and managed services Group focused on the mining, minerals and metals sector.

DRA has an extensive global track record, spanning 37 years, five continents and more than 7,500 studies, projects and managed services solutions across a wide range of commodities.

At DRA we believe in challenging the status quo, thinking differently, exploring possibilities, developing our talent and doing things better every day that shape the future of sustainable mining. DRA has delivered world-class projects and provided managed services for clients in some of the world's most challenging environments. Collaboration, innovation and ongoing improvement are embedded in everything we do.



OUR WHY

At DRA our purpose is to create real value by fulfilling the aspirations of our people, clients, shareholders, and communities. In other words, DRA exists to deliver long-term value to all stakeholders in the mining, minerals, and metals sector we operate in.

To create value, we must first truly understand the aspirations of our people, our clients, and the broader stakeholder communities amongst whom we operate. This means consciously gearing our entire business and mindset towards value creation, understanding all people in our ecosystem, and always operating in accordance with our values.

VALUES

SAFETY We care for each other.
We put safety and wellbeing first.

INTEGRITY We do what we say, we do what is right for the right reasons.

EXCELLENCE We continuously strive to be better.

TRUST We build long-term relationships by delivering on our promises to our people, our clients, our shareholders, and our communities.

COURAGE We have the conviction to step outside our comfort zone and make a difference.

PEOPLE We hold our people as the cornerstone of our business.

OUR TRACK RECORD

Almost **four decades** specialising in the mining, minerals and metals sector.

Creating value all the way through the mining value chain, from advice through to operations.

Designed and delivered processing plants for **85%** of the world's platinum mines.

World leading expertise in mine process engineering, underground mining and materials handling, and non-process mine infrastructure.

Over **7,500** projects, studies, and operations successfully completed around the world.

OUR BRANDS

DRA Global encompasses a number of brands serving specific segments of the value chain or specific geographies, bringing specialist service offerings to clients as follows:



Minopex – our Operations and Managed Services business operating in the EMEA region and also our specialist Advisory business. Minopex will scale its unique service offerings to the APAC/AMER regions



SENET – an engineering and projects delivery business focused predominantly in West Africa but also targeting certain client segments in EMEA and in the Americas



G&S Engineering Services (G&S) – a maintenance and shut down services business focused on the east coast of Australia



DRA – our global company, encompassing all of our businesses, with primary operations focused on engineering, advisory, and project delivery in the EMEA and APAC/AMER regions



OUR STRATEGY

Our purpose of creating value by fulfilling the aspirations of our people, clients, shareholders, and communities remains central to our strategy.

2021 was a significant year for DRA.

We built on our international base, with growth in our APAC/AMER region. We deepened our Advisory offering and expanded our underground mining capability to clients in the Americas. We continued to respond to significant market opportunity in our traditional EMEA region.

We improved our systems and processes for connecting our capabilities and expertise across our footprints and deepened our engagement with key clients.

In addition, we listed our shares for public trading in Australia and South Africa on the Australian Securities Exchange (ASX) and the Johannesburg Stock Exchange (JSE), respectively. This gives DRA a strong platform for its next chapter of growth and global client offerings.

From this solid foundation as a global publicly listed business with operations on five continents, we see new and exciting emerging trends that will guide our direction over the next chapter of DRA.

The landscape for resources organisations is shifting faster than ever before. Driven by an ever-increasing demand for commodities critical for global decarbonisation and coupled with public intensity on responsible mining operations and work practices, there is a need for a new brand of innovation in the mining sector. This sector has always had a focus on productivity and efficiency improvement driven through technological adoption. However, problems of talent attraction, diversity, environmental performance, and cultural innovation remain front and centre for most mining owners. Many contradictory problems remain in the mining industry that are nonlinear in nature – the way, as an industry, we have tackled these problems in the past is not likely to be sufficient in an ever-changing industry landscape.

Against this backdrop, DRA believes there is a need for innovation in the industry where the status quo is challenged, and where new unconventional solutions are devised to nonlinear problems. Creating value right across the value chain, from deep learning, digitisation and artificial intelligence in operations and maintenance and bringing these insights in to better and more sustainable mine planning, design and delivery is where DRA can add value.

The combination of our deep expertise in underground mining, minerals processing, renewable water, energy infrastructure, and materials handling brings a potent mix of skills to DRA's aspiration of going beyond net zero mining, into the regenerative, restorative and circularity approaches to mining.

SERVICES

ORIGINATE - PROJECT DEVELOPMENT

- Engineering, advisory and sustainability consulting specialists in the mining sector
- Proven record of advancing conceptual, pre-feasibility, feasibility, and bankable feasibility studies through to successful project implementation
- Experienced consultants that act as an extension of the client team, providing insights, guidance and expertise

DELIVER - PROJECT DELIVERY AND EXECUTION

- Value added through bespoke engineering solutions, design capabilities and project management skills
- Extensive expertise in engineering, procurement, and construction management (EPCM), engineering, procurement and construction (EPC), and hybrid models allow for consistent delivery for our clients
- Proven track record in the ability to deliver on our clients most sophisticated and innovative mining needs to achieve unmatched performance outcomes

OPTIMISE - ADVISORY AND MANAGED SERVICES

- Insight, analysis, strategy, and advanced technology to reduce operating and maintenance costs
- Mine optimisation through data analysis, data science, and the digital mine environment
- Decarbonisation analysis and sustainability management upgrades that achieve the next generation of decarbonised and regenerative mines
- Helping clients make the best operational decisions within specific time and capital constraints
- Expert outsourced operations and maintenance solutions

MARKETS



Minerals and metals processing



Energy



Mining



Water



Non-process Infrastructure

YEAR AT A GLANCE

2021 HIGHLIGHTS

Successfully implemented COVID-19 prevention and protection efforts across our global operations to keep our people safe and to ensure continuity of our services across sites and offices.

Completed an IPO and listed on the ASX and JSE on 9 July 2021. Delivered on prospectus forecast profit guidance.

Outstanding operating results in the EMEA region

- Allied Gold Corp awarded DRA the Sadiola Definitive Feasibility Study, with DRA subsidiary SENET to deliver the EPCM project in Mali.
- Minopex secured its first underground mining operations contract from Palabora Copper in South Africa.
- The Phola Coal Processing Plant 50/50 joint venture between Anglo American Coal and Sereti Resources awarded Minopex the operations and maintenance (O&M) contract for its new flotation plant.
- DRA secured the Two Rivers Platinum Merensky Concentrator Project for African Rainbow Minerals (ARM) and both the Ngezi 3rd Stream Implementation and the Bimha Mine Upgrade for Zimplats in Zimbabwe.
- DRA successfully completed the Unki Platinum Mine Concentrator Debottlenecking Project for Anglo American Platinum and the Chrome Recovery Project for Modikwa Mine during the period.
- The Phase 1 Mining, Concentrator and Infrastructure of the iconic Kamoa-Kakula Project for Ivanhoe Mines has been handed over ahead of schedule and the DRA work on Phase 2 continued to exceed schedule and client expectations in the DRC.

- SENET secured additional work from Barrick Gold for the expansion of its Pueblo Viejo gold mine in the Dominican Republic, in Saudi Arabia for Ma'aden (Saudi Arabian Mining Co) at Ar Rjum, and an EPCM contract from Al Masane Al Kobra Mining Co for design and execution of the Moyoath Cu-Zn Flotation Plant Project.

Increased presence and operations in South America

- Expanded operations and headcount in Peru
- Opened office in Chile.
- Awarded the detailed engineering for the Las Truchas Modernisation Project for Arcelor Mittal.

Delivered revenue growth in Australia with profitability impacted by construction performance challenges and COVID-19 restrictions

- Awarded the Mt Keith Nickel debottlenecking detailed design project for BHP.
- Secured additional work from key clients including Glencore, BHP and Anglo American.
- Decision taken to re-focus on core offerings in the region, with loss-making G&S West construction services discontinued during the year and outstanding contracts to be completed in the first half of FY2022.

Specialist advisory offering launched

- Developed digital and sustainable mine offerings.
- Ongoing strategic initiative to build out a differentiated global advisory offering.



Peter Mansell

CHAIRMAN'S MESSAGE

Dear Shareholders

I am pleased to report that DRA continued to perform strongly in FY2021, illustrating the Company's resilience and resolve during continued economic uncertainty and challenges.

A notable achievement in FY2021 was DRA becoming a publicly listed company on both the Australian Securities and Johannesburg Stock Exchanges. This is a milestone that honours the commitment made to shareholders in 2016. Significantly, it provides DRA a platform for further international growth and diversification. The Board is extremely proud, of and grateful to, the entire DRA team which was involved in this complex exercise. Thank you all for everything that you did.

One of the key components of the Initial Public Offering (IPO) process was the exit of Stockdale Street as a shareholder. Stockdale Street, a private equity investor, acquired a significant minority holding in DRA in 2016. DRA's listing was a natural exit point for Stockdale. A process to buy back Stockdale's shares commenced in January 2021 and completed in April 2021, with a portion of the consideration contingent on subsequent share price performance up to December 2023.

As COVID-19 persisted in 2021, DRA, like many other companies, has been significantly hampered by the uncertainties around government border restrictions and closures. They have come at a cost to business, and, in the case of DRA, evidenced by the challenges faced by the Company's Australian operations. We hope that in the year ahead there is a more stable environment for business to operate, particularly in Australia. What must be said however, is that the Board is extremely proud of how the Company has dealt with these disruptions, often at short notice, and the consequential uncertainties. DRA people showed their resilience in working flexibly and connecting via technology. Throughout the year, DRA continued to adopt a wide range of prevention and protection efforts across sites and offices, including successful vaccination drives.

Financially, the Group performed very well. Meeting the uncertainty head-on, we delivered on the commitments made at IPO and posted record revenues of \$1.2B. EBITA for the period exceeding the forecast put forward in July and earnings per share increased significantly compared to FY2020. DRA maintains a strong balance sheet and pipeline of opportunities as we look to the future.

As we look to the year ahead, we face it with both consideration and confidence. Consideration of the expected cessation of the US Energy Operations business, the continuing global impact of COVID-19, as well as the other uncertainties in the countries and regions where DRA operates. But we are confident because of the calibre of our workforce and their ability to make a significant contribution to meeting the increased demand globally for resources.

DRA is acutely aware of the growing need for organisations to have a credible position on sustainability. We are building a sustainable company.

Important in the DRA maturity journey are the appointments of two independent Non-Executive Directors, Paul Lombard and Johnny Velloza. Paul and Johnny were appointed in May 2021 and January 2022 respectively. Both members bring unique skill sets to the Board that will be valuable as the Company executes its strategic objectives. We welcome them both.

A challenge that we continue to confront is the ongoing litigation that DRA is involved in. That has had an impact on investor appetite and the liquidity of our shares. Having regard to the stage of the Company's development, that has not been detrimental to the Company. The Board is confident that, in due course, the issues will be satisfactorily resolved. The DRA focus continues to be on delivering its strategy and

long-term value. We are confident that, at the right time, the full potential of DRA will be reflected in its share price.

On behalf of the Board, I would like to thank Andrew Naudé, his executive team and all our people for their commitment, flexibility, hard work and dedication this year. I would also like to thank all Board members for their important work and support during this period of great – and fast – change for DRA. To our clients, shareholders, and suppliers, we thank you for your continuing support.

We really hope that we, as a Board will be able to pay a long overdue visit to the DRA operations and teams in person during FY2022.



Peter Mansell

Chairman



Andrew Naudé

MANAGING DIRECTOR AND CEO'S REPORT

Dear Shareholders

In a year of continued global change and uncertainty, I am proud to be able to say that DRA achieved what we set out to do. By completing the listing of the Company on both the ASX and JSE, we also delivered on a commitment made five years ago. In doing so we have created a sustainable platform for future growth and a vehicle to better advance our purpose, which is to continue to deliver real value for our people, clients and stakeholders.

Over the past few years, DRA has grown in scale and maturity. We now operate a substantially larger and more diverse global enterprise than a few short years ago and we compete in a truly global and complex marketplace.

As the world grapples with the challenge of decarbonisation, we recognise that a transformed and sustainable mining, minerals and metals sector will be central to the success of these efforts. At the same time ore bodies are increasingly deeper and more complex, and digital technologies are driving the commoditisation of engineering services. We wish to position DRA as a value-add partner to the industry as it navigates these changes and challenges. In FY2021 we confirmed a future focus on advisory services including digital transformation, sustainability and underground mining services. During FY2021, we have gone to market with our advisory and digital offering and have enjoyed early successes. We have also grown our underground mining capability in consulting, project delivery and operations.

The events of the last 12 months have strengthened our resolve and confidence in the direction we have chosen for DRA. We are confident that delivery against our strategy will ensure that we are positioned for success for many years to come.

FY2021 REVIEW

Our financial results for FY2021 are testament to the resilience of our people and our business model. We generated \$1.2B in revenue for the year, the highest in DRA's 37 year history. Revenue growth was driven by the APAC/AMER region, aligned to DRA's regional growth strategy. We delivered on the commitments made at IPO with underlying EBITA exceeding forecast, notwithstanding the challenges experienced by certain parts of the Group. Our strategy of diversification across service offerings and jurisdictions meant that, as a Group, we were able to post a great set of results in trying circumstances. The work that we have done over the past 24 months to improve and standardise systems and processes for key business functions has facilitated greater visibility and enabled enhanced interconnectedness and collaboration, critical to this success. I am proud of our performance in FY2021 and grateful to every one of our people who all played a role. DRA maintains a robust financial position with more than \$171M in cash and a net asset value per share of 537 cents at 31 December 2021, up more than 30% compared to 31 December 2020.

A FOCUS ON OUR CLIENTS

In FY2021, we energised our focus and approach to client relationships. We dealt with COVID-19-related challenges including continued lockdowns in the Americas, recurring infection rate spikes in South Africa and labour shortages in Australia due to border restrictions and closures, but our people rose to the task and shared some great successes together with our clients.

Major projects DRA worked on during the year included the Kamo-a-Kakula Copper Project in the Democratic Republic of Congo which is positioned to become one of the world's largest copper producers, the Carmichael Coal Handling and Preparation Plant project in Australia, the Booyesendal Platinum Mine Expansion Project in South Africa, the Tri-K Gold Project in Guinea and the Quellaveco Copper Project in Peru. Outsourced operations and maintenance services were delivered without the material interruptions caused by COVID-19 in FY2020 and consistent with our future focus on underground mining. A large portion of project-related revenue in EMEA for the period is attributable to mining projects and we secured our first underground mining operations contract for Palabora Copper in South Africa. We also enjoyed new wins across all regions, replenishing our order book.

SAFETY REMAINS OUR HIGHEST PRIORITY

The health, safety and wellbeing of our people, communities and contractors remains our highest priority, and we are continually looking for ways to improve our safety performance.

DRA's Total Recordable Injury Frequency Rate (TRIFR) for FY2021 went to 0.779 from 0.718 in FY2020, while our Lost Time Injury Frequency Rate (LTIFR) improved substantially to 0.173 from 0.249 in the previous year.

Visible leadership is key to improving safety performance. During FY2021, DRA stopped work for a "Line in the Sand" CEO-led safety movement, and rolled out personal safety pocketbooks to our people. As well as focusing on our people's physical wellbeing, we also put a spotlight on mental health. We provided support through our Employee Assistance Program (EAP), launching a new partnership with a provider in Australia, and developed a global network of mental health first aiders.

OUR PEOPLE

Our focus this past year was on improved communication and collaboration and we stayed connected by embracing technology and building relationships across the Group. We networked our skills and capabilities across regions to help us win new work and grow together.

A goal for the Company is to continue to move away from businesses operating in silos as we transform into an integrated, single DRA. This is evidenced by executive team appointments in FY2021 and will continue to be a focus in FY2022.

Providing development and training opportunities to our high-performing and skilled workforce remains a commitment of ours.

In FY2021:

- 21 graduate engineers joined DRA, with 12 promoted to Assistant Engineers within the year.
- 145 formal training courses were completed.
- 112 leaders enrolled in leadership development courses with a focus on leading through transition and change.
- Over 10,000 courses were undertaken via eLearning solutions.

I would like to acknowledge and thank our people for their hard work, commitment, passion, and resilience in another tough year. Everyone adapted well to continued working from home, hybrid working models, and returning to the office. All of this in the face of health and wellbeing concerns, isolation, and in some instances political unrest. COVID-19 continues to be a challenge we must face, but I am proud of how we worked together and the demonstration of our company values.

OUR STRATEGY

Our traditional capabilities in predominantly minerals processing and non-process mine infrastructure continued to grow in 2021.

In our next chapter DRA will take a leadership position in the future of mining. Our strategy reshapes our business to avail of three strategic global initiatives underpinned by five strategic pillars. The strategic initiatives are:

INITIATIVE 1:

- Global Advisory and Digital offering: DRA has deep expertise in the planning and feasibility of mining

assets and operations. Our capabilities range from decarbonisation studies, program management, operational readiness, and operational excellence. This is coupled with technical expertise in the digitisation of mining and associated supply chain.

INITIATIVE 2:

- Underground mining: With a continuing trajectory of more mines moving to underground in the decades ahead, DRA has deep expertise in the mine planning, feasibility, engineering design and delivery of underground mines.

INITIATIVE 3:

- Sustainability: Decarbonisation of mining operations and assets is an area of significant growth through sophisticated simulation and marginal abatement modelling, as well as the engineering implementation of the proposed pathways.

We have identified five strategic pillars to enable and support our growth initiatives.



PILLAR 1: TALENT

Attracting the best talent in the industry is a critical factor to organisational success. Retaining talent, in a highly competitive marketplace, is now the challenge to all organisations. Our Talent Pillar focuses on a set of initiatives to invest in the ongoing development and skill building of our technical experts through our DRA Academy. The objective of the DRA Academy is to place our technical employees, over time, at the pinnacle of their career.

PILLAR 2: INNOVATION

Innovation in DRA is a team sport. It is a way of doing, as well as a way of thinking. We bring together technical experts from different disciplines and have them tackle our clients most challenging problems. We use design thinking techniques, design-led innovation and human centred design as our process for innovating and creating the extraordinary solutions that challenge the status quo.

PILLAR 3: CLIENT OBSESSION

Knowing our clients' problems and challenges better than any other organisation is the foundation of our Client Obsession Pillar. Our client teams go deeper into the challenges and opportunities of our clients. We build long-lasting and valued relationships where our clients can trust our advice and rely on our solutions.

PILLAR 4: PORTFOLIO PERFORMANCE

Adopting a mindset of continuous improvement in every part of our operation and project delivery underpins our Portfolio Performance Pillar. Intentionally designing out waste from our operations at the same time as building reliable systems and processes for effective project delivery, ensures that our promises are kept to our clients.

PILLAR 5: SHAPING A SUSTAINABLE DRA

We know that for the mining industry to proactively contribute to a net zero future, DRA will have to be at the forefront of the advice, engineering and delivery of the next generation of mines. To do that we must change ourselves. In our Shaping a Sustainable DRA Pillar, we are creating a pathway towards a net zero DRA. It integrates ESG as a leadership doctrine in our business, shaping the decisions we make in a way that balances people, profit and planet.

YEAR IN REVIEW

We enjoyed solid performance in our EMEA Projects business and excellent performance in our maintenance and operations business, Minopex. In line with our strategy, we expanded our operations business from metallurgical plant operations to mechanised mining and built out our advisory capabilities, taking great strides with digital mining solutions. We have also supported our clients with their transition into more sustainable operations, decarbonisation, and water sustainability.

AMER continues to represent a growth area for us and in FY2021 we were able to build on the groundwork achieved the previous year. We responded to the significant growth being realised in critical metals such as copper by reaching our commitments for a robust design and advisory offering capability. Peru, in particular, had a great year in FY2021 and we gained traction there. Notwithstanding the expected cessation of the Energy Operations business in North America, the outlook for growth in the Americas is positive with many of our advisory studies now moving to the next phase of project design and execution.

In APAC we centred our efforts on acquiring talent, building our subject matter expertise, formalising our processes and systems, improving project delivery, and linking our technical capabilities with our team in EMEA. This consolidation both stabilises our capability and sets us up for growth in FY2022.

As DRA moved from a company with a collection of global offices to a global company, corporate shared services played a pivotal role in creating one DRA. Over the last two years, but particularly in FY2021, we committed to operational excellence and continuous improvement. We built a solid team to support improved organisational connections and facilitate greater collaboration. Through the valuable corporate shared services functions of IT, HR, Finance, Marketing and Communications, and Corporate Development we have been able to standardise processes and operating models, create transparency, and improve governance.

Leveraging skillsets effectively, fostering an innovation culture, sustainability, client centricity, and end-to-end value for clients are areas of strategic focus in FY2022.

OUTLOOK

A number of major global trends are influencing the resources industry and how we approach our strategy and everyday work-life. These include the increasing demand for commodities critical for decarbonisation, new technology needed to support this transition, digitalisation, and the longer-term impact of COVID-19.

We have a robust pipeline which places DRA in a strong position to address these trends in FY2022. We will continue to help our clients operate more sustainably through sophisticated engineering analysis, simulation and operations.

In FY2022, we expect to provide the following:

FOR OUR PEOPLE

- Security of a performance-based culture guided by DRA values
- Clearly defined career pathways with clear requirements for progression, promotion and succession
- A learning framework that builds technical excellence

FOR OUR CLIENTS

- Partnerships for the long term
- A differentiated client experience with innovation and co-creation of solutions at its core
- Global thought leadership with local delivery
- A laser focus on Environmental, Social, Governance (ESG and sustainability).

To conclude, I would like to thank the Board, our clients, and shareholders for their ongoing support. Thank you again to our people for their contribution, without whom none of our achievements this year would be possible.



Andrew Naudé

Chief Executive Officer and Managing Director



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HOW DRA CREATES VALUE

Creating sustained value for our people, clients, shareholders, and the communities we serve drives DRA's business.

For value to be sustained over the long-term, organisations must constantly bring new ideas and solutions to clients. They must be scanning the horizon for emerging technologies, whilst at the same time, building inspiring careers for their people and doing this all in a way that protects the environment and enriches the communities that we operate in. It is a complex interconnected mix that is challenging organisations everywhere.

We recognise the critical role we have in helping guide our clients to extract the critical resources needed to sustain economies and decarbonise global infrastructure, but to do so in a way that is also sustainable.

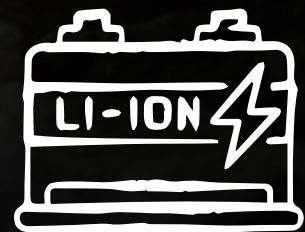
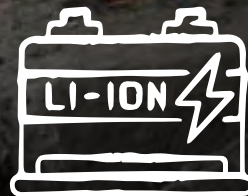
To create this value, DRA chooses to operate across our clients' value chain from early stage advisory and feasibility, to detailed engineering, business cases, program management and delivery, as well as operation, optimisation and renewal.

DRA is an environment where our technical experts, from economics to engineering, from digital and data analytics to process engineering, from marketing and innovation to operations and maintenance, can all build a career working at the peak of their profession on some of the world's most interesting and challenging resources projects. The work that our people do will shape the future of mining.

This work environment and business model is founded on almost 40 years of proven expertise and delivery knowledge unique to the mining, minerals and metals sector.

Our Innovation and Engineering Futures teams are constantly scanning the horizon, using discovery-led and experimentation-based techniques, to envisage what the mine environment will have to be in 2030 and 2050 to meet our collective obligations. Our teams bring this foresight knowledge to our clients today, assisting them in setting a roadmap that creates sustained future value.

Extracting and
processing the
minerals that produce
the smart energy
grids of tomorrow



WHAT WE DO

DRA operates two distinct but interconnected operating divisions, namely Projects and Operations.

DRA's core business focuses on delivering these services to a diverse client base from junior miners to global tier 1 multi-commodity clients exclusively in the mining, minerals and metals sector.

The Operations and Projects Divisions operate across two main regions, EMEA and APAC/AMER.

PROJECTS DIVISION

DRA Projects provide mine-to-port operational services across the APAC/AMER region and EMEA region specifically for the design, management delivery and construction management of mine assets.

DRA's team of talented professionals draw on comprehensive knowledge and extensive experience to deliver fit-for-purpose engineering solutions. From scoping and pre-feasibility, to final handover, in addition to interim or ongoing operations and management, our team of professionals adds value across the entire lifecycle of a project.

Our design capabilities and excellent project management skills ensure the successful implementation of projects across multiple countries, commodities and sectors.

OPERATIONS DIVISION

As companies look for innovative ways to reduce operating and maintenance costs and improve productivity, contract operations and maintenance offers a unique business model for mineral processing throughout the world. DRA is a leader in this sector adding value to mining operations across the globe by meeting the unique needs of its clients. From coal, chromite, and ferrous metals, to diamonds, gold, and platinum, we offer a wide range of services designed to make mineral processing requirements more cost effective while maintaining product quality, plant integrity and worker safety.

WHERE WE WORK



We further expanded our footprint through the establishment of an office in Botswana and Chile. DRA provides services to clients from 19 strategically positioned offices across the globe, offering a unique set of global and local market perspectives.



EMEA REGION OUTLOOK

The outlook for the EMEA region remains positive on the back of key strategic studies and ongoing projects for key strategic clients and is expected to complement DRA's continued global expansion. Pandemic recovery is continuing to keep metals prices elevated into FY2022 and companies will continue focusing on improvements in sustainability, decarbonisation efforts and safety.

For FY2022, the EMEA Projects Business is developing numerous strategically important studies and projects covering copper, manganese, platinum group metals, gold, lithium, nickel, zinc and rare earths in geographies that include South Africa, Zimbabwe, Mali, Ghana, DRC, Tanzania, Saudi Arabia, Austria, and Russia.

Our presence in the Middle East was bolstered with the securing of additional work in FY2021, building on the success of the Operations Division who have been active in the region over the past five years.

Access to, and retention of, skilled labour remains a key challenge to DRA and the industry as a whole. The EMEA region is actively managing this through hiring, re-calibration of remuneration, training and skills development.





APAC/AMER REGION OUTLOOK

The outlook for Australia's mineral exports remains strong as the world economy rebounds from the impact of the COVID-19 pandemic and shortages persist. High prices, good volume growth and a weak Australian dollar are driving a surge in export earnings. Some decline in prices is likely in FY2022, as supply rises and demand moderates. Commodity prices in some of the historically strong commodities such as coal and iron ore, are set to fall once demand growth slows and global supply rises. However, the demand and subsequent price increases in those commodities that support the electric vehicle market are set to remain at high levels. Commodity demand should thus show significant growth over the outlook period.

Over the past 12 months, DRA has positioned itself as a leader and preferred supplier for emerging and high demand commodities such as nickel, lithium and rare earths in APAC. DRA is well positioned in the lithium and nickel markets across Australia having delivered two of the most recent lithium projects to be commissioned and continuing to provide EPCM services to key lithium clients.

The prices for the majority of the key commodities across Australia in which DRA provides services are expected to at least remain at FY2021 levels through the FY2022/23 forecast period. However, restrictions on movement in and out of Western Australia, due to COVID-19 are expected to continue to hamper availability for domestic and international labour resources which will continue to put inflationary pressures on remuneration.

The North American market outlook is positive with key commodity prices maintaining strong positions. For 2022, the North America Projects Division is developing five strategically important projects that cover gold, copper, molybdenum, iron ore, zinc and lithium in locations including Ontario and Quebec in Canada, Arizona in the USA, and Mexico. Access to and retention of skilled labour remains a key challenge and DRA is actively managing this through hiring, re-calibration of remuneration, training and skills development, and strategic partnerships where practical.

In Chile and Peru, the countries where DRA has a presence to service South America, political instability continues to negatively affect investor risk sentiment. These challenges are occurring while the main commodities in Chile and Peru such as copper, zinc

and gold are experiencing strong prices. Currently, we are seeing major investment directed to existing brownfield expansions with greenfield investments mostly contained to studies. Brownfield projects in South America are incorporating innovative new process technologies where DRA has been able to differentiate itself as a leader.

The Lima and Santiago offices will also continue to play a key role providing world class technical services on Latin American greenfield projects that are being managed and executed by our Toronto and Montreal offices.







SUSTAINABILITY

Everyday our engineers advise, design, and deliver better sustainable performance in the mining, minerals and metals sector. From extracting and moving ore in the safest and most efficient way possible, to processing ore sustainably, and transforming mine energy and water systems to be renewable, our people are constantly bringing new ideas and innovations that are symbiotic with the environment.

We recognise the position of responsibility we have. We know that we sit at the intersection of the natural environment and critical supply chains that support economies and society. We know our expertise in the commodities essential for decarbonisation of power grids and transport sectors will be critical to the renewable future we must all achieve.

Yet despite all of the work our people do to reduce carbon footprints and deliver essential commodities, we still strive for a better sustainability performance.

WHAT IS DRA'S APPROACH TO SUSTAINABILITY?

To reach higher and be bolder. To keep pushing until the entire industry is sustainable, and then push a little more. To be at the forefront for this mission. We know we can do better, and our new strategy and strategic position will be the guiding direction we adopt.

PEOPLE AND CULTURE

We employ over

4,500
employees

who are focused on delivering for our clients and operating safely. We aim to be a magnet for talent and to be the place where our people can fulfil their career aspirations.

In FY2021 our priorities were to:

- Focus on employee engagement and wellbeing
- Drive a performance driven culture
- Develop and retain top talent
- Build and promote a diverse and inclusive workforce

PEOPLE INITIATIVES AND ACHIEVEMENTS IN 2021

DIVERSITY AND INCLUSION

We launched a Diversity and Inclusion Standard as part of our commitment to build an inclusive culture that supports and celebrates all the voices of our people. During this rollout, we achieved the following:

- Development of an e-learning module to create awareness and support employees in understanding what makes an inclusive and diverse workplace
- Provided increased opportunity for women by significantly exceeding our FY2021 balanced scorecard target of 18% of targeted vacancies filled by female candidates – achieved 33.5% across the Group
- Ensured continued inclusivity and empowerment of designated groups in our South African workplace and community through the achievement and retaining of existing B-BBEE scorecard rating.

TALENT AND DEVELOPMENT

- Succession plans were developed in each business for all critical and leadership roles ensuring an adequate pipeline
- Differential retention plans were created to increase retention and ensure development of top talent and critical skills
- Bespoke personal and career development plans were put in place for talent pool and critical skill employees

EMPLOYEE EXPERIENCE

A new HR management platform is being deployed across DRA. This will bring powerful analytics, reporting and a digital user experience to our employees. Learning and development will be driven and supported through the platform, which will drive innovating learning journeys for our people.

REMUNERATION AND REWARD

- Competitive remuneration was ensured through routine market analysis and salary reviews so that we are able to attract and retain top talent across our operations and jurisdictions
- Increased employee equity scheme participation to drive long-term, sustained company performance and retention of talent

ENGAGEMENT AND WELLBEING

- We launched the first Group-wide engagement survey. This survey provided us with meaningful data that shapes our people journey
- People and Culture champions completed the Mental Health First Aider course, enabling them to understand how to address key mental health issues in the workplace

GOVERNANCE

- Developed Global People and Culture Standards, ensuring consistency in our people practices
- Ensured due diligence of People and Culture through operational excellence

COVID-19 RESPONSE

In FY2021, we continued to navigate the challenges and uncertainty of COVID-19. Throughout the difficult times, DRA remained focused on protecting the health, wellbeing and safety of our people whilst continuing to deliver for our clients. We prioritised the safety and wellbeing of our people through ongoing awareness and protocol communications and the Employee Assistance Program (EAP), led by our Safety and People and Culture teams.

Our COVID-19 protection and prevention efforts in FY2021 included:

- Vaccination drives in both our Minopex and SENET businesses
- Check-in stations and temperature checks in the APAC offices
- Increased hygiene and cleaning practices at all operational sites and corporate offices
- Flexible working arrangements where possible for our people

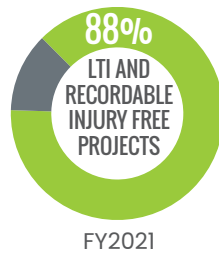
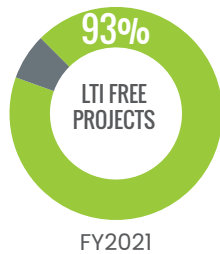
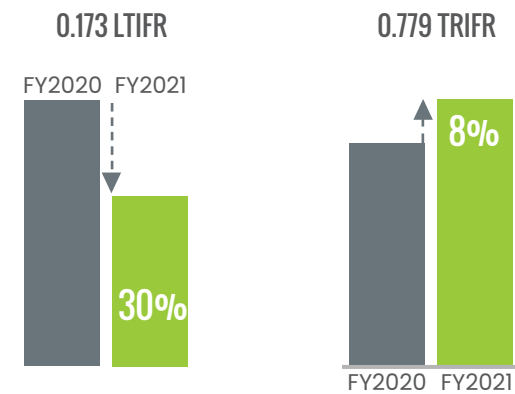
We strive to provide a supportive and connected work environment, which allows employees to thrive while doing meaningful work. To continue to build this, our focus for FY2022 is to:

- Create a culture in which employees can grow and thrive with a focus on collaboration and careers
- Develop and retain talented employees through leadership development
- Continuing to build and promote a diverse and inclusive workforce through a focus on retention

HEALTH, SAFETY AND WELLBEING FOCUS

We recognise that our safety culture and safety performance impact every DRA employee. It has an effect on physical and mental health, wellbeing and productivity. That's why safety remains DRA's number one priority and our ultimate commitment.

FY2021 safety statistics:



11 MENTAL HEALTH FIRST AIDERS IN THE BUSINESS

In FY2022, we will focus on four key areas:

- Partnering with contractors who share our safety vision and values
- Training and leadership programs
- Embedding our safety culture in all stages of the employment lifecycle, including at the onboarding stage
- Raising the profile of safety in DRA through accountable leadership.

DRA IN THE COMMUNITY

DRA takes its responsibilities and obligations very seriously when it comes to supporting the communities in which we operate. Throughout FY2021 we have been involved in over 20 community initiatives ranging from:

- Donating computers and IT equipment to advance computer skills in the resource-constrained Lebowa kgomo and Ba-Phalaborwa communities.
- Helping 160 families in need through the donation of food hampers.
- Providing shelter and care for abandoned, neglected, and abused children through DRA's support of the Maletsatsi Foundation.
- Growing access to a quality education for marginalised children in and around Cape Town through support for the Chaeli Campaign.
- Supporting five Black-owned companies develop and grow through supplier development initiatives.
- Awarding six engineering scholarships to deserving students in Ghana and donating a further 40 bursaries to students through The African Academy.
- Partnering with RACQ QC Rescue to help provide rapid response critical care and aeromedical retrieval services to all residents, workers, and visitors in central Queensland.
- Challenging DRA people to give 67 minutes toward learning and developing on LinkedIn Learning during the month of July for Mandela Day. 12,720 minutes of learning was completed, and a donation was made to the Nelson Mandela Children's Fund.
- Partnering with the Department of Correctional Services to build a garden for parolees rehabilitation.
- Sponsor for, and participant in, the Youth Focus Ride for Youth to raise awareness of mental health and provision of early intervention and prevention services for young people across Western Australia.
- Donation to the Future Force Foundation providing financial support for athletes as well as junior pathway programs including girls and boys' rugby state teams in Western Australia.



EMPLOYING A DOCTOR FOR THE TRI-K GOLD PROJECT

To support our community stakeholders in Guinea, SENET employed a medical doctor to work and train at the site clinic at the Tri-K Gold Project. The doctor is being trained in clinical best practice and clinic management by SENET's expatriate clinical team. He is being equipped to provide higher care in his local Loila community by introducing him to a range of international medications and treatment protocols for diseases ranging from COVID-19 and malaria to other chronic illnesses.

SENET has partnered on Managem's Tri-K Gold Project since the Definitive Feasibility Study stage of the new carbon-in-leach processing plant and on-site infrastructure project. The business was awarded the EPC contract for the project in FY2019 and since then it has collaborated with Managem and the Loila community in transferring valuable knowledge to its local employees.



DESIGNING THE TSHAMAHANSI COMMUNITY SPORTS FIELD

Sometimes the best assets we can provide to the communities in which we operate are our skills and time.

In FY2021 DRA supported the Tshamahansi community in Mokopane (Limpopo Province, South Africa) situated near the Ivanplats Platreef Project. DRA donated funds and consulting, engineering, design and draughting professional services for a new multi-discipline sports field for the Bangwanate Disabled Project after it was irreparably damaged by rainwater. This project has benefited adults and children with disabilities in the underprivileged community.

The beneficiaries of the project will not only have access to and use of the sports field but are expected to benefit financially by hiring out the facility to the community for training and sporting events.

REMOTE COMMISSIONING

The commissioning phase of a project often places strain on project teams as many systems need attention at the same time. Commissioning is that critical phase where equipment is put into operation and where actual operating performance is validated. This high stress period has been exacerbated by COVID-19 where travel constraints and access restrictions can put project delivery milestones under pressure. At the same time the need for multiple specialist employees to travel to site, often multiple times, has an impact on the overall carbon footprint of the project's delivery.

Our electrical and controls teams have taken on this challenge, using sophisticated technology to simultaneously reduce the travel related carbon footprint whilst improving the commissioning performance and project delivery outcomes.

Our teams have innovated by deploying software used in other industries into the mining commissioning environment. Software used in emergency dispatch control rooms, as well as dedicated UHF base stations on site, has enabled remote sites that are often not connected to telecommunications networks to be connected in real time to control rooms that are offsite, many hundreds of kilometres away.

Our team has successfully completed its first trial enabling full commissioning to continue despite members of the control team being in quarantine due to COVID-19. Some personnel were 1,400km from site, but the teams on the ground were unaware the control team were not present in the site control room. Using technology to overcome barriers presented by COVID-19, whilst reducing costs and travel related carbon emissions, is just one example of how our team improve environmental outcomes whilst improving economic and workforce outcomes.



DRA'S WORK WITH THE AFRICAN ACADEMY

Since FY2019, DRA has financially supported The African Academy to help train and develop drafting and design professionals. Investing in people means investing in the future and although DRA has offered engineering bursaries in the past, drafting skills remained a gap in the industry. Through a partnership with The African Academy, DRA aims to fill this void of talent of the industry.

Established in 1994, The African Academy addresses the critical need for well-trained and skilled draught persons, and to contribute towards reducing unemployment in South Africa. Today, The African Academy is recognised as one of Africa's leading draughting education and training institutions.

In FY2021 we donated 40 bursaries to students through The African Academy, split 50/50 between female and male recipients.



GOING FURTHER

As we move into FY2022, our strategic pillar "Shaping a Sustainable DRA" sets new goals and milestones for DRA. We know we must advise our clients on the sustainable mine of the future but we also know we must shape our own business. We must now follow our own advice on DRA becoming operationally net zero. Our strategic pillar sets in place our commitments for:

- A new global ESG Council, to guide our operations and report our carbon performance based on the GRI framework
- Embedding ESG plans into our key projects
- Realigning our corporate social activities to be human centred and discovery-led. We will experiment whilst capturing data, constantly testing ourselves to create better shared value for people and planet
- Our Engineering Futures team will continue to be at the forefront of investigations to develop cutting edge solutions that improve the sustainability, safety and performance of mining
- Our sustainability offering will help our clients understand the actions they need to take to decarbonise their operations, bringing state of the art ideas and innovations, and then work with our clients to implement these plans

DELIVERING ON THESE COMMITMENTS WILL POSITION DRA TO STRIVE TOWARDS BEING OPERATIONALLY NET ZERO BY 2030.



CORPORATE GOVERNANCE

DRA and its Board of Directors are committed to achieving and demonstrating high standards of corporate governance that are effective for the DRA Group and fulfil stakeholder expectations. DRA has adopted in full the Corporate Governance Principles and Recommendations (Fourth Edition) published by the ASX Corporate Governance Council. DRA has reviewed its corporate governance practices against the Fourth Edition for the financial year ended 31 December 2021.

DRA's FY2021 Corporate Governance Statement reflects its corporate governance practices for the financial year ended 31 December 2021 and was approved by the Board on 24 February 2022. DRA's FY2021 Corporate Governance Statement has been lodged with the ASX and is available on DRA's website at <https://www.draglobal.com/about/corporate-governance/>



LEADERSHIP

BOARD OF DIRECTORS

PETER MANSELL

Independent Non-Executive
Director and Chairman



Peter Mansell was appointed as Chairman of DRA in September 2019.

Peter practised law in South Africa and Australia for over 35 years, including at Australian law firm Freehills, the predecessor firm to Herbert Smith Freehills where he served as Managing Partner and its National Chairman.

Peter has significant experience in managing large organisations and over 20 years of experience as a director of listed and unlisted, Australian and foreign companies, including ASX 100 companies. Peter's experience covers a broad range of industries and sectors including mining, media, agribusiness, energy, engineering services, oil and gas, and technology across Australia, Europe, Africa and North America.

Peter is the chairperson of ASX listed Energy Resources of Australia and Ora Banda Mining, and was chairperson of the WA Electricity Networks Corporation (known as Western Power) and Zinifex. He has also been a director of Aurecon Group, Nyrstar NV and OZ Minerals. Peter is currently a director of Cancer Research Fund (trustee of the Cancer Research Trust) and Foodbank of WA Inc.

Peter is a Fellow of the Australian Institute of Company Directors and has served as its WA President. He holds a Bachelor of Commerce, Bachelor of Laws, and a Higher Diploma in Tax Law from the University of Witwatersand.

ANDREW NAUDÉ

Managing Director and
Chief Executive Officer



Andrew Naudé was appointed as Managing Director and CEO in July 2019.

Andrew is a corporate finance and strategy professional who worked in financial services and corporate finance throughout a range of industries for over 20 years before joining DRA as a strategy and growth advisor in 2013, being appointed to the Board in 2016. With a decade of his experience at executive and director level Andrew assumed responsibility for development and oversight of DRA's strategy, including mergers and acquisitions, and leading the growth of its international business. He served as interim CEO during 2016 and as CFO and Strategy Director before becoming Managing Director and CEO.

In his time at DRA, Andrew has been involved in every aspect of DRA's extensive operations and has led multidisciplinary, multinational and cross-regional teams.

Andrew is a member of Chartered Accountants ANZ, a graduate member of the Australian Institute of Company Directors, and an alumnus of Harvard Business School, where he completed the Advanced Management Program. He holds of a Bachelor of Commerce and a postgraduate Bachelor of Commerce Honours from the University of Natal.

KATHLEEN BOZANIC

Independent
Non-Executive Director



Kathleen Bozanic was appointed as a Non-Executive Director of DRA in January 2020.

Kathleen is an accountant and finance professional with over 25 years of experience as a registered company auditor, partner of a Big-4 professional services firm, finance general manager and chief financial officer.

Kathleen has extensive experience with listed and unlisted companies in the resources, engineering and contracting sector, including with BGC Contracting, Atlas Iron and Mt Gibson Iron. In these roles she has held responsibilities for compliance, risk and financial management, as well as significant involvement in business planning and strategy and managing commercial transactions.

Kathleen is a director of ASX listed companies IGO and Great Southern Mining. She is also a director of Rugby WA and its Future Force Foundation, and until recently was a director of the WA Department of Health's Child and Adolescent Health Service.

Kathleen is a member of Chartered Accountants ANZ and is a graduate member of the Australian Institute of Company Directors. She holds a Bachelor of Commerce from the University of Western Australia.

LEE (LES) GUTHRIE

Independent
Non-Executive Director



Les Guthrie was appointed as a Non-Executive Director of DRA in January 2020.

Les is an engineer with over 45 years of experience in the project delivery space having held project management and senior corporate executive roles across the UK, Australia, North America and Asia for major engineering and resources companies, including Rio Tinto, BHP, Fluor and Aker Kvaerner.

Les is a director of ASX listed resources companies Neometals and Australian Mines. He is also Principal and Managing Director of Bedford Road Associates, an independent consultancy providing advice and support for the development and delivery of major capital expenditure projects. Bedford Road Associates has advised Rio Tinto in Mongolia, Hyundai Engineering and Samsung Engineering in South Korea, Otakaro and CERA in New Zealand, and Melbourne Water and NBN Co in Australia.

Les is a member of the Australian Institute of Company Directors, and was also one of the founding contributors to the John Grill Centre for Project Leadership at The University of Sydney where he presented a management course in Strategic Design Thinking. He holds a Bachelor of Science (Engineering and Marketing) from the University of West of Scotland.

PAULUS (PAUL) LOMBARD

Independent
Non-Executive Director



Paul Lombard was appointed as a Non-Executive Director of DRA in May 2021.

Paul is a registered professional engineer with 35 years of experience in the fields of transportation infrastructure engineering, project financing and planning, management consulting and restructuring.

Paul has significant experience working throughout Africa and Europe as a project leader or planning expert for transportation sector projects, including many funded by global development and non-government organisations such as the World Bank, the African Development Bank, USAID and the UN Capital Development Fund. He worked for Aurecon for almost 30 years, including serving on its Executive Committee and as the Managing Director (Africa and Middle East) and subsequently Managing Director (Asia and Middle East) had responsibility for leading project and corporate teams, and the strategic and financial performance of those businesses.

Paul is a member of the South African Institution of Civil Engineering. He attended Purdue University where was awarded a PhD, and as a Fulbright scholar obtained a Master of Science Civil Engineering in Urban and Transportation Engineering. He also holds a Bachelor of Engineering (Civil) (Cum Laude) from the University of Pretoria.

JONATHAN (JOHNNY) VELLOZA

Independent
Non-Executive Director



Johnny Velloza was appointed as a Non-Executive Director of DRA in January 2022.

Johnny is a mining engineer with 30 years of mining experience in open pit and underground operations throughout Africa, Chile and Australia and across a range of commodities including iron ore, copper, cobalt, gold and diamonds. He has held senior operational and management roles in global resources companies, including De Beers, AngloGold Ashanti, BHP Billiton and Gem Diamonds. During his career Johnny has worked across the full mining value chain including exploration, feasibility studies, developing and commissioning new mines and managing mining operations, and obtained capital markets and capital raising experience.

He was Chief Operating Officer and Deputy CEO of Gem Diamonds before being appointed as a Non-Executive Director. Johnny is currently CEO of cobalt refining process developer Kobaloni Energy and a Non-Executive Director of AIM listed Zanaga Iron Ore.

Johnny holds a Higher Diploma (Mining Engineering) from the Technikon Witswatersrand, a Bachelor of Technology (Mining Engineering) from the University of Johannesburg and a Bachelor of Commerce from the University of South Africa.

KEY MANAGEMENT PERSONNEL

ADAM BUCKLER

Chief Financial Officer



Adam Buckler joined DRA in 2020 as Chief Financial Officer. Adam is a highly regarded finance executive with extensive mining services, petroleum, and engineering (EPCM) industry experience gained over 20 years, including in multinational companies Worley and Orica. Adam has successfully managed regional finance teams across multiple jurisdictions including Australia, New Zealand, PNG, Asia, China and India. Adam is responsible for all finance, treasury, IT, risk and compliance functions at a Group level.

Adam is a member of Chartered Accountants ANZ, and is currently enrolled in the Executive MBA program at Columbia University. He holds a Bachelor of Engineering (Mining Engineering) and a Master of Accounting (Professional Accounting) from the University of New South Wales.

ALISTAIR HODGKINSON

Chief Operating Officer



Alistair Hodgkinson joined DRA in 2007, and was promoted to Executive Vice President (Europe, Middle East and Africa) in 2018 before being appointed as Chief Operating Officer in 2021, responsible for project delivery and safety. Alistair has a wealth of experience in engineering and project delivery for large scale mining and minerals processing for greenfields and brownfields resources projects throughout Africa and the Middle East. His experience extends across a range of commodities, including platinum group metals, gold, base metals and iron ore.

Alistair is registered as a professional engineer with the Engineering Council of South Africa. He holds a Bachelor of Science (Mechanical Engineering) from the University of the Witwatersrand and a Master of Business Administration from the University of Cape Town.



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OPERATIONAL OVERVIEW

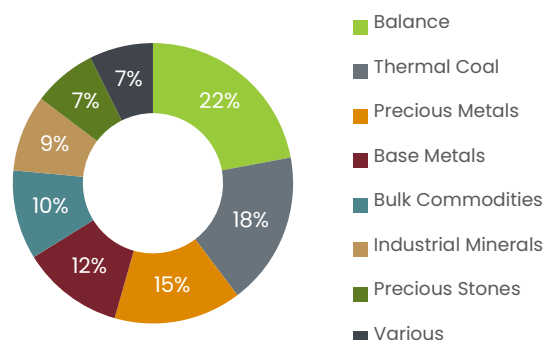
DRA Global partners with global mineral resource owners to create value throughout the project lifecycle.

DRA has its corporate head office in Perth, Western Australia, which is also the Group's regional head office for the region. The Group operates from 19 office locations worldwide, the largest of which is the EMEA region and is a centre for engineering excellence for the Group.

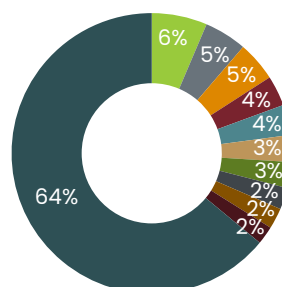
DRA is focussed on the global mining, minerals and metals sector and derives revenue from services provided throughout the project lifecycle from concept through to decommissioning. Services are delivered primarily in the areas of minerals processing, mining (underground mine design and engineering) and non-process infrastructure including water and energy solutions. Services include advisory (including digital and sustainability), design, engineering, project and construction management, and managed services (operations and management) which are categorised into two broad service offerings, Projects (capital expenditure) and Operations (operating expenditure).

A breakdown of Group revenue by region, service offering, client and commodity is shown in the charts below:

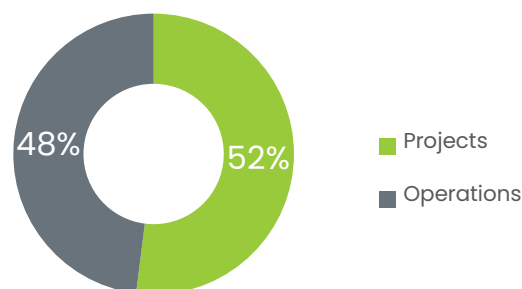
Revenue by commodity



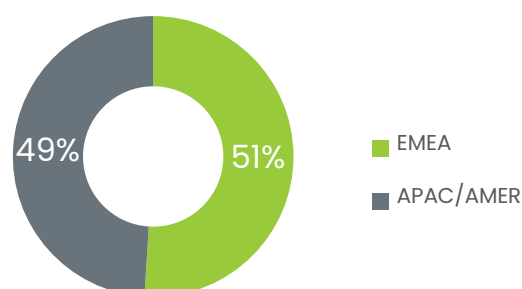
Revenue by client



Breakdown of FY2021 revenue by service offering



Breakdown of FY2021 revenue by segment



REVIEW OF OPERATIONS

The overall operating results of the Group for FY2021 are a testament to our robust operating model and the excellence and resilience of our people. With disruptions and uncertainty related to the ongoing pandemic an operational reality, DRA remained focussed on the delivery of work in hand and continued to win work with existing and new clients across all regions and service offerings. This was not always easy but the diversified nature of DRA's global operations enabled the Group to deliver against its commitments, notwithstanding operational challenges in certain areas of the business.

DRA grew revenue across both operating regions and each of its service offerings in FY2021. Despite continued high levels of infections in the region, DRA's legacy operations in EMEA experienced far fewer COVID-19 related disruptions than FY2020 and posted strong operating results for the year, confirming DRA's commanding market position in the region and our ability to deliver results in challenging circumstances. Aligned with DRA's strategy of international expansion, DRA's APAC/AMER region recorded a significant increase in revenue in FY2021, demonstrating increasing traction in the region. However, profitability was impacted by various factors including reduced productivity on fixed price construction projects in the region, specifically in Western Australia, impacted by the effect of COVID-19 related disruptions, border restrictions and labour shortages.

Fundamental to DRA's business success is the geographic and project lifecycle coverage of our service offering. The model necessitates ever-increasing levels of collaboration and interconnectedness across the business to effectively leverage the specialist expertise of our people, wherever they are located. Our commitment to enhancing these core capabilities is evident from the ongoing improvements in systems and tools across the business and the expansion of our Corporate Shared Services model during FY2021. These enhancements support standardisation and efficiencies across the business for key functions, including Design, Project Management, Business Development and Commercial, People, Finance, Legal, Information Technology, and Marketing and Communications.

PROJECTS

In FY2021 DRA delivered projects on 5 continents across 16 countries (33 if studies are included) and worked across a wide range of commodities, including platinum, gold, copper, nickel, iron ore, lithium, graphite, diamonds, coal, rare earths and mineral sands. DRA generated more than [\$600M] in revenue from projects in FY2021.

As the pandemic continued during FY2021 different parts of the business were impacted. Notwithstanding, DRA remained focused on delivery against the order book and securing new opportunities. More than \$600M of new projects work was secured in FY2021.

EUROPE, MIDDLE EAST AND AFRICA (EMEA)

Operating in a challenging environment, with most staff still working remotely for much of the year, the EMEA projects business delivered a number of positive project outcomes and a strong set of operating results.

DRA completed phase 1 and continued into phase 2 at the Kamoia-Kakula copper mine for Kamoia SA, expected to be one of the world's largest copper producers once all phases are complete. DRA undertook a range of projects for Anglo American at the Mogalakwena and Modikwa mines in South Africa, and at the Unki mine in Zimbabwe. Work commenced on an expansion project for Assmang at the Khumani mine where DRA has been engaged since FY2020 and recommenced on a 1mtpa magnetite beneficiation plant for Limpopo Iron Ore in South Africa.

Building on an impressive track record in platinum, in FY2021 DRA was engaged by Zimplats to provide EPCM services for the Ngezi 3rd Stream Project and the Mupfuti Mine Replacement Project, and the EPCM role on the Two Rivers Platinum Mine Merensky Concentrator Project for African Rainbow Minerals and Impala Platinum. DRA was also awarded the FEED at Royal Bafokeng's Maseve mine and undertook underground mining projects at Assmang's Gloria and Black Rock mines and Northam's Booysendal central mine.

DRA-SENET, successfully handed over the Tri-K project (Guinea) to Managem and was engaged to update the BFS for Managem's Tizert project in Morocco. DRA-SENET also secured and commenced work on the Moyeath Cu-Zn Concentrator Project in Saudi Arabia, expanding the Group's track-record in the Middle East.

DRA Water delivered several projects including brine treatment, water quality improvement and sludge handling solutions for mining clients.

PROJECT ACTIVITY



KAMOIA-KAKULA

Since FY2017 DRA has been the EPCM contractor for the Kamoia-Kakula Projects. Following successful completion of the Phase 1 Project, Kamoia has awarded work to DRA on the Phase 2 and Phase 3 Projects.



TRI-K PROJECT

In FY2019 DRA-SENET was awarded the EPC contract for the Tri-K Gold Project situated in Guinea, following the positive completion of the Definitive Feasibility Study (DFS). In FY2021 DRA-SENET delivered an impressive project and concluded the successful handover of the Tri-K Gold Plant to its owner, Managem.

AR RJUM PROJECT

Ma'aden awarded DRA the Stage 3 Bankable Feasibility Study for the Ar Rjum Gold Project in Saudi Arabia, in September 2021. The Ar Rjum Gold Project is a new mine development comprising three open pit mining operations with associated waste dumps and ore stockpile, a 6Mtpa processing plant, tailings management facilities, supporting infrastructure including water supply, power supply, maintenance facilities, offices and a village.

MOYEATH CU-ZN CONCENTRATOR PROJECT

Al Masane Al Kobra awarded DRA-SENET with the Meyeath Cu-Zn Concentrator Project in Saudi Arabia in FY2021. This is a conventional 400ktpa copper/zinc flotation plant. DRA-SENET is responsible for the Feasibility Study, engineering services, detailed design, procurement, construction management and commissioning for the project.

AUSTRALIA, ASIA PACIFIC AND AMERICAS (APAC/AMER)

DRA continued to gain traction in the growth region of APAC/AMER in FY2021, increasing revenue contribution to the Group. DRA expanded its South American capability in Peru and through the establishment of an office in Chile. Unfortunately, profitability was impacted in the region by reduced productivity on fixed price projects, and COVID-19 related border closures, labour shortages and disruptions specifically in Western Australia affecting returns. Notwithstanding, revenue growth and new work secured during the year confirmed demand for DRA's service offering in the region.

DRA continued to enhance its relationships with a number of major clients in the region including BHP, Newcrest, Anglo American, Barrick Gold, Arcelor Mittal and Antamina (BHP, Glencore, Teck Resources and Mitsubishi Corporation).

Work continued on Anglo American's Pueblo Viejo project in the Dominican Republic, the Barrick and Newmont Quellaveco joint venture copper mine in Peru, and at Antamina where DRA has been engaged on various projects since 2020. DRA completed the Beyondie Potash project for Kalium Lakes and the Carmichael Coal Handling Plant for Bravus, where DRA has been further engaged to deliver the Coal Preparation Plant project which is expected to be completed in FY2022. DRA commenced work for the Nickel West Mt Keith Expansion project for BHP in Australia, the Lihir gold project for Newcrest in Papua New Guinea, the Las Bambas project for MMG in Peru, and the Las Truchas iron ore project for Arcelor Mittal in Mexico. DRA also completed preparatory work for the Yangibana rare earths project for Hastings Technology Metals, expected to commence in FY2022.

PROJECT ACTIVITY



CARMICHAEL PROJECT

Work for Bravus on the Carmichael Project progressed successfully in FY2021. Late in the year DRA completed Stage 1 construction for the Coal Handling Plant Project on site, resulting in the first coal pour. The Carmichael Project involved DRA delivering a full-scope project handling the design, engineering, procurement, and construction. The related Coal Processing Plant Project which was awarded to DRA is due for completion in 2022.



MT KEITH EXPANSION PROJECT

In FY2021, DRA was awarded the engineering and design contract with BHP for Nickel West's Mt Keith Expansion project. The contract is for the provision of detailed engineering and design services to support the expansion of the crushing and grinding circuit at the Mt Keith Operation, including new stockpile feed conveyors, coarse ore stockpile, reclaim conveyor, 16 MW SAG Mill grinding circuit and an 11kV substation.



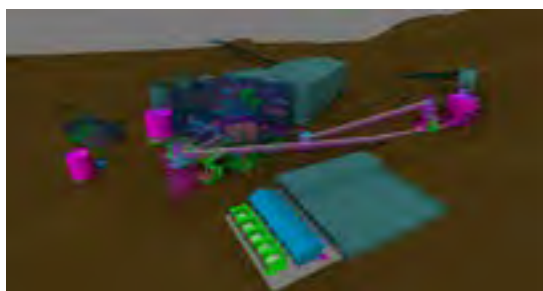
BEYONDIE PROJECT

DRA was awarded the EPC contract by Kalium Lakes in FY2020 to complete the detailed engineering, procurement and construction (undertaken by G&S) of the 90ktpa process plant at the Beyondie Sulphate of Potash (SOP) project in Western Australia's Pilbara region. Practical completion was achieved for the wet plant, material handling facility and compaction plant in FY2021.



QUELLAVECO PROJECT

DRA have been the partner on Anglo American's Quellaveco Coarse Particle Flotation (CPF) Project in Moquegua, Peru, since FY2019. The CPF project scope was conducted in two sequential phases. Phase 1 included a gap analysis and Phase 2 involved the development of the process plant design at a Feasibility Study level. DRA is also contracted to provide further detailed engineering and procurement services.



LAS TRUCHAS REVAMP PROJECT

DRA was awarded the engineering and procurement contract with Arcelor Mittal at the Las Truchas mine in Mexico in FY2021. DRA worked with the client from initial concept in FY2012 to completing the Definitive Feasibility Study and Revamp project. The project involves building a new iron ore concentrator and transferring the ore feed to the new facility. DRA will assist with the commissioning of the new concentrator and start-up.



PUEBLO VIEJO PROJECT

DRA-SENET together with the Toronto office, are providing engineering and procurement services for the expansion of the Pueblo Viejo Dominicana Corporation (PV) process plant, as well as supporting construction and commissioning. The PVDC mine is owned by Barrick and Newmont and is located in the central part of the Dominican Republic on the Caribbean Island of Hispaniola in the province of Sanchez Ramirez.

OPERATIONS

In FY2021 DRA operated processing facilities on 3 continents across a range of commodities, including platinum, gold, copper, phosphates, iron ore, diamonds, and coal. In addition, DRA delivered maintenance and brownfields optimisation services and assisted clients with operational readiness, commissioning, and rapid project ramp-up. DRA's Operations business employs more than 3,000 people and generated more than \$570M of revenue in FY2021.

DRA's depth of experience in operating processing facilities is one of the things that sets DRA apart from its competitors. The insight gained from on the ground experience allows DRA to design better, more operable plants ultimately improving productivity and safety in operation. With a vision to capitalise on this unique opportunity, DRA's Projects and Operations businesses in the EMEA region have embarked on a graduate exchange program with a view to developing young talent that could offer multiple skillsets to the business in the future.

As part of the exchange program, Operations' graduates transferred to Projects to gain exposure to the process design team's work. Their learnings will complement their operations know-how and give them the opportunity to seek new experiences in the mineral processing field. Similarly, Projects' graduates transferred to Operations' sites learning about the operational and maintenance aspects which underpin, and should inform, the design of processing plants. The experience and knowledge they gain will assist them on their journey to register as professional engineers. The program offers hands-on experience, specialised training and access to specialists in throughout the project and operations lifecycle and its objective is to equip the next generation leaders.

ADVISORY

Driven by Operations, DRA consolidated and brought to market its Advisory offering. Combining deep technical expertise with traditional consulting advisory skills, digital and data analytics and relevant sustainability expertise, DRA's Advisory offering delivers robust, practical solutions to clients. DRA intends to invest in, and build on, this platform going forward, recognising the need to transform along with the industry and continue DRA's long history as a trusted advisor to our mining, minerals and metals clients. In FY2021 DRA's advisory services included:

- Front-end solutions
- Capital project excellence
- Operational readiness
- Plant and mining operations optimisation
- Digital transformation

CASE STUDY: LETSENG DIAMOND MINE, PROCESSING PLANT SIMULATION MODEL

The Advisory team was engaged to design and build a simulation model of the Letseng Diamond mine's processing plant. The simulation model analyses the processing operations to identify bottlenecks and opportunities to optimise throughput. It enables a realistic assessment of the production performance that could be expected if an appropriate solution were implemented.

Simulations of this nature provide an efficient way to iterate innovative approaches to creating value for clients. The combination of technology, advisory capabilities, and deep technical expertise empower DRA to develop an optimal solution based on the data. The data also empowers clients to make informed decisions. The true value, however, comes from the ability to turn advice into results, by combining data-driven solutions with on-the-ground capabilities and accountability for delivering the optimal outcome for our clients.

DRA Global designed and built the 350 tonnes per hour dense-media separation plant at the Letseng Diamond mine, the highest diamond mine and plant in the world at its commissioning in 2004.

Minopex has managed, operated and maintained the processing facility since it became operational.

EUROPE, MIDDLE EAST AND AFRICA (EMEA)

In the EMEA region, DRA is a leading specialist in the field of outsourced Operations and Maintenance (O&M) for mineral processing plants. DRA's Operations offering, Minopex, employs over 2,000 people across seven countries in the EMEA region. In FY2021 Minopex celebrated 25 years as a leader in outsourced operations and maintenance across EMEA.

With high COVID-19 infection rates in many of the jurisdictions in which we operate facilities, it was necessary to work very closely with our clients and our people to design and implement protocols to protect our people, manage the impacts of infections and promote continuity of operations. Minopex was very effective at managing and mitigating the impacts of COVID-19 in the EMEA region during FY2021 with limited disruption to operations, a testament to the quality and commitment of our people and leadership.

In FY2021 Minopex secured a renewal of the Phola O&M contract, commenced operations at the Elandsfontein phosphate mine, and commenced ramp up at the Limpopo Iron Ore magnetite beneficiation plant in preparation for O&M to commence in 2022.

In addition, DRA expanded its operations offering in the region to include underground mining services, including mechanized mining through the acquisition of a majority interest in UMM Contracting Services. This capability diversifies and strengthens DRA's offering in the region and provides clients with access to specialist skills and experience in "caving" mining methods including block, panel, sublevel, or derivatives thereof. DRA subsequently secured its first major underground mining operations contract.

OPERATIONS ACTIVITY



KROONDAL PROJECT

Minopex has been operating and maintaining the K1 and K2 plants at Kroondal for the last 20 years since they were commissioned. Kroondal is a shallow underground platinum group metals mine with two concentrators in the North-west Province of South Africa.



AD'DUWAYHI PROJECT

Minopex was awarded the Operation and Maintenance contract for the Ad Duwayhi Processing Plant in 2015. The Ad Duwayhi Gold Mine is located in Saudi Arabia. A key focus of this operation is localisation and development of the local workforce. The plant is continuously optimized and is currently processing 20% above design throughput.

AUSTRALIA, ASIA PACIFIC AND AMERICAS (APAC/AMER)

DRA employs over 1,000 people in APAC/AMER Operations.

In APAC, through subsidiary G&S Engineering Services (G&S), DRA provides maintenance and shut-down services. G&S is regionally based in central Queensland, enabling the ability to service a niche market in the Australian mining industry. In 2021, DRA further established its Operations and Maintenance (O&M) division within the region aimed at providing O&M services to the Australian market, leveraging the skills of Minopex and resources of G&S. In FY2021 G&S completed major shut down maintenance at sites including Dawson mine, Coppabella mine, Saraji mine and Hay Point.

In FY2021, G&S also provided brownfields capital maintenance and construction services. In line with the industry practice, much of this work was contracted on a fixed price basis. Some of these contracts were negatively affected by disruptions, labour shortages and logistics challenges including as a result of border closures and other restrictions related to COVID-19, negatively affecting their profitability and the profitability of the region. In FY2021 the decision was taken to discontinue this type of work going forward. While this decision will initially impact the region's revenue contribution to the Group, DRA prefers to re-focus on core capabilities, and take advantage of growing traction in the Projects and

O&M business to drive better quality of earnings and improved margins in the region.

In AMER, DRA Energy Operations operated and maintained 18 refined coal pollution control facilities, across seven American states, providing daily plant operations and maintenance services. Managing a challenging COVID-19 environment effectively, the Energy Operations business performed well in 2021.

However, the economic operation of the refined coal facilities is dependent on a tax credit scheme (IRC Section 45) that allows the operators of those facilities (utilities) to claim a tax credit. The tax credit expired on 31 December 2021 and the owners of the facilities decided to close all facilities by the end of January 2022. This outcome was anticipated by DRA and taken into account in the FY2021 forecast and forward planning.

The tax credit scheme has previously been extended and the facility owners have been engaged with lobbyists and regulators in the US on further extension of the scheme. Specifically, it is possible that an extension will be included in the Democrats' revised Build Back Better Bill now anticipated to be put to the Senate in April 2022. Further revenue contribution from DRA Energy Operations is not anticipated.



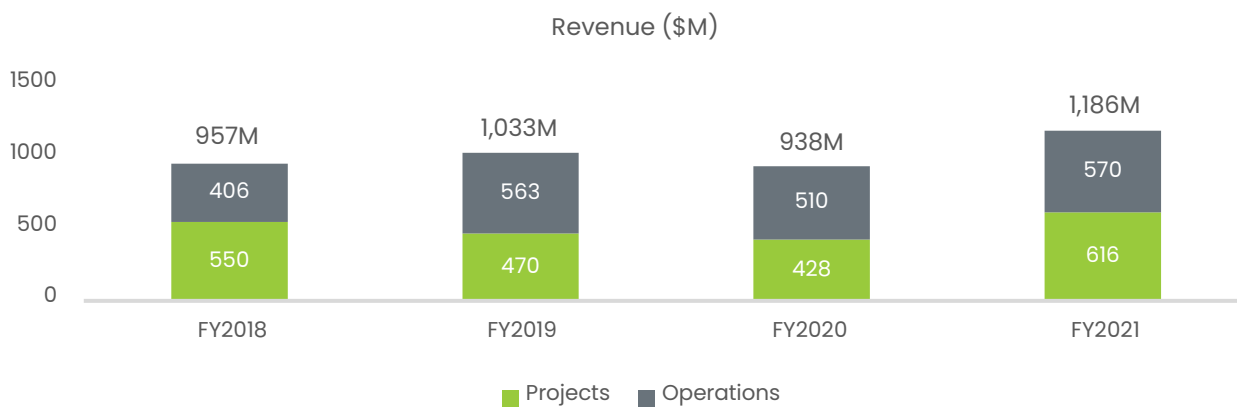
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FINANCIAL OVERVIEW

FINANCIAL PERFORMANCE

A) REVENUE & EARNINGS



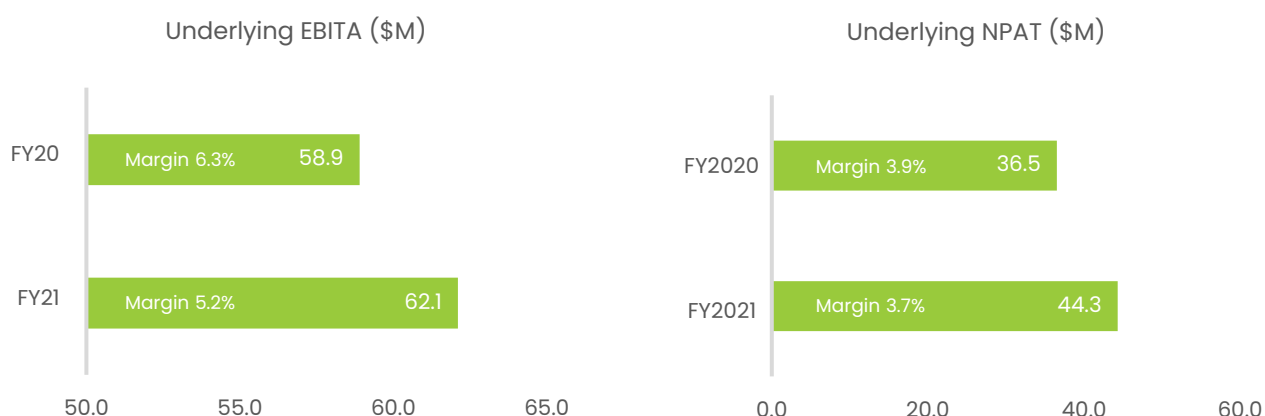
DRA generates most of its revenue by providing consulting services that includes the assessment of mineral projects through to the completion of feasibility studies, engineering design and construction of mining, mineral and metals processing assets, procurement and construction management of mining projects and operation and maintenance services of these assets.

Group revenue for DRA in FY2021 was \$1.186M, an increase of 26.4% compared to FY2020 and a historic high for DRA. The revenue achieved was in line with DRA's IPO prospectus.

In FY2020, DRA's EMEA Operations business was negatively impacted by COVID-19 related lock-downs, restricting access to some sites and several projects were also deferred or cancelled. DRA reacted swiftly to mitigate risks to our people and clients as well as to focus on business continuity and resilience.

In FY2021 DRA was again impacted by challenges associated with COVID-19, specifically in APAC. While expected revenue growth was realised, APAC/AMER profitability was impacted by reduced productivity on fixed price projects, and COVID-19 related border closures, labour shortages and disruptions specifically in Western Australia.

DRA's revenue is well diversified geographically and across service offerings, commodities and clients. With offices and presence around the world, DRA was able to provide local experience to its clients whilst leveraging its global pool of experts to best service clients. This diversification strategy enabled DRA to absorb the under-performance by certain parts of the businesses affected by COVID-19, while still delivering improved group results and great outcomes for our clients.



Reconciliation of statutory to underlying results

	FY2021 \$M	FY2020 \$M
Profit after income tax for the year (NPAT)	53.4	25.6
Adjusting for:		
Income tax expense	23.5	16.5
Net finance income	(11.4)	(3.1)
Earnings before interest and tax (EBIT)	65.5	39.0
Adjusting for:		
Amortisation expense	5.7	9.0
Earnings before interest, tax and amortisation (EBITA)	71.2	48.0
Depreciation expense	17.6	16.9
Earnings before interests, taxes, depreciation and amortisation (EBITDA)	88.8	64.9

	EBITDA		EBITA		NPAT	
	FY2021 \$M	FY2020 \$M	FY2021 \$M	FY2020 \$M	FY2021 \$M	FY2020 \$M
Statutory results	88.8	64.9	71.2	48.0	53.4	25.6
Adjustments:						
IPO readiness programs (non-recurring)	-	3.3	-	3.3	-	3.3
IPO costs (non-recurring)	1.9	-	1.9	-	1.9	-
Fair value gain on UPRs	(13.0)	-	(13.0)	-	(13.0)	-
Impairment of goodwill	-	5.7	-	5.7	-	5.7
Job Keeper income	-	(2.8)	-	(2.8)	-	(2.8)
Legal costs and provision	2.0	4.7	2.0	4.7	2.0	4.7
Underlying results	79.7	75.8	62.1	58.9	44.3	36.5
Statutory margin as a % of total revenue	8.0%	7.0%	6.0%	5.1%	4.5%	2.7%
Underlying margin as a % of total revenue	6.7%	8.1%	5.2%	6.3%	3.7%	3.9%

In arriving at the underlying EBITDA, EBIT and NPAT, certain adjustments are made to the statutory results so as to reflect the underlying performance of DRA:

- IPO readiness programs – DRA incurred \$3.3M of consulting and professional fees to review, improve and standardise existing processes across the business to prepare DRA for an IPO. These expenses are not recurring.
- IPO costs – These are costs paid to advisors specifically for the IPO and will not be recurring.
- Fair value gain on UPRs – The fair value gain on the UPRs is primarily driven by the movement of DRA's share price which impacts the UPRs that were issued during the year. This fair value gain is not considered representative of DRA's underlying financial performance in the current year.
- Impairment of goodwill – an impairment loss of \$5.7M was recorded in FY2020 in relation to DRA's Americas Cash Generating Unit (CGU). The impairment loss did not have a cash flow impact in the prior period and is not representative of the DRA's underlying financial performance in the prior year.
- Job Keeper income – DRA's operations in Australia received Job Keeper payments in FY2020 as part of the COVID-19 relief package introduced by the Australian Government. These payments subsidised the wages of certain employees during the period where the affected entities were facing project deferral and reduced work as a result of COVID-19. FY2021 income is nominal, no adjustment made.
- Legal costs and provision – DRA incurs or provides for legal expenses on claims relating to onerous contracts. These expenses have been adjusted to provide a better representation of the financial performance of DRA.

DRA's business model is not capital intensive, our key assets are our people and their skills and deep expertise. Much of DRA's depreciation originates in terms of IFRS 16 Leases. We consider these lease costs to be related to our operations and reflective of performance. Conversely, DRA has completed a number of acquisitions in recent years, giving rise to intangible assets which are subject to amortisation. We do not consider the amortisation of acquisition-related intangible assets to be reflective of the performance of the Group. We consider underlying EBITA the earnings measure most reflective of the Group's performance, appropriate for comparative purposes.

Underlying EBITA increased by 5% in FY2021 to \$62.1M at a margin of 5.2%, exceeding the forecast put forward in the prospectus, notwithstanding the impact of lower APAC profitability which was more than offset by better than expected performance elsewhere in the Group. As expected, EBITA margin reduced in FY2021 due to the mix of projects shifting from EPCM, which typically attracts a higher margin, to EPC which attracts a lower margin from higher-value contracts.

Underlying NPAT in FY2021 significantly improved by 18% to \$44.3M compared to FY2020. Underlying NPAT includes interest income of \$10.5M in respect of amounts outstanding (loans receivable) by a client. The interest income is related to an active project being delivered by the Group and is considered to be reflective of the underlying performance of the Group, no adjustment has been made. Approximately \$3.5M is related to this financial year. Refer to note 7 of the financial statements for further information.

EMEA

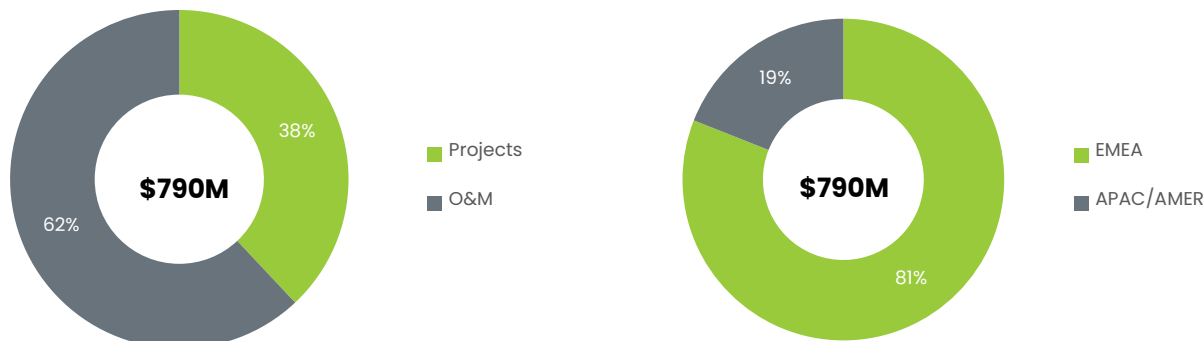
EMEA posted revenue growth of 11% with strong growth in Projects and Operations including increased activity in water treatment projects, underground mining projects and traction in underground mining operations. FY2021 saw the close out of a number of major projects including Kamoā-Kakula Phase I and the Tri-K Gold Project, the renewal of a material O&M contract at Phola and the region's first material underground mining operations contract. The region delivered exceptional earnings, increasing EBIT by 86% compared to FY2020 and contributing most of the Group's earnings. The uptick in earnings performance was driven by the completion and profit recognition in respect of major EPC and EPCM projects and the recovery of costs and profit associated with the restart of a project, previously suspended due to financing issues experienced by the client.

APAC/AMER

Revenue contribution from APAC/AMER grew by 44% compared to FY2020 to \$579M, demonstrating increasing traction in the region. Growing DRA's presence and market share in the region continued to be an area of strategic focus for the business and the leadership team. DRA seeks to leverage the Group's impressive track-record and pool of expertise to be positioned as a credible alternative to incumbent service providers, particularly in Australia and South America.

EBIT contribution from APAC/AMER was impacted by unfavourable outcomes on some of its fixed price construction contracts in Western Australia, which was impacted by COVID-19 labour related shortages and border restrictions. A couple of these contracts were negotiated and entered into in early FY2020 before the COVID-19 pandemic began. The majority of these contracts have since completed and despite cost and resource challenges, DRA continues to deliver quality outcomes for its clients. DRA has reviewed its strategy and has discontinued entering into any fixed price construction business Australia. This will enable the region to re-focus on its core engineering and project management capabilities. DRA expects to see improvement in the quality of earnings for the region.

B) WORK-IN-HAND



DRA's work-in-hand (which represents secured work not yet performed) as at 31 December 2021 was \$790M. Work-in-hand comprises less EPC and fixed-price construction work (high revenue, low margin) and more core EPCM and O&M work, consistent with DRA's intention to focus on improving quality of earnings. The Group has a large pipeline of opportunities in various stages of development.

C) FINANCIAL POSITION

	FY2021 \$M	FY2020 \$M	Variance \$M	Variance %
Cash	171.0	204.8	(33.8)	(17)
Net working capital *	35.3	8.8	26.5	301
Net tangible assets**	157.5	194.1	(36.6)	(19)
Debts***	(76.9)	(21.0)	(55.9)	(266)
Net assets	266.0	308.6	(42.6)	(14)

	#M	#M	#M	
Number of shares	49.5	84.1	(34.6)	41
Net tangible assets per share (\$/share)	3.18	2.27	0.87	38
Net assets per share (\$/share)	5.38	3.67	1.71	46

*include trade and other receivables, contract assets, inventories trade and other payables and contract liabilities.

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

*** include interest-bearing borrowings and other financial liabilities but excludes lease liabilities.

CASH

Cash remained healthy in the Group. There was a drop in total cash of \$33.8M compared to FY2020 mainly due to the \$65M cash paid for the Pre-IPO share buy-back.

NET WORKING CAPITAL

Net working capital fluctuated significantly mainly due to unwinding of contract liabilities as a result of work performed on major projects for which the Group had received payments in advance.

NET TANGIBLE ASSETS AND NET ASSETS

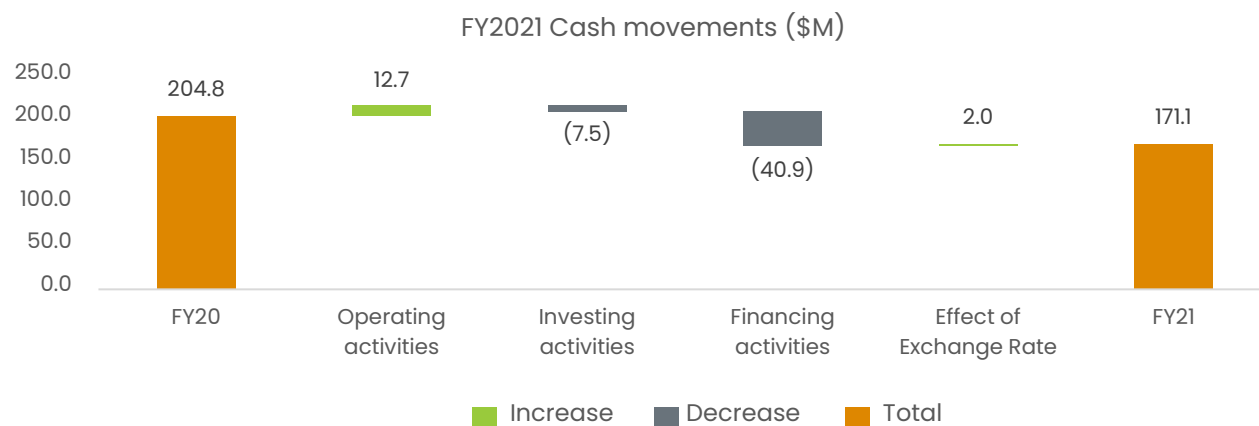
Net assets in FY2021 decreased by \$42.6M to \$266.0M compared to FY2020. The majority of the decrease is due to the cash paid and financial liabilities assumed in relation to completing the Pre-IPO share buy-back. This also drove the reduction in net tangible assets as compared to FY2020.

Despite the decrease in net assets in FY2021, net tangible assets and net assets on a per share basis have increased by 25% and 34% respectively as a result of the Group's on-market share buy-back program that started in the second half of the financial year.

DEBTS

DRA has drawn down \$34.5M of its revolving credit bank facility to fund the Pre-IPO share buy-back. Also as part of the Pre-IPO share buy-back, 25M UPRs were issued, valued at \$21.5M at 31 December 2021, recorded as a financial liability. The financial liability is settled either via cash or equity when being the UPRs are exercised. In FY2020, a put option liability was recorded for put option entered into with former shareholders of a subsidiary that the Group acquired. The put option expired when DRA listed and the financial liability of \$18.9M was derecognised.

D) CASH FLOWS



OPERATING ACTIVITIES

Cash inflows from operating activities for FY2021 was \$12.9M (FY2020: \$101.8M). The reduction is primarily due to:

- Unwinding of advanced payments on projects received from clients in relation; and
- Higher tax payments made in the EMEA region after utilisation of tax losses in the prior period.

Given the nature of DRA's business, especially the project service offering, cash flows from operating activities do not necessarily align with earnings as a result of receipts of advance payments ahead of performing the work, or obtaining approval from clients for variations yet to be invoiced and collected.

After adjusting for the effect of the movement in tax paid, net interest income and movement in advance payments, cash flow from operating activities was \$68.8M, (FY2020: \$85.5M) representing 77% (FY2020:132%) of EBITDA.

INVESTING ACTIVITIES

Cash outflows from investing activities of \$7.5M mainly relate to replacement costs for property, plant and equipment and these costs are broadly consistent compared to the prior year.

FINANCING ACTIVITIES

Cash outflows from financing activities of \$41.0M mainly relate to cash paid for the Pre-IPO share-buy of \$65M during the year offset by the drawdown of the revolving credit bank facility of \$34.5M. The remaining outflow relates to payments in respect of the IPO costs and lease payments.

RISK MANAGEMENT

DRA operates across multiple geographical locations and as a result is exposed to both global and local risks factors which may have an adverse effect on the achievement of DRA's strategic objectives. DRA's risk management framework provides a systematic and consistent approach to managing both positive and negative risks, which aims to maximise DRA's ability to achieve and outperform on its business objectives and to realise sustainable and predictable outcomes. This includes oversight of key risks by the Audit and Risk Committee as well as regular monitoring by management.

Set out below are key risks that have been identified by DRA. These risks are not set out in any particular order and is not an exhaustive list of risks that may impact DRA. Rather, they are the most significant risks that the Board has identified to consider and monitor.

KEY RISKS

SAFETY:

Safety remains DRA's core value, our people are our single most important asset and are critical to DRA's ongoing success. The nature of DRA's work and presence on mine and project construction sites involves risk to both property and persons. DRA's safety standards are focused on protecting the health of its workforce. DRA continues to monitor key safety KPIs, with dedicated safety leads responsible for implementing safety initiatives in each business aimed at improving DRA's safety performance.

COVID-19:

The pandemic continues to impact DRA's people, clients, supply chains and business performance in general. The Business Resilience Plan established by DRA's COVID-19 Task Force supports business critical activities, anticipates macro-outcomes, overcomes short-term uncertainties and positions DRA for future growth. Although the pandemic had limited direct financial impact to DRA during the financial year, there is a risk that further outbreaks in DRA's key markets could have a material impact on DRA in the future.

CYCLICAL EARNINGS:

As the majority of the Group's clients are involved in the mining and minerals processing industry, cyclical and volatile commodity prices impact clients' investment decisions and can influence demand for the services offered by DRA. DRA has established a diverse client base across multiple commodities to limit the impact, with dedicated business development to secure new pipeline.

ATTRACTION AND RETENTION OF PERSONNEL:

The loss of a number of DRA's key personnel, as well as an inability to secure sufficient levels of staffing, may impact DRA's financial performance and growth prospects. DRA talent strategies are aimed at improving DRA's attractiveness as a place to work and that our people receive the necessary support, including work-life balance improvements, flexible working arrangements, graduate recruitment / learnership programs, free counselling and manager support sessions.

PRESENCE IN FOREIGN JURISDICTIONS:

DRA derives a significant portion of its revenue from contracts related to projects located outside of Australia, notably within Africa and in South Africa. Operating in these jurisdictions introduces risks which are not necessarily present in a country like Australia including: economic, social or political instability or change, volatile or illiquid currencies, changes in tax, exchange control and operational legislation. DRA continues to proactively monitor risks in such jurisdictions and develop strategies to ensure compliance with legislation and mitigate any potential adverse events.

RELIANCE ON KEY CLIENTS:

DRA currently services a wide number of clients in different jurisdictions, many of which operate across jurisdictions and / or represent significant earnings to DRA. If one or more key clients suffer a business failure, do not continue to award work to DRA or award less work to DRA, DRA's ability to sustain its revenue may be impacted. DRA's client centric approach focuses on retaining key clients through delivery on DRA's value proposition and innovation to fulfil clients' aspirations.

COMMERCIAL CONTRACTING:

DRA is facing increasing competition in a number of its markets, which may impact client contracting terms, margins and the acceptance of increased risk. In certain cases, commercial contracting disputes arise, which may be costly and time-consuming for DRA to enforce / protect its contractual rights, with no guarantee of success. Similarly, there is a risk that clients could exercise rights to terminate (for convenience or otherwise) or reduce DRA's scope of work for any reason. DRA has experienced business development personnel who actively engage with clients to ensure that the client's objectives are understood and DRA's contracts are tailored accordingly. Highly skilled operational staff are tasked with delivery in terms of its contracts, with management performing ongoing quality checks, monitoring and oversight to ensure that DRA's project-related risks are understood and are appropriately managed.

CONTRACTUAL VARIATIONS AND CLAIMS:

The nature of DRA's contracts is that scope may vary after the contract is entered into, or DRA may experience delays which have a cost implication, often requiring client approval before they are paid, which may only take place on completion of the works. This may lead to commercial negotiation or potential disputes under the contract. Operational leads are responsible for managing any changes to DRA's scope of works or contract, aided by relevant support staff and business leads as necessary.

CYBER SECURITY:

Significant or extended disruptions to DRA's business systems or unauthorised access thereto could potentially impact DRA ability to continue to operate sustainably. DRA has established safeguards in place to manage system access, data storage and data recovery, which are periodically tested to ensure their efficacy.

FOREIGN EXCHANGE RATES:

Volatility in exchange rates of DRA's key contracting and reporting currencies may impact DRA's results and financial position. DRA's Treasury Framework establishes clear processes to mitigate the impact of foreign exchange rate fluctuations.

ACCESS TO LIQUIDITY:

DRA requires access to cash and working capital to meet its return, capital and cash flow obligations. DRA has access to various financial facilities to provide sufficient liquidity headroom that are managed in accordance with DRA's Treasury Framework.

CLIMATE CHANGE:

DRA recognises the impact of climate change and has developed a number of strategies aimed at driving decarbonization and reducing energy usage. DRA continues to engage with all stakeholders to understand their expectations and how the challenges posed by climate change can be addressed.

DRA understands and seeks to comply with all relevant legislation, engaging relevant external regulatory experts as required for assistance.

GOVERNANCE RISKS:

Involve the ethical management of DRA's business, both at a Board and an operating level.

DRA has an established governance framework in place and clear parameters between the Board and DRA management as to key decisions that can be undertaken.



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DIRECTORS' REPORT

The Directors present their report, together with the financial statements, of the consolidated entity (referred to hereafter as the 'Group') consisting of DRA Global Limited (referred to hereafter as 'DRA', the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2021 (FY2021).

DIRECTORS

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

Name:	Peter Mansell
Title:	Chairperson and Independent Non-Executive Director – appointed 16 September 2019
Qualifications:	Bachelor of Commerce, Bachelor of Laws, Higher Diploma in Tax Law, Fellow AICD
Experience and expertise:	Peter practised law in South Africa and Australia for over 35 years, including at Australian law firm Freehills, the predecessor firm to Herbert Smith Freehills where he served as Managing Partner and its National Chairman. Peter has significant experience in managing large organisations and over 20 years of experience as a director of listed and unlisted Australian and foreign companies, including ASX 100 companies. Peter's experience covers a broad range of industries and sectors including mining, media, agribusiness, energy, engineering services, oil and gas, and technology across Australia, Europe, Africa and North America. Peter is the chairperson of ASX listed Energy Resources of Australia and Ora Banda Mining, and was chairperson of the WA Electricity Networks Corporation (known as Western Power) and Zinifex. He has also been a director of Aurecon Group, Nyrstar NV and OZ Minerals. Peter is currently a director of Cancer Research Fund (trustee of the Cancer Research Trust) and Foodbank of WA Inc.
Other current directorships:	Chairperson of Ora Banda Mining Limited – appointed 22 June 2018 Chairperson of Energy Resources of Australia Ltd – appointed 26 October 2015
Former listed directorships (last 3 years):	None
Special responsibilities:	Chairperson Chairperson of Nomination & Governance Committee Member of People, Culture & Remuneration Committee

Name:	Andrew Naudé
Title:	Managing Director and Chief Executive Officer – appointed as a Director 31 October 2017
Qualifications:	Bachelor of Commerce (Finance, Honours), Chartered Accountant (ANZ), Graduate AICD
Experience and expertise:	Andrew Naudé was appointed as Managing Director and CEO in July 2019. Andrew is a corporate finance and strategy professional who worked in financial services and corporate finance throughout a range of industries for over 20 years before joining DRA as a strategy and growth advisor in 2013, being appointed to the Board in 2016. With a decade of his experience at executive and director level Andrew assumed responsibility for development and oversight of DRA's strategy, including mergers and acquisitions, and leading the growth of its international business. He served as interim CEO during 2016 and as CFO and Strategy Director before becoming Managing Director and CEO. In his time at DRA, Andrew has been involved in every aspect of DRA's extensive operations and has led multidisciplinary, multinational and cross-regional teams. Andrew is a member of Chartered Accountants ANZ, a graduate member of the Australian Institute of Company Directors, and an alumnus of Harvard Business School, where he completed the Advanced Management Program. He holds of a Bachelor of Commerce and a postgraduate Bachelor of Commerce Honours from the University of Natal.
Other current directorships:	None
Former listed directorships (last 3 years):	None
Special responsibilities:	Chief Executive Officer – appointed 15 July 2019

Name:	Kathleen Bozanic
Title:	Independent Non-Executive Director – appointed 2 January 2020
Qualifications:	Bachelor of Commerce, Chartered Accountant (ANZ), Graduate AICD
Experience and expertise:	Kathleen is an accountant and finance professional with over 25 years of experience as a registered company auditor, partner of a Big-4 professional services firm, finance general manager and chief financial officer. Kathleen has extensive experience with listed and unlisted companies in the resources, engineering and contracting sector, including with BGC Contracting, Atlas Iron and Mt Gibson Iron. In these roles she has held responsibilities for compliance, risk and financial management, as well as significant involvement in business planning and strategy and managing commercial transactions. Kathleen is a director of ASX listed companies IGO and Great Southern Mining. She is also a director of Rugby WA and its Future Force Foundation, and until recently was a director of the WA Department of Health's Child and Adolescent Health Service.
Other current directorships:	Non-Executive Director of IGO Limited – appointed 3 October 2019 Non-Executive Director of Great Southern Mining Limited – appointed 26 April 2018
Former listed directorships (last 3 years):	None
Special responsibilities:	Chairperson of Audit & Risk Committee Member of Nomination & Governance Committee Member of People, Culture and Remuneration Committee

Name:	Lee (Les) Guthrie
Title:	Independent Non-Executive Director – appointed 2 January 2020
Qualifications:	Bachelor of Science (Engineering and Marketing)
Experience and expertise:	Les is an engineer with over 45 years of experience in the project delivery space having held project management and senior corporate executive roles across the UK, Australia, North America and Asia for major engineering and resources companies, including Rio Tinto, BHP, Fluor and Aker Kvaerner. Les is a director of ASX listed resources companies Neometals and Australian Mines. He is also Principal and Managing Director of Bedford Road Associates, an independent consultancy providing advice and support for the development and delivery of major capital expenditure projects. Bedford Road Associates has advised Rio Tinto in Mongolia, Hyundai Engineering and Samsung Engineering in South Korea, Otakaro and CERA in New Zealand, and Melbourne Water and NBN Co in Australia. Les is a member of the Australian Institute of Company Directors, and was also one of the founding contributors to the John Grill Centre for Project Leadership at The University of Sydney where he presented a management course in Strategic Design Thinking.
Other current directorships:	Non-Executive Director of Neometals Ltd – appointed 27 September 2018 Non-Executive Director of Australian Mines Limited – appointed 20 November 2019
Former listed directorships (last 3 years):	None
Special responsibilities:	Chairperson of People, Culture & Remuneration Committee Member of Major Project Approvals Committee Member of Sustainability, Health, Safety, Environment & Community Committee

Name:	Paulus (Paul) Lombard
Title:	Independent Non-Executive Director – appointed 1 May 2021
Qualifications:	PhD (Urban and Transportation Engineering), Master of Science Civil Engineering (Urban and Transportation Engineering), Bachelor of Engineering (Civil)
Experience and expertise:	Paul is a registered professional engineer with 35 years of experience in the fields of transportation infrastructure engineering, project financing and planning, management consulting and restructuring. Paul has significant experience working throughout Africa and Europe as a project leader or planning expert for transportation sector projects, including many funded by global development and non-government organisations such as the World Bank, the African Development Bank, USAID and the UN Capital Development Fund. He worked for Aurecon for almost 30 years, including serving on its Executive Committee and as the Managing Director (Africa and Middle East) and subsequently Managing Director (Asia and Middle East) had responsibility for leading project and corporate teams, and the strategic and financial performance of those businesses.
Other current directorships:	None
Former listed directorships (last 3 years):	None
Special responsibilities:	Chairperson of Sustainability, Health, Safety, Environment & Community Committee Member of Audit & Risk Committee Member of Major Project Approvals Committee

Name:	Jonathan (Johnny) Velloza
Title:	Independent Non-Executive Director – appointed 1 January 2022
Qualifications:	Higher Diploma (Mining Engineering), Bachelor of Technology (Mining Engineering), Bachelor of Commerce
Experience and expertise:	Johnny is a mining engineer with 30 years of mining experience in open pit and underground operations throughout Africa, Chile and Australia and across a range of commodities including iron ore, copper, cobalt, gold and diamonds. He has held senior operational and management roles in global resources companies, including De Beers, AngloGold Ashanti, BHP Billiton and Gem Diamonds. During his career Johnny has worked across the full mining value chain including exploration, feasibility studies, developing and commissioning new mines, and managing mining operations, and obtained capital markets and capital raising experience. He was Chief Operating Officer and Deputy CEO of Gem Diamonds before being appointed as a Non-Executive Director. Johnny is currently CEO of cobalt refining process developer Kobaloni Energy and a Non-Executive Director of AIM listed Zanaga Iron Ore.
Other current directorships:	Non-Executive Director of Zanaga Iron Ore Company Limited (listed on AIM) – appointed 6 September 2018
Former listed directorships (last 3 years):	Non-Executive Director of Gem Diamonds Limited (listed on LSE) – appointed 1 July 2018, resigned 1 May 2021
Special responsibilities:	Chairperson of Major Project Approvals Committee Member of Audit & Risk Committee Member of People, Culture & Remuneration Committee Member of Sustainability, Health, Safety, Environment & Community Committee
Name:	Greg McRostie
Title:	Executive Director – appointed 1 August 2019, resigned 4 May 2021
Qualifications:	Bachelor of Engineering (Mechanical)
Experience and expertise:	Greg was the Executive Vice President of the Asia Pacific Region. Greg has over 35 years of experience in the design and construction of mineral processing facilities and associated infrastructure across a broad range of commodities. He has held positions including design engineering roles with Lycopodium, Minproc and GHD, and senior project management roles for Roche Mining. Greg was also previously Managing Director of Abesque Engineering and Construction and Managing Director of Minnovo (which was acquired by DRA in 2018).
Other current directorships:	None
Former listed directorships (last 3 years):	None
Special responsibilities:	Member of Sustainability, Health, Safety, Environment & Community Committee (until 4 May 2021)
Name:	Leon Uys
Title:	Independent Non-Executive Director – appointed 16 July 2018, resigned 4 May 2021
Qualifications:	Professional Engineer (Engineering Council of South Africa), MDP Project Management
Experience and expertise:	Leon joined the Group in 1987 after first gaining 10 years of industry experience, and during his service was instrumental in the Group's growth. After 27 years working for the Group he retired from his position as CEO in 2013. For the past 7 years, Leon has acted in a non-executive role and has been instrumental in guiding the organisation at Board level by setting the strategic direction for the global business.
Other current directorships:	None
Former listed directorships (last 3 years):	None
Special responsibilities:	Chairperson of Major Project Approvals Committee (until 4 May 2021)

Name:	Jean Nel
Title:	Non-Executive Director – appointed 18 December 2019, resigned 29 January 2021
Qualifications:	Bachelor of Accounting, Chartered Account (South Africa), Chartered Financial Analyst
Experience and expertise:	Jean was appointed as a nominee director for a former major shareholder in DRA. He has extensive experience in executive level positions for major companies in the South African mining industry. Jean currently co-owns and manages a number of investments in South Africa, Namibia and the United Kingdom and also serves as Non-Executive Director of public companies.
Other current directorships:	Non-Executive Director of Northam Platinum Ltd Non-Executive Director of DRD Gold Limited Non-Executive Director of Tongaat Hulett
Former listed directorships (last 3 years):	None
Special responsibilities:	Member of Audit & Risk Committee (until 30 January 2021) Member of People, Culture & Remuneration Committee (until 30 January 2021) Member of Sustainability, Health, Safety, Environment & Community Committee (until 30 January 2021)

Name:	Rafael Eliasov
Title:	Non-Executive Director – appointed 6 April 2020, resigned 28 January 2021
Qualifications:	Bachelor of Commerce (Finance), Bachelor of Law, Higher Diploma in Tax
Experience and expertise:	Rafael was appointed as a nominee director for a former major shareholder in DRA. He worked at Investec Equity Partners for nearly 6 years and was recently a director of Cliff Dekker Hofmeyer. Rafael joined Stockdale Street in 2018.
Other current directorships:	None
Former listed directorships (last 3 years):	None
Special responsibilities:	Member of Audit & Risk Committee (until 28 January 2021) Member of Nomination & Governance Committee (until 28 January 2021)

Name:	Dr Kenneth Thomas
Title:	Independent Non-Executive Director – appointed 1 February 2020, resigned 11 January 2021
Qualifications:	Doctorate in Technical Sciences, Bachelor of Science (Honours), Master of Science (Business)
Experience and expertise:	Ken has over 45 years of experience in the mining industry across project development, construction and operations. Until July 2012 he was Senior Vice President of Projects for Kinross Gold Corporation and before that a Global Managing Director and director at Hatch, a leading international engineering and construction firm. Ken also held progressively senior roles at Barrick Gold Corporation through to Senior Vice President of Technical Services, and served as Chief Operating Officer for Crystallex International Corporation with operations and projects in Venezuela and Uruguay. Ken has extensive knowledge of the Americas, gained from operations management and mine building for Barrick, Crystallex and Hatch.
Other current directorships:	None
Former listed directorships (last 3 years):	Non-Executive Director of Cardinal Resources Limited (delisted 8 February 2021) – appointed 31 October 2018
Special responsibilities:	Chairperson of Sustainability, Health, Safety, Environment & Community Committee (until 11 January 2021) Member of Audit & Risk Committee (until 11 January 2021) Member of Major Project Approvals Committee (until 11 January 2021)

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

The interests of the Directors in the shares and options of DRA Global Limited at the date of this report were as follows:

Director	Ordinary shares	Options
Peter Mansell	34,652	20,283
Andrew Naudé	3,526,518	415,790
Kathleen Bozanic	12,658	8,491
Les Guthrie	-	8,491
Paul Lombard	-	943
Johnny Velloza	-	-

COMPANY SECRETARY

BEN SECRETT (APPOINTED 1 JANUARY 2021)

Ben has 15 years experience as a legal, corporate advisory and governance professional for Australian and foreign listed and unlisted entities. Ben has experience as a corporate lawyer at Ashurst and Gilbert+Tobin law firms, compliance adviser at ASX, and as company secretary for a number of ASX listed entities in the resources and technology sectors. Ben holds a Bachelor of Economics from the University of Western Australia, a Juris Doctor law degree from the University of Notre Dame Australia, and a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia.

PRINCIPAL ACTIVITIES

DRA, listed on the ASX and JSE, is a multi-disciplinary engineering, project management and operations management group focused on the mining, minerals and metals 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.

OPERATING AND FINANCIAL REVIEW

Information on the operations and financial position of the Group and its business strategies and prospects is set out in the review of operations and activities on page 51 – 56 and forms part of this Directors' report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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 whereby private equity funds managed by Ascension Capital Partners Proprietary Limited (Ascension) acquired an interest in DRA's major South African operating subsidiaries.

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.

INITIAL PUBLIC OFFERING (IPO)

The Company completed its IPO on 5 July 2021 and on 9 July 2021 its shares commenced official quotation on the Australian Securities Exchange and the Johannesburg Stock Exchange.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Group plans to continue providing diversified engineering and operation and maintenance services globally. Further information is set out in the review of operations and activities on page 51 – 56.

DISTRIBUTION

	2021 \$'000	2020 \$'000
No dividends have been declared for the financial year ended 31 December 2021 or for the previous corresponding period.	-	-

MEETINGS OF DIRECTORS

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 31 December 2021, and the number of meetings attended by each Director were:

Attendees	Board		Audit & Risk Committee		People, Culture & Remuneration Committee		Sustainability, Health, Safety, Environment & Community Committee		Nomination & Governance Committee		Major Project Approvals Committee	
	H	A	H	A	H	A	H	A	H	A	H	A
Peter Mansell	9	9	4	4	4	4	4	4	3	3	2	-
Andrew Naudé	9	9	4	4	4	4	4	4	3	3	2	2
Kathleen Bozanic	9	9	4	4	4	4	4	3	3	3	2	2
Les Guthrie	9	9	4	4	4	4	4	4	3	3	2	2
Paulus Lombard	4	4	3	3	3	3	3	3	2	2	-	-
Greg McRostie	5	5	1	1	1	1	1	1	1	1	2	2
Leon Uys	6	6	1	1	1	-	1	-	-	1	2	2
Jean Nel	2	-	-	-	-	-	-	-	-	-	-	-
Rafael Eliasov	2	-	-	-	-	-	-	-	-	-	-	-
Kenneth Thomas	-	-	-	-	-	-	-	-	-	-	-	-

H – The number of meetings held during the period

A – The number of meetings attended by the Director during the period

	Member (as at the end of the reporting period)
	Chairperson (as at the end of the reporting period)

ENVIRONMENTAL REGULATION

The Group is subject to environmental regulation in respect of its Projects and Operations business activities in different regions. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so that it is aware of, and is in compliance with, relevant environmental legislation. There were no breaches of environmental legislation for the year.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

No other matters or circumstances have arisen that have significantly affected or may significantly affect the operations of DRA Global Limited, the results of those operations or the state of affairs of DRA Global Limited in subsequent years that is not otherwise disclosed in this report.

SHARES UNDER OPTION

The number of unissued ordinary shares of DRA Global Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price of options	Number of Share under options
14 May 2020*	30 June 2024	\$0.00	455,000
29 June 2021*	31 March 2026	\$0.00	1,428,375
28 September 2021*	29 June 2023	\$0.00	38,208
31 December 2020*	31 March 2025	\$0.00	1,542,841
1 December 2021	30 June 2025	\$0.00	150,000
			3,614,424

The above disclosure on the number of unissued ordinary shares under option does not include options to be issued to Non-Executive Directors where the number of options to be issued have not yet been determined. The options issued on the grant dates marked * include options granted as remuneration to the directors and the five most highly remunerated officers during the year.

The Non-Executive Directors are entitled to sacrifice the value of 20% their annual remuneration (excluding superannuation and any payment made in lieu of receiving superannuation in jurisdictions where superannuation is not required to be paid) and receive that part of their remuneration through the issue of options under the DRA Global Limited Employee Share Scheme. There are no vesting conditions attached to these options as the options are issues in lieu of cash remuneration entitlement. The issue of these options required shareholder approval. If shareholder approval is not given, a lump sum cash payment will be paid. The total accumulated value of options that may be issued as at 31 December 2021 was \$60,000.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other entities.

Details of options granted to directors and key management personnel are disclosed on the Remuneration Report on page 79 - 97. In addition, the following options were granted to officers who are among the five highest remunerated officers of the Company and the Group, but are not key management personnel and hence not disclosed in the remuneration report:

Name of officer	Grant date	Exercise price of options	Number of options granted
Pierre Julien - EVP Americas Region	14 May 2020	\$0.00	25,000
	31 December 2020	\$0.00	79,732
	29 June 2021	\$0.00	23,585
Darren Naylor - EVP APAC Region	31 December 2020	\$0.00	79,732
	29 June 2021	\$0.00	70,755

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of DRA Global Limited issued on the exercise of options during the year ended 31 December 2021 and up to the date of this report.

INDEMNITY AND INSURANCE OF OFFICERS

In accordance with the constitution, except as may be prohibited by the Corporations Act 2001 every officer of the Group shall be indemnified out of the property of the Group against any liability incurred by him or her in his or her capacity as officer of the Group or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings, whether civil or criminal. The contracts of insurance contain

confidentiality provisions that preclude disclosure of the premiums paid, the nature of the liability covered by the policies, the limit of liability and the name of the insurer.

INDEMNITY AND INSURANCE OF AUDITOR

To the extent permitted by law, the Company has agreed to indemnify its auditor BDO Audit (WA) Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from DRA Global Limited's breach of their agreement. No payment has been made to indemnify BDO Audit (WA) Pty Ltd during or since the end of the financial year.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 38 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 38 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 163.

REMUNERATION REPORT (AUDITED)

The audited remuneration report is set out on pages 79 – 97 and forms part of 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 (K), or in certain cases, the nearest dollar.

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



Peter Mansell
Chairperson



Andrew Naudé
Chief Executive Officer

25 February 2022



REMUNERATION REPORT

LETTER FROM THE CHAIR OF THE PEOPLE, CULTURE & REMUNERATION COMMITTEE

Dear Shareholders

On behalf of the Board, I am pleased to present DRA's Remuneration Report for the financial year ended 31 December 2021.

During FY2021 our industry experienced rapid changes and we, much like our clients and competitors, had to learn and adapt quickly. COVID-19 remained a source of uncertainty in FY2021 and continues to have widespread impacts, not least by imposing significant strains on the wellbeing of many of our people.

The safety and wellbeing of our people is our top priority. Despite the challenges of COVID-19, our people have shown resilience and rallied to support each other. We have put a spotlight on mental health and provided support through our Employee Assistance Program and created a network of Mental Health First Aiders to support all of our people during these challenging times.

DRA's safety performance for FY2021 was:

- 0.173 Lost Time Injury Frequency Rate – a 30% improvement from FY2020
- 0.779 Total Recordable Incidents Frequency Rate – an 8% increase from FY2020 and an area of significant focus going forward as we continue working to embed safety behavioural changes

An emerging industry trend is the war for talent. Border closures and attitude shifts towards permanent flexible working arrangements have also contributed to retention and attraction challenges. We fully expect attracting and retaining talent to remain a serious challenge in FY2022 and beyond. As a result, we are seeing skills shortages and signs of increasing wage inflation across all the geographies in which we operate. We are working hard to mitigate the talent risk through designing competitive remuneration packages and are putting significant focus on leadership development and employee engagement.

DRA remains a people business and the capabilities of our people are our greatest asset. More than ever, we are committed to developing our people and supporting them so they can thrive.

BUSINESS OUTCOMES

FY2021 was a year of intense change, development and achievement for the Group. The period has seen DRA become a publicly listed company on both the Australian Securities and Johannesburg Stock Exchanges in July 2021. All of our people played an important role in preparing the Company to transition from an unlisted to a listed company. There was a significant amount of work that went into achieving this goal and I thank our people for their efforts.

We looked to the future and went to market with our distinct advisory services offering along with growing our underground mining capability. We have nurtured client relationships and delivered major projects including the Kamoa-Kakula Copper Project in the Democratic Republic of Congo, the Carmichael Coal Handling and Preparation Plant Project in Australia, the Tri-K Gold Project in Guinea and the Quellaveco Copper Project in Peru.

We also achieved target earnings in line with guidance disclosed in the prospectus prepared as part of our IPO. Our underlying EBITA for FY2021 was \$62.1M, a 5.4% increase over FY2020, with basic earnings per share (excluding revaluation of UPRs) increasing to 64.53 cents per share (cps) up from 27.90 cps.

KMP REMUNERATION OUTCOMES

Prior to the setting of our remuneration strategies, we engaged remuneration consultants in Australia and South Africa to benchmark the remuneration of DRA's Executive Key Management Personnel (KMP) against a peer group of companies. In FY2020 we introduced a balanced scorecard consistent with market best practice as advised by our remuneration consultants to measure Group and Executive KMP short-term performance and continued its use to measure our achievements in FY2021. The scorecard includes financial and non-financial measures that are weighted to reflect our short term and strategic objectives.

- Short-term incentive plan (STIP)

The twelve-month period to 31 December 2021 has seen positive outcomes which have subsequently resulted in the Executive KMP at-risk variable STIP outcome of 55% of maximum opportunity awarded to the CEO and 45-50% of maximum opportunity awarded to other Executive KMP.

- Long-term incentive plan (LTIP)

No Executive KMP at-risk LTIP grants vested during FY2021. The first DRA LTIP award will vest on 31 March 2023 only if performance criteria are achieved.

- Executive Fixed Remuneration

Benchmarking of CEO and Executive KMP remuneration has been completed against peer companies, with adjustments made to executive fixed remuneration to ensure the Company is providing market competitive conditions and retains its Executive KMP. This was achieved using benchmarking data from BDO Reward and PwC Rem Channel to ensure we have appropriate salaries in both Australia and internationally.

LOOKING FORWARD

CHANGES FROM 1 JANUARY 2022

- Non-Executive Director remuneration

Non-Executive Director (NED) remuneration was set ahead of DRA's IPO and listing and the Board has agreed a three year review cycle with a remuneration consultant to be engaged to ensure alignment with the market. There will be no change in NED remuneration for FY2022.

- Executive Fixed Remuneration

Increases to fixed remuneration of Executive KMP has been approved for FY2022 after the Board considered the responsibilities of the roles, performance of the individuals and benchmarking against a group of peer companies. The increases range between 2-4%.

Now that DRA is listed on the ASX, this remuneration report is required to be voted on by shareholders at the annual general meeting in May 2022. This is a non-binding advisory vote, introduced with the objectives to increase levels of transparency and accountability on remuneration arrangements, strengthen alignment of remuneration with performance, and provide for greater shareholder engagement and feedback on remuneration matters. This vote has no effect to ratify past or approve future remuneration arrangements for KMP but provides a direct means for shareholders to express their view on DRA's remuneration practices. The feedback received from this vote will form one of many considerations when DRA's KMP remuneration arrangements are next determined.

Thank you to all of our people for their efforts during FY2021 and to Andrew, Adam and Alistair for leading the Company to achieve great results during a challenging period of significant change both globally and for DRA. On behalf of the People, Culture and Remuneration Committee, I would like to recognise the exceptional performance from all of our people as they navigated the challenges and constraints that have been imposed upon us by the COVID-19 pandemic.

Thank you to our shareholders for your continued support during the year, we welcome your feedback and comments on this report.

Yours sincerely



Les Guthrie

Chairperson – People, Culture & Remuneration Committee

INTRODUCTION

The Remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

The KMP of the Company during FY2021 and appointed subsequent to the period end, comprise Directors and certain members of senior management detailed below. There were a number of changes to the Directors of DRA during 2021 as a result of the exit of Stockdale Street as a major shareholder and the resignation of their nominee Directors together with other changes to position the Board for DRA's transition to a listed company. Each KMP was a KMP for entire period unless otherwise stated:

Directors

Peter Mansell	Non-Executive Chairman
Andrew Naudé	Managing Director & Chief Executive Officer (CEO)
Kathleen Bozanic	Non-Executive Director
Lee (Les) Guthrie	Non-Executive Director
Paulus (Paul) Lombard	Non-Executive Director (appointed 1 May 2021)
Kenneth Thomas	Non-Executive Director (resigned 11 January 2021)
Rafael Eliasov	Non-Executive Director (resigned 28 January 2021)
Jean Nel	Non-Executive Director (resigned 29 January 2021)
Leon Uys	Non-Executive Director (resigned 4 May 2021)
Jonathan (Johnny) Velloza*	Non-Executive Director (appointed 1 January 2022)

Executive KMP

Adam Buckler	Chief Financial Officer (CFO)
Alistair Hodgkinson	Chief Operating Officer (COO)**
Greg McRostie	Executive Director (resigned as a Director and KMP on 4 May 2021, and as an employee on 11 June 2021)

* Jonathan Velloza did not receive any remuneration during FY2021 and as such his remuneration is not included in the report but he receives remuneration on the same terms as the other South African resident Non-Executive Director, Paul Lombard, including receiving a cash payment in lieu of superannuation.

** Alistair Hodgkinson was a member of KMP in FY2020 and FY2021, and during this time was promoted to COO on 1 June 2021.

1. REMUNERATION GOVERNANCE

1.1. PEOPLE, CULTURE AND REMUNERATION COMMITTEE

The Board has established the People, Culture and Remuneration Committee (the Committee) which in 2022 is comprised of four independent NEDs. The Committee's role is to assist the Board to fulfil its responsibilities in respect of a range of people, culture and remuneration matters, including the establishment of remuneration strategies and practices that attract and retain high quality people, and recognising and rewarding performance that is aligned with long-term stakeholder interests and oversight of KMP remuneration arrangements.

The Board, after considering recommendations from the Committee, approves the remuneration arrangements of Executive KMP, and all awards (including those subject to performance conditions and therefore not guaranteed to be awarded to Executive KMP) made under the at-risk short-term incentive (STI) and long-term incentive (LTI) plans. The Board also proposes the aggregate remuneration of NEDs for shareholder approval, and sets remuneration for individual NEDs.

The Committee meets regularly throughout the year, with external consultants and senior management (e.g. the CEO and Chief People Officer) attending Committee meetings by invitation where their input is required. Executive KMPs are not present during any Committee discussions about their own remuneration arrangements.

1.2 USE OF REMUNERATION CONSULTANTS

During the financial year ended 31 December 2021, the Committee engaged the following remuneration consultants to assist it to fulfil its responsibilities and to provide independent advice on remuneration arrangements. Neither consultant made a recommendation as to KMP remuneration.

- BDO Reward Pty Ltd received \$35,420 (2020: \$153,500) to review existing Executive KMP remuneration structures in comparison to a relevant peer and competitor group, and to provide Australian external benchmarking and market insights for KMP remuneration.
- PwC Rem Channel received \$17,261 to provide South African external benchmarking for Executive KMP remuneration.

An agreed set of protocols exist to ensure that the work and advice of remuneration consultants are free from any undue influence from Executive KMP. The protocols include Committee approval for the appointment of any consultant following its assessment of the consultant's independence and competence, ensuring communications between the Committee, the HR team and the consultant occur only through designated people, and limiting distribution of any advice received from a consultant to those members of management who require the advice in order to effectively undertake their role.

1.3. ADOPTION OF THE REMUNERATION REPORT AT THE ANNUAL GENERAL MEETING (AGM)

The Corporations Act 2001 requires that publicly listed companies include a remuneration report in each annual directors' report, which details the company's remuneration practices and arrangements, and the compensation paid to KMP during the relevant reporting period. The remuneration report must also be voted on by shareholders (excluding the votes of any KMP and their associates) at the company's annual general meeting by way of a non-binding advisory vote. The objective of these legislative provisions is to increase levels of transparency and accountability on remuneration arrangements, strengthen alignment of remuneration with performance, and provide for greater shareholder engagement and feedback on remuneration matters.

The annual vote of shareholders on the remuneration report is advisory and non-binding on a company's directors. However, if a company receives a 'no' vote on the remuneration report of 25% or more at an annual general meeting, then the company must include in its next remuneration report an explanation of whether and to what extent shareholders' concerns about its remuneration arrangements have been taken into account. If a company receives 'no' votes on the remuneration report of 25% or more at two consecutive AGMs, then the shareholders must vote at that same AGM whether the directors (excluding the Managing Director) need to stand for re-election at a general meeting to be held within 90 days. The 'spill' vote is only passed if 50% or more of eligible votes cast vote 'yes' and, while the votes of KMP and their associates are excluded from the non-binding votes on the remuneration report, they are not excluded from the 'spill' vote.

The Company was not required under the Corporations Act 2001 to put its FY2020 remuneration report to the shareholder vote at its FY2021 AGM in May 2021 as it was not a listed company at that time. This FY2021 remuneration report will be subject to the non-binding advisory vote at the Company's AGM in May 2022.

2. KMP REMUNERATION

2.1. REMUNERATION PHILOSOPHY AND PRINCIPLES

The Board recognises that the performance of the Company depends on the quality of its employees, including its KMP. The Company's remuneration philosophy is to attract, motivate and retain talented and high performing people with appropriate remuneration packages including fixed and at-risk variable components that are market and business aligned.

The objectives of the Company's Executive KMP remuneration structure are to:

- align employee and shareholder interests by linking reward to the Group's long-term strategy and growth in shareholder returns;
- attract and retain high calibre people through market competitive remuneration;
- reflect good corporate governance aligned to the Company's values and risk appetite; and
- ensure fair reward for performance against agreed short and long-term objectives.

The Company benchmarks fixed remuneration against the median of relevant markets for talent (in consideration of country and industry sectors) and conducts internal parity comparisons. Consistent with market practice, the Company sets a pay range for each job level comprising a midpoint, minimum and maximum where the midpoint represents the target total fixed remuneration rate for a fully proficient job incumbent and is set based on DRA's desired market position for TFR – the median of the market. Executive KMP can be remunerated within the pay range applicable to their role depending on factors such as skills and experience, and the Company's retention and attraction needs. The setting of TFR above the maximum of relevant pay range may be warranted in certain circumstances related to labour and skills shortages. While fixed remuneration is benchmarked against the 50th percentile, total remuneration including at-risk components is benchmarked against the 75th percentile. This allows DRA to attract and retain high calibre employees by rewarding them for high performance.

2.2. EXECUTIVE KMP REMUNERATION STRUCTURE

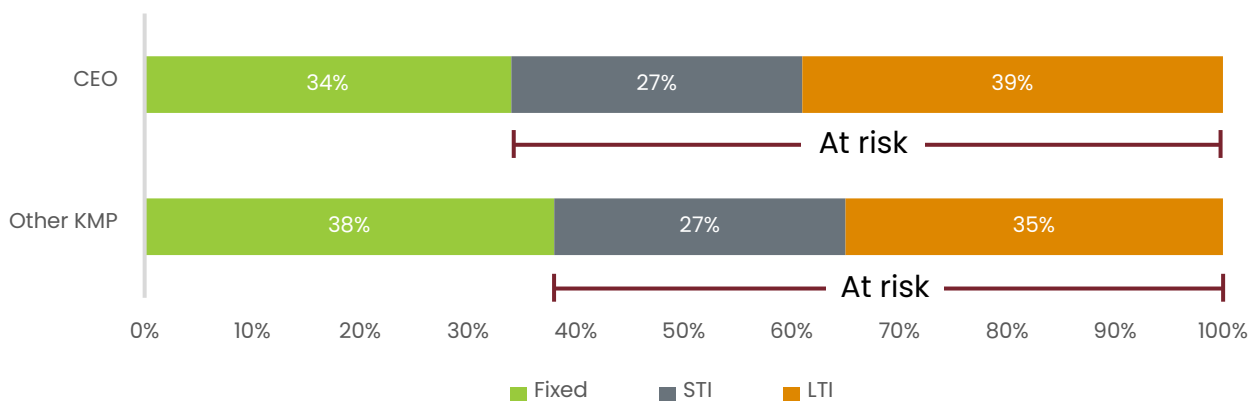
Executive KMP remuneration is comprised of both fixed and at-risk variable remuneration components. The at-risk variable remuneration component is delivered through the STI and the LTI. The purpose of each remuneration component, how each component is delivered and how each component links to performance is summarised in the table below:

Remuneration Component	Purpose	Delivered through	Link to Performance
Fixed Remuneration	To provide market competitive, cost effective and fair guaranteed fixed remuneration, appropriate to the position and proficiency of the individual to attract, retain and motivate employees	Base salary, superannuation/ pension contribution and other benefits	Fixed remuneration is reviewed annually to ensure market competitiveness, and individual performance/proficiency is used to guide position against benchmarks
STI Plan	To incentivise for the achievement of annual objectives and sustained business value	Annual cash bonus unless determined an alternative form will be awarded	STI payments are awarded based on Company performance against specific annual KPIs and targets that are a priority for a financial year. KPIs have been developed on the pillars of safety and operational performance, people and culture, shareholder value and clients
LTI Plan	To serve as a retention mechanism and to reward for long-term performance and shareholder value creation and to encourage ownership behaviours	Annual award of share options under the Company's Incentive Option Plan	Vesting is dependent on Company performance of total shareholder return (TSR) and earning per share (EPS) growth, measured over a three year period. This aligns the interest of employees with long-term shareholder value creation

2.2.1. EXECUTIVE KMP REMUNERATION MIX

The proportion of Executive KMP fixed remuneration and at-risk variable remuneration is determined by the Committee considering the position and responsibilities of each Executive KMP annually, in comparison to a comparable market group. The comparable market group is selected by an independent external remuneration consultant and comprises 13 listed mining service providers of a similar size, scope and complexity to the Company (taking into account total assets, market capitalisation, annual revenue, operational sites, employee numbers and international operations) and with whom the Company competes for talent.

The remuneration mix for Executive KMP (excluding Non-Executive Directors) is summarised below, based on their maximum incentive opportunity. The Board considers the remuneration mix appropriate for the Company based on its short and long-term objectives, as well as peer group benchmarking.



2.2.2. FIXED REMUNERATION

Executive KMP fixed remuneration is reviewed by the Committee at least annually against the comparable market group and any changes are subject to approval by the Board. The Company aims to position total fixed remuneration for Executive KMP around the median of the comparable market group, where the Executive KMP member is assessed by the Board to be fully proficient in their role.

2.2.3. STI PLAN

The STI Plan is an annual at-risk cash award, designed to motivate and reward Executive KMP. The purpose of the STI Plan is to motivate executives to achieve annual objectives and create sustained business performance. Remuneration contemplated under the STI Plan is considered payment for performance as any payment made under the STI Plan is considered at-risk as it is subject to the achievement of specific KPIs by the Company during the financial year.

Payments made under the STI Plan are triggered by achieving internal EBIT and safety criteria, with performance measured against a balanced scorecard which reflects Company objectives regarding safety, operational, people and culture, shareholder value and client performance measures. Each year the Board sets the balanced scorecard KPIs and targets, considering budget, company strategy and expectations, appropriate benchmarks and economic conditions. While the majority of the STI is driven by balanced scorecard results there is a component that is based on individual performance. This component provides an important method for recognising individual goal achievement and demonstration of company values.

The CEO has a maximum at-risk STI opportunity of 80% of total fixed remuneration, while other Executive KMP have a maximum at-risk STI opportunity of 70% of total fixed remuneration. The maximum at-risk opportunity represents the award payable where stretch targets are achieved on every KPI.

The Board considers the recommendation of the Committee to determine the at-risk STI award (if any) to be paid to Executive KMP in any year. No STI award is payable in the event an Executive KMP member ceases to be employed by the Group before an STI payment is made, subject to Board discretion. The CEO does not make recommendations to the Committee regarding his own remuneration.

The key features of the STI Plan are detailed below.

- Eligibility – employees engaged on a permanent or fixed/maximum term contract basis who have been employed for the full performance period of 1 January to 31 December, with a pro-rata award permitted at the Board's discretion for service of six or more months during the performance period.
- Performance Criteria – the following must be satisfied in order for an employee to qualify for an at-risk STI award:
 - Internal trigger targets for EBIT and safety performance must be achieved;
 - A participant must be employed at the time of the award; and
 - A participant's performance must 'meet expectations' during their performance assessment.
- Opportunity Levels – a participant's incentive opportunity is determined by their job band as determined by the Company's Job Classification Framework and overall performance score.
- Award – the at-risk STI award is paid as cash, represented as a percentage of the participant's fixed remuneration.
- Approvals – the payment of an at-risk STI award is subject to approvals by the Board or executive management depending on the participant's job band.

2.2.4 LTI PLAN

The LTI Plan is an annual at-risk award of share options, designed to align Executive KMP and shareholder interests, reward Executive KMP for long-term shareholder value creation, act as an employment attraction and retention mechanism, and encourage ownership behaviours.

Remuneration contemplated under the LTI Plan is considered at-risk payment for results as the share options vest based on market and non-market performance conditions, measured over a three-year period.

Vesting of share options awarded under the LTI Plan is not guaranteed and is subject to absolute Total Shareholder Returns (TSR) and average Compound Annual Growth Rate in Earnings per Share (EPS) performance, measured over a three-year period. Target performance against these measures is set by the Board each year on award of the options. Where threshold performance is not achieved at the end of the three year vesting period, no options shall vest and awarded options will expire.

The CEO has a maximum at-risk LTI opportunity of 115% of total fixed remuneration, while other Executive KMP have a maximum at-risk LTI opportunity of 90% of total fixed remuneration. The maximum at-risk opportunity represents the value of the options awarded which could vest if stretch targets are achieved for both the TSR and EPS measure. No options awarded under the LTI shall vest in the event that an Executive KMP member ceases to be employed by the Company before the vesting date, subject to Board discretion.

- Performance Criteria – the following must be satisfied in order for an at-risk LTI award to vest:
 - Average Compound Annual Growth Rate in EPS exceeds CPI over three years by a specified margin;
 - Absolute Total Shareholder Return achieves a specified target; and
 - A participant continues to be employed by the Group at the time of vesting.
- The two performance criteria are weighted 50% each and pro-rata vesting of an award will occur if only one performance criteria is achieved.
- Opportunity Levels – a participant's incentive opportunity is determined by their job band as determined by the Company's Job Classification Framework and overall performance score.
- Award – the at-risk LTI award is issued as zero exercise price options, with a value calculated as a percentage of the participant's fixed remuneration, which vest after three years subject to achieving the performance criteria and must be exercised within two years of vesting.
- Approvals – the payment of an at-risk STI award is subject to approvals by the Board or executive management depending on the participant's job band.

3. NON-EXECUTIVE DIRECTORS REMUNERATION

Remuneration of NEDs reflects the demands and responsibilities of their role. NED remuneration is reviewed every three years by an external independent consultant to ensure it is appropriate and consistent with current market expectations. The Chairperson's remuneration is determined independently to that of other NEDs based on comparative roles in the external market. The Chairperson is not present at any discussions relating to the determination of their own remuneration. There was no increase in NED remuneration paid to each NED in FY2021 and there will be no increase in FY2022.

The maximum total remuneration payable to NEDs is determined periodically by a general meeting of shareholders. The most recent determination was at the Company's Annual General Meeting held on 20 May 2021 at which shareholders approved an increase in the total remuneration to \$900,000. The actual total remuneration currently paid to NEDs is less than the maximum total remuneration permitted to be paid, and this provides the Company with flexibility as to the maximum amount it may pay its NEDs considering the individual remuneration paid and the composition of the Board.

For the period up to 30 June 2021, NEDs elected to receive 20% of their annual remuneration (excluding superannuation and any payment made in lieu of receiving superannuation in jurisdictions where superannuation is not required to be paid) in share options. It is proposed, subject to obtaining shareholder approval for the issue of securities to Directors, to issue NEDs with share options in lieu of cash payment of 20% of the annual remuneration for the period 1 July 2021 to 31 December 2022. If shareholder approval is not given then the NEDs will be paid cash for the full amount of their annual remuneration. There is no performance condition applied to the share options issued to NEDs on the basis that the options are issued, subject to shareholder approval, in lieu of a cash entitlement and to promote share ownership by NEDs.

4. REMUNERATION OUTCOMES AND LINKS TO PERFORMANCE

4.1 COMPANY PERFORMANCE

DRA had a number of financial and operational achievements during 2021 ranging from launching new service offerings to successfully completing an initial public offering and listing on stock exchanges in Australia and South Africa and exceeding IPO prospectus guidance for earnings. Measures of DRA's financial, operational and strategic achievements in FY2021 are detailed below and in the Operational and Financial Overviews in the Annual Report.

DRA's remuneration policies have been designed to be aligned to company performance to ensure ongoing competitiveness within the market. Fixed remuneration is benchmarked at the 50th percentile keeping our fixed cost base moderate. Additional at-risk components of remuneration are benchmarked at the 75th percentile but are paid based on company performance and shareholder wealth. This approach allows DRA to attract, retain and reward high performing employees including Executive KMP.

The earnings of the Group for the four years (since incorporation) to 31 December 2021 are summarised below:

	FY2021 \$'000	FY2020 \$'000	FY2019 \$'000	FY2018 \$'000
Sales revenue	1,186,370	938,249	1,033,219	956,655
EBIT	65,555	39,014	59,004	(39,168)
Profit after tax	53,454	25,619	36,009	(42,129)
Share price range (\$)	\$4.69 – \$3.20	-	-	-

The factors that are considered to affect shareholder value are summarised below:

	FY2021 \$'000	FY2020 \$'000	FY2019 \$'000	FY2018 \$'000
Share price at financial year end (\$)	3.35	-	-	-
Total dividends declared (cents per share)	-	-	-	2.88
Basic earnings per share (cents per share)	87.20	27.90	43.78	(57.22)
Diluted earnings per share (cents per share)	58.87	27.79	43.78	(57.22)

4.2. FIXED REMUNERATION CHANGES FOR FY2021 AND PROPOSED CHANGE FOR FY2022

Benchmarking of CEO and other Executive KMP salaries was completed against a comparable market group of companies which resulted in adjustments to Executive KMP fixed remuneration to ensure the Company is providing market competitive conditions and to ensure the retention of its Executive KMP. The total fixed remuneration of Executive KMP changed during 2021 as follows.

- Andrew Naudé, Managing Director and CEO – increased from \$750,000 for FY2020 to \$783,000 for FY2021
- Adam Buckler, Chief Financial Officer – increased from \$436,003 for FY2020 to \$523,204 for FY2021
- Alistair Hodgkinson, Chief Operating Officer – increased from ZAR3,612,480 in FY2020 to ZAR3,977,340 for FY2021 and then to ZAR5,000,004 on appointment as COO for FY2021

As a result of changes to the Company's operating model, the role and responsibilities of Mr Hodgkinson were expanded following his appointment as COO and this remuneration was aligned to appropriate role-specific market benchmarks.

Looking forward, the Board has considered the responsibilities of the executive roles, performance of the individuals and relativity with our external market comparators. Increases to Executive KMP fixed remuneration will be in the range between 2 – 4% in FY2022. The Board is satisfied that CEO remuneration is well within the market average and not excessive relative to other Executive KMP and members of management. It should be noted that remuneration benchmarks are country specific and reflect cost of living differentials.

4.3 STI OUTCOMES FOR FY2021

Payments made under the at-risk STI Plan are triggered by achieving two overarching performance hurdles for EBIT and safety. The Company achieved both hurdles for FY2021.

Overall performance is measured against a balanced scorecard. The balanced scorecard approach is used as a framework for measuring the Company's performance against a balanced and diverse range of financial and non-financial performance measures that reflect the Company's strategic objectives, and focus employee performance on both short and long-term success. The performance conditions selected for use in the balanced scorecard were selected as they are each directly linked to the agreed goals for a performance period determined to progress execution of the Company's strategy. The level of performance achieved for each measure is objectively assessed against data collected by the Company and reviewed by senior management.

The balanced scorecard assesses the Group's performance, and the extent to which each selected measure was achieved. For performance against a measure to contribute to an at-risk STI payment, a threshold measure of performance must be achieved which results in an 80% weighted score for that measure. Where target performance is achieved the measure receives a 100% weighted score, and where stretch performance is achieved the measure receives a 120% weighted score. Accordingly, the Group must achieve at least 80% performance against the scorecard measures to trigger the minimum value of an at-risk STI payment.

If Group performance achieves the threshold weighted score then, subject to individual contribution, performance against individual deliverables and the leadership skills demonstrated and contribution to leading culture by the Executive KMP and Board discretion, the Executive KMP member will receive the minimum value of the at-risk STI payment. An at-risk STI payment is scaled up to its maximum value (80% of total fixed remuneration for the CEO and 70% for other Executive KMP) if Group performance achieves stretch performance against all scorecard measures.

BSC Pillar – Why?		Weighting @ target	Goal	Measurement	Weighted Score	Threshold	Target	Stretch
Safety & Operational Performance								
30.0%					31.0%			
1	Maintain a safe work environment		Industry benchmark in workforce safety – Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Frequency Rate (TRIFR) – equal weightings	LTIFR internal targets				
				TRIFR internal targets				
				ISO compliance by 31/12/2021				
2	Operational excellence and delivery		Deliver our promise against client project objectives	Achievement against internal agreed project targets regarding project scope, managing client's budget, schedule and zero environmental impact				
				Engineering for safety in design and innovation improvements	Establish and implement a safety in design and innovation process			
People & Culture								
25.0%					21.2%			
3	Sustained employee engagement & wellbeing		A culture where employees feel motivated and their work is valued.	FY2021 Engagement Survey results				
4	Drive a performance driven culture		DRA-wide approach to performance management and people engagement, connecting our strategy to the goals and aspirations of our people	Performance reviews completed				
				Development plans agreed				
5	Develop and retain top talent		Building skills for the future – recruitment and retention of key skills and talent	Succession plans developed				
6	Build and promote a diverse and inclusive workforce		Accelerate the recruitment, development and retention of women	% of vacant qualifying positions in 2021 filled by female candidates				
			*South Africa specific – retain B-BBEE status	Retain B-BBEE status				
Shareholder Value								
30.0%					29.9%			
7	Deliver on financial commitments & total shareholder return		Deliver financial returns (EBIT)	Internal targets				
8	Effective cash management		Achieve target days sales outstanding (DSO) and liquidity platform	Achievement of budgeted DSO				
Clients								
15.0%					17.4%			
9	Preferred choice for target clients		Conversion of key client pursuits (blue chip companies, multi-asset owners and other high value clients)	% conversion of key pursuits won	6.0%			
10	Secure and predictable sales pipeline		Secured backlog and/or qualified near term pipeline for the following year	Backlog/qualified pipeline as a % of the FY2022 budget	11.4%			
Total								
100%					99.5%			

STI outcomes for Executive KMP in relation to FY2021 are outlined below:

	Performance Target Achieved	STI Awarded Fixed Remuneration	STI Awarded ⁽¹⁾ Fixed Remuneration	Percentage of Max STI Opportunity Awarded	Percentage of Max STI Opportunity Forfeited
	%	%	\$	%	%
Andrew Naudé	99.5	55	430,650	68.75	31.25
Adam Buckler	99.5	50	261,602	71.43	28.57
Alistair Hodgkinson	99.5	45	194,371 ⁽²⁾	64.29	35.71
Greg McRostie ⁽³⁾	-	-	-	-	100.0

(1) Awards are accrued in FY2021 and will be paid by May 2022, after the end of the financial and performance period.

(2) ZAR2,250,000

(3) Mr McRostie resigned as a Director and KMP on 4 May 2021 and as an employee on 11 June 2021, and therefore is not eligible to participate in the FY2021 STI.

4.4 LTI OUTCOMES FOR FY2021

The earliest date that share options issued to date as at-risk LTI awards vest is March 2023, and accordingly no share options have vested nor been exercised at this time.

5. EXECUTIVE KMP EMPLOYMENT CONTRACTS

Remuneration and other terms of employment for Executive KMP are formalised in employment contracts. The following outlines the details of contracts with executives:

CEO

The CEO is employed under a contract not for any fixed term and which can be terminated with notice by either the Company or the CEO. Under the terms of the present contract:

- The CEO receives fixed remuneration of \$783,000 per annum.
- The CEO's target at-risk STI opportunity is 50% of fixed remuneration and maximum at-risk STI opportunity is 80% of total fixed remuneration.
- The CEO is eligible to participate in the LTI Plan on terms determined by the Board, subject to receiving any required or appropriate shareholder approval.

OTHER EXECUTIVE KMP

The other Executive KMP are employed under a contract not for any fixed term and which can be terminated with notice by either the Company or themselves. Under the terms of their present contracts:

- The other Executive KMP fixed remuneration ranges from \$405,000 to \$523,000 per annum.
- The other Executive KMP's target at-risk STI opportunity is 45% of fixed remuneration and maximum at-risk STI opportunity is 70% of total fixed remuneration.
- The other executives are eligible to participate in the LTI Plan on terms determined by the Board, subject to receiving any required or appropriate shareholder approval.

TERMINATION PROVISIONS

The CEO and Executive KMP termination provisions are as follows:

	Resignation	Termination with cause	Termination without cause
CEO	12 months' notice	No notice	The period from when notice is given until 1 June 2023, and thereafter 12 months' notice
Other Executive KMP	3-6 months' notice	No notice	3-6 months' notice

Should executives not provide sufficient notice, they will forfeit the monetary equivalent (calculated based on fixed remuneration) of any shortfall in the notice period. Executive KMP entitlement to unvested LTI equity awards lapse in the event that they cease to be employed by the Group. Executive KMP have no entitlement to termination payments in the event of removal for misconduct.

6. DETAILS OF REMUNERATION

Details of the remuneration of Executive KMP of the Group are set out in the following tables:

	FY2021 Fixed remuneration					FY2021 Variable remuneration		
	Cash salary and fees \$	Super-annuation \$	Non-monetary benefits \$	Annual and long service leave \$	Termination benefits \$	Cash bonus (iii) \$	Equity settled (iv) \$	Total Remuneration Opportunity \$
Non-Executive Directors:								
Peter Mansell	192,000	18,720	-	-	-	-	48,000	258,720
Kathleen Bozanic	96,000	9,360	-	-	-	-	24,000	129,360
Kenneth Thomas (i)	25,877	-	-	-	-	-	(22,000)	3,877
Leon Uys	-	-	-	-	-	-	-	-
Les Guthrie	96,000	9,360	-	-	-	-	24,000	129,360
Rafael Eliasov	-	-	-	-	-	-	-	-
Jean Nel	-	-	-	-	-	-	-	-
Paul Lombard	70,080	-	-	-	-	-	16,000	86,080
Executives:								
Andrew Naudé	761,306	22,631	-	63,926	-	412,500	347,109	1,607,472
Adam Buckler	501,510	22,631	-	19,823	-	261,602	168,549	974,115
Alistair Hodgkinson	405,341	-	-	13,687	-	194,371	273,510	886,909
Greg McRostie (ii)	184,802	10,847	-	-	154,888	(140,000)	(56,118)	154,419
	2,332,916	93,549	-	97,436	154,888	728,473	823,050	4,230,312

	FY2020 Fixed remuneration					FY2020 Variable remuneration		
	Cash salary and fees \$	Super-annuation \$	Non-monetary benefits \$	Annual and long service leave \$	Termination benefits \$	Cash bonus \$	Equity settled \$	Total Remuneration Opportunity \$
Non-Executive Directors:								
Peter Mansell	192,000	18,240	-	-	-	-	48,000	258,240
Kathleen Bozanic	96,000	9,120	-	-	-	-	24,000	129,120
Kenneth Thomas	88,000	-	-	-	-	-	22,000	110,000
Leon Uys	-	-	-	-	-	-	-	-
Les Guthrie	96,000	9,120	-	-	-	-	24,000	129,120
Rafael Eliasov	-	-	-	-	-	-	-	-
Jean Nel	-	-	-	-	-	-	-	-
Paul Lombard	-	-	-	-	-	-	17,520	-
Executives:								
Andrew Naudé ^(v)	728,997	21,348	17,460	47,664	-	805,650	149,924	1,771,043
Adam Buckler ^(v)	415,000	21,348	-	30,326	-	218,002	65,139	749,815
Alistair Hodgkinson ^(v)	315,255	-	2,177	24,562	-	384,168	142,561	868,723
Greg McRostie ^(v)	378,997	21,348	-	10,204	-	320,000	56,118	786,667
	2,310,249	100,524	19,637	112,756	-	1,727,820	531,742	4,802,728

- (i) Resigned on 11 January 2021. Equity settled remuneration was paid out as cash salary.
- (ii) Resigned as a Director and KMP on 4 May 2021. Equity settled remuneration and cash bonus were reversed in FY2021.
- (iii) Sum of FY2021 STI accrued and the difference between FY2020 STI accrued and paid.
- (iv) These include all equity-settled share-based payments (vested or yet to be vested) as per Corporations Regulation 2M.3.03⁽ⁱ⁾ Item 11. These also include negative amounts for options forfeited during the year. Realised remuneration which only included vested options have been voluntarily disclosed in section 7 of the remuneration report. Details on status of share-based payments have also been included in section 8 of the remuneration report. The vesting of at-risk equity settled awards is subject to achieving EPS and TSR hurdles.
- (v) In FY2020, the People, Culture & Remuneration Committee made a change in the presentation of at-risk STI cash bonus to include the approved accrued bonus for Executive KMP in relation to their performance for FY2020. As a result of this transition, the FY2020 cash bonus included both the accrued bonus for FY2020 and the bonus paid for FY2019 which previously were not specifically accrued for these Executive KMP.

The proportions of remuneration which are fixed and linked to performance are as follows:

	Fixed remuneration		At risk – STI		At risk – LTI	
	FY2021	FY2020	FY2021	FY2020	FY2021	FY2020
Non-Executive Directors:						
Peter Mansell	100%	100%	-	-	-	-
Kathleen Bozanic	100%	100%	-	-	-	-
Kenneth Thomas	100%	100%	-	-	-	-
Leon Uys	-	-	-	-	-	-
Les Guthrie	100%	100%	-	-	-	-
Rafael Eliasov	-	-	-	-	-	-
Jean Nel	-	-	-	-	-	-
Paul Lombard	100%	-	-	-	-	-
Executives:						
Andrew Naudé	53%	44%	26%	47%	21%	9%
Adam Buckler	56%	61%	27%	30%	17%	9%
Alistair Hodgkinson	47%	37%	22%	46%	31%	17%
Greg McRostie	100%	52%	-	41%	-	7%

The table below shows for each Executive KMP how much of their FY2021 at-risk STI cash bonus was awarded and how much was forfeited:

	Total opportunity* \$	Awarded* %	Awarded \$	Forfeited %	Forfeited \$
FY2021 award accrued in FY2021					
Andrew Naudé	626,400	68.8%	430,650	31.2%	195,750
Adam Buckler	366,242	71.4%	261,602	28.6%	104,640
Alistair Hodgkinson	302,355	64.2%	194,371	35.8%	107,984
Greg McRostie	-	-	-	-	-

	Total opportunity* \$	Awarded* %	Awarded \$	Forfeited %	Forfeited \$
FY2020 award accrued in FY2020					
Andrew Naudé	626,400	68.8%	430,650	31.2%	195,750
Adam Buckler	305,202	71.4%	218,002	28.6%	87,200
Greg McRostie	280,000	50.0%	140,000	50.0%	140,000
Alistair Hodgkinson	224,098	71.4%	160,070	28.6%	64,028

* The dollar value of total opportunity is determined based on maximum at-risk STI opportunity calculated as a percentage of Fixed Remuneration and the Awarded percentage reflects percentage of Total opportunity, and not the actual at-risk STI opportunity. Refer to 'Employment contracts of Executive KMP' section for an understanding of the maximum at-risk STI opportunities for these KMP.

The table below shows analysis of FY2020 STI accrued in FY2020 and paid in FY2021:

	Awarded \$	Cash paid \$	Variance \$
Andrew Naudé *	430,650	412,500	18,150
Adam Buckler	218,002	218,002	-
Greg McRostie **	140,000	-	140,000
Alistair Hodgkinson	160,070	160,070	-

* Minor revision to total fixed remuneration used for final payment.

** Amount forfeited as a result of resignation.

7. VOLUNTARY INFORMATION: REMUNERATION RECEIVED FOR THE YEAR ENDED 31 DECEMBER 2021

The amounts disclosed in table below as KMP remuneration for FY2021 reflect the actual benefits received by each KMP during the reporting period. The remuneration values disclosed below have been determined as follows:

FIXED REMUNERATION

Fixed remuneration includes base salaries received, payments made to superannuation funds, the taxable value of non-monetary benefits received and any once-off payments such as sign-on bonuses or termination benefits.

Fixed remuneration excludes any accruals of annual or long-service leave.

CASH BONUS

The cash bonus represents the sum of FY2021 STI accrued.

VESTED EQUITY SETTLED OPTIONS

The value of vested options was determined based on the intrinsic value of the options at the date of vesting, being the difference between the fair value share price divided by the volume weighted average price of shares on that date and the exercise price payable by the KMP.

	Fixed remuneration \$	Cash bonus \$	Termination benefits \$	Vested equity settled option \$	Realised remuneration received \$
Peter Mansell	210,720	-	-	48,000	258,720
Kathleen Bozanic	105,360	-	-	24,000	129,360
Kenneth Thomas	25,877	-	-	-	25,877
Leon Uys	-	-	-	-	-
Les Guthrie	105,360	-	-	24,000	129,360
Rafael Eliasov	-	-	-	-	-
Jean Nel	-	-	-	-	-
Paul Lombard	70,080	-	-	16,000	86,080
Andrew Naudé	783,937	430,650	-	-	1,214,587
Adam Buckler	524,141	261,602	-	-	785,743
Alistair Hodgkinson	405,341	194,371	-	-	599,712
Greg McRostie	195,649	-	154,888	-	350,537
	2,426,465	886,623	154,888	112,000	3,579,976

8. SHARE-BASED PAYMENTS

8.1 ISSUE OF SHARES

There were no shares issued to KMP as part of compensation during the year ended 31 December 2021.

8.2 SHARE OPTIONS

The number of share options held by KMP, including the movements in share options held during FY2021 is set out below:

	Balance at the start of the year	Granted as part of remuneration*	Exercised	Forfeited	Vested balance at end of the year	Unvested balance at the end of the year
Non-Executive Directors:						
Peter Mansell	-	20,283	-	-	-	-
Kathleen Bozanic	-	8,491	-	-	-	-
Kenneth Thomas	-	-	-	-	-	-
Leon Uys	-	-	-	-	-	-
Les Guthrie	-	8,491	-	-	-	-
Rafael Eliasov	-	-	-	-	-	-
Jean Nel	-	-	-	-	-	-
Paul Lombard	-	943	-	-	-	-
Executives:						
Andrew Naudé	-	415,790	-	-	-	415,790
Adam Buckler	-	203,605	-	-	-	203,605
Alistair Hodgkinson	70,000	172,505	-	-	-	242,505

* These options were granted from various plans during the year as part of remuneration. The fair value of these options at grant date is calculated in accordance with AASB 2 Share-based payment. The fair value of these options is allocated as share-based payment expense over the vesting period.

Plan	Grant date	Vesting and exercise date	Expiry date	Exercise price	Value per option at grant date	Performance achieved	% Vested
One-off Share Option Plan ^(a)	14 May 2020	30 June 2022	30 June 2024	\$0	\$4.00	N/A	Nil
FY2020 Share Option Plan (Tranche 1) ^(b)	31 December 2020	31 March 2023	31 March 2025	\$0	\$1.66	TBD	Nil
(Tranche 2) ^(b)	31 December 2020	31 March 2023	31 March 2025	\$0	\$3.97	TBD	Nil
FY2021 Share Option Plan (Tranche 1) ^(c)	29 June 2021	31 March 2024	1 March 2026	\$0	\$1.98	TBD	Nil
(Tranche 2) ^(c)	29 June 2021	31 March 2024	31 March 2026	\$0	\$3.90	TBD	Nil
NED Share Option Plan ^(d)	28 September 2021	28 September 2021	30 June 2023	\$0	\$4.24	N/A	100

TBD- To be determined, N/A - Not applicable.

(a) The Company granted a one-off share option offer to Alistair Hodgkinson and other employees on 14 May 2020. The options will vest on 30 June 2022 subject to the employees remaining employed by the Company. The fair value per option at grant date is determined using an internal valuation based on an earnings multiples method and market conditions at the grant date.

- (b) FY2020 Share Option Plan was granted to certain employees including Executive KMP. The options are subject to performance hurdles in relation to Absolute Total Shareholders' Return (ATSR or Tranche 1) (50% of the grant value) and Earning Per Share (EPS or Tranche 2) (50% of the grant value) over a period of three years in order to vest. 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 FY2020 Employee Share Plan is currently 8% compound average growth rate. If the compound average growth rate over FY2020 to FY2022 is 8% or greater, the grant will become 100% performance qualified. A minimum of 25% or 50% will vest if at least 2% or 4% compound growth over FY2020 to FY2022 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 compared to the 30-day VWAP until 31 March 2023 (inclusive) assuming dividends are reinvested. If the ATSR from the date of listing to 31 March 2023 is 8% or greater, the grant will become 100% performance qualified. A minimum of 25% or 50% will vest if at least 2% or 4% of ATSR is achieved from the date of listing to 31 March 2023 respectively.
- (c) FY2021 Share Option Plan was granted to certain employees including Executive KMP. The options are subject to performance hurdles in relation to Absolute Total Shareholders' Return (ATSR or Tranche 1) (50% of the grant value) and Earning Per Share (EPS or Tranche 2) (50% of the grant value) over a period of three years in order to vest. 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 Employee Share 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. A minimum of 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 compared to the 30-day VWAP until 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. A minimum of 25% or 50% will vest if at least 2% or 4% of ATSR is achieved from date of listing to 31 March 2024 respectively.
- (d) Certain NEDs were entitled to sacrifice the value of 20% of their annual remuneration (excluding superannuation and any payment made in lieu of receiving superannuation in jurisdictions where superannuation is not required to be paid) and receive that part of their remuneration through the issue of options under the DRA Global Limited Employee Share Scheme when the Company listed on the ASX in respect of the period from their appointment date up to 30 June 2021. There are no vesting conditions attached to these options as the options are issued in lieu of a cash remuneration entitlement.

9. SHAREHOLDINGS

The number of ordinary shares in the Company held during the financial year by each Director and other members of KMP of the Group, including their related parties, is set out below:

	Balance at the start of the year	Additions	Disposals	Other changes during year ⁽ⁱ⁾	Balance at the end of the year
Ordinary shares					
Peter Mansell	-	34,652	-	-	34,652
Kathleen Bozanic	-	12,658	-	-	12,658
Kenneth Thomas ⁽ⁱ⁾	-	-	-	-	-
Leon Uys ⁽ⁱ⁾	4,123,340	-	-	-	N/A
Les Guthrie	-	-	-	-	-
Rafael Eliasov ⁽ⁱ⁾	-	-	-	-	-
Jean Nel ⁽ⁱ⁾	-	-	-	-	-
Paul Lombard	-	-	-	-	-
Andrew Naudé ⁽ⁱⁱ⁾	1,358,267	-	(141,171)	-	1,217,096
Greg McRostie ⁽ⁱ⁾	461,640	-	-	-	N/A
Adam Buckler	-	-	-	-	-
Alistair Hodgkinson ⁽ⁱⁱⁱ⁾	995,958	-	(42,480)	-	953,478
	6,939,205	47,310	(183,651)	-	2,217,884

(i) Ceased to be KMP during the year.

(ii) Subsequent to the end of the year, an entity associated with Andrew Naudé received 2,695,539 shares as a result of a distribution of shares in DRA Global Limited from VMF Investments Limited to beneficiaries of the VMF Investment Trust, a discretionary trust controlled and administered by an independent trustee, Juris Tax Ltd. VMF Investment Trust is the sole shareholder of VMF Investments Limited. Subsequent to the end of the year, entities associated with Mr Naudé were party to a restructuring of Mr Naudé's interests. Mr Naudé and entities associated with Mr Naudé hold 3,526,518 shares in DRA Global Limited as at the date of this report.

(iii) Includes 285,973 ordinary shares held subject to the terms set out in (11) below.

10. OTHER TRANSACTIONS WITH KMP

Peter Mansell, Andrew Naudé and Kathleen Bozanic are the shareholders and Directors of DRA Global SaleCo Limited (SaleCo). SaleCo is an entity controlled by the Directors and not controlled by the Company. SaleCo is a special purpose vehicle that has been established to facilitate the sale of DRA Shares by certain existing shareholders during the IPO process. During the year, the Company has charged SaleCo a fee of \$315,970 for the costs that it has incurred on behalf of SaleCo as part of sales of DRA Shares from existing shareholders to new investors. The Directors of SaleCo did not receive any additional remuneration from SaleCo or from the Company in FY2021.

11. LOANS TO KMP AND THEIR RELATED PARTIES

Loans were advanced to certain employees including Executive KMP to enable the purchase of shares in the Group between 2014 and 2017 (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 May 2021, the Company, the Share Schemes Lenders and loan holders executed agreements (Settlement Agreements) formally recording and confirming agreement reached on 1 August 2018. On that date, the parties to each Share Scheme Loan acknowledged and agreed to settle all amounts owing under the Loan and release the relevant shareholder from all obligations under the Loan in consideration for the assignment by that shareholder of all its rights and benefits to the sale proceeds from the sale or buy back of the Settlement Shares (as defined in the share scheme sale and loan agreement) to the Lender (or its nominee).

No Directors or their associates entered into a Settlement Agreement referenced above. VMF Investments Limited entered into a Settlement Agreement. Family entities associated with Andrew Naudé are beneficiaries of the VMF Trust, the shareholder of VMF Investments Limited. Andrew Naudé does not exercise control over the VMF Investment Trust or VMF Investments Limited.

These arrangements apply to Executive KMP as follows:

Alistair Hodgkinson entered into a Settlement Agreement acknowledging and agreeing to settle all amounts owing under a loan extended to Mr Hodgkinson in respect of his participation in the Share Schemes and release Mr Hodgkinson from all obligations under the Loan in consideration for the assignment by Mr Hodgkinson of his rights and benefits to the sale proceeds from the sale or buy back of the "Settlement Shares" (as defined in the Settlement Agreements) to the Lender (or its nominee).

	Balance at the start of the year \$	Interest paid and payable for the year \$	Settlement of loan \$	Interest not charged \$	Exchange difference \$	Balance at the end of the year \$	Highest indebtedness during the year \$
Alistair Hodgkinson*	2,213,155	-	(2,213,155)	-	-	-	2,213,155

* 285,973 Settlement Shares held subject to the terms of the Settlement Agreement. The rights and benefits associated with the Settlement Shares are assigned to the lender (or its nominee).

With respect to the Settlement Shares:

- The holder will deliver any proceeds from a dividend or distribution paid in respect of the Settlement Shares, or from a sale of the Settlement Shares, to the lender (or its nominee);
- The holder will sell the settlement shares to a third party procured by DRA, or to DRA pursuant to a shareholder approved share buy-back; and
- The holder will not dispose of the shares other than in accordance with the terms of the Settlement Agreement, and a holding lock has been applied to the shares for this purpose.

There are no other transactions and balances with KMP and their related parties.

THIS CONCLUDES THE REMUNERATION REPORT, WHICH HAS BEEN AUDITED.



FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2021

	Note	2021 \$'000	2020 \$'000
Continuing operations			
Revenue	3	1,186,370	938,249
Cost of sales		(980,304)	(750,211)
Gross profit		206,066	188,038
Other income	4	8,264	5,080
Other gains/(losses) – net	5	5,150	7,546
Fair value gain on Upside Participation Rights (UPRs)	21	13,000	-
Initial public offering (IPO) transaction costs		(1,892)	-
General and administrative expenses		(165,439)	(162,017)
Share of net profit of associates accounted for using the equity method	34	406	367
Operating profit		65,555	39,014
Net finance income	7	11,399	3,111
Profit before income tax expense		76,954	42,125
Income tax expense	8	(23,500)	(16,506)
Profit after income tax expense for the year		53,454	25,619
Profit for the year is attributable to:			
Non-controlling interest		3,454	2,474
Owners of DRA Global Limited		50,000	23,145
		53,454	25,619
		Cents	Cents
Earnings per share for profit attributable to the owners of DRA Global Limited			
Basic earnings per share	9	87.20	27.90
Diluted earnings per share	9	58.87	27.79

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

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2021

	2021 \$'000	2020 \$'000
Profit after income tax expense for the year	53,454	25,619
Other comprehensive income/(loss)		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of foreign operations	(1,161)	(35,894)
Reclassification of exchange differences to profit or loss on closure of foreign operations	5	3,488
Other comprehensive income/(loss) for the year, net of tax	(1,156)	(32,406)
Total comprehensive income/(loss) for the year	52,298	(6,787)
Total comprehensive income/(loss) for the year is attributable to:		
Non-controlling interest	3,468	2,511
Owners of DRA Global Limited	48,830	(9,298)
	52,298	(6,787)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	2021 \$'000	2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	10	171,024	204,809
Trade and other receivables	11	128,839	125,210
Contract assets	3	62,076	38,587
Inventories		2,923	4,099
Financial assets measured at fair value through profit or loss	12	3,202	3,160
Other financial assets measured at amortised cost	13	17,791	3,822
Current income tax assets		7,716	5,505
		393,571	385,192
Assets of disposal groups classified as held for sale		-	59
Total current assets		393,571	385,251
Non-current assets			
Trade and other receivables	11	2,808	-
Investments accounted for using the equity method	34	2,379	2,154
Other financial assets measured at amortised cost	13	26,705	12,642
Property, plant and equipment	14	19,933	17,889
Right-of-use assets	15	29,035	37,338
Intangibles	16	112,250	117,891
Deferred tax assets	8	53,599	57,031
Total non-current assets		246,709	244,945
Total assets		640,280	630,196
Liabilities			
Current liabilities			
Trade and other payables	17	141,180	108,515
Contract liabilities	3	23,392	53,718
Interest-bearing borrowings	18	2,289	932
Leases liabilities	15	6,496	9,013
Current income tax liabilities		5,135	7,212
Employee benefits	19	37,648	35,887
Provisions	20	50,443	49,600
Other financial liabilities	21	39,613	18,890
Total current liabilities		306,196	283,767
Non-current liabilities			
Interest-bearing borrowings	18	35,051	250
Leases liabilities	15	26,218	31,659
Deferred tax liabilities	8	4,342	3,615
Employee benefits	19	2,397	1,269
Other financial liabilities	21	-	1,004
Total non-current liabilities		68,008	37,797
Total liabilities		374,204	321,564
Net assets		266,076	308,632
Equity			
Issued capital	22	160,780	162,547
Reserves	23	(87,840)	6,000
Retained earnings		183,935	133,935
Equity attributable to the owners of DRA Global Limited		256,875	302,482
Non-controlling interests		9,201	6,150
Total equity		266,076	308,632

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 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 year	-	-	23,145	2,474	25,619
Other comprehensive income/(loss) for the year, net of tax	-	(32,443)	-	37	(32,406)
Total comprehensive income/(loss) for the year	-	(32,443)	23,145	2,511	(6,787)
Transactions with owners in their capacity as owners:					
Share-based payments (note 37)	-	2,011	-	-	2,011
Business combinations	-	-	-	466	466
Put option (note 21)	-	(18,890)	-	-	(18,890)
Issue of ordinary shares (note 22)	3,956	-	-	-	3,956
Share buy-back (note 22)	(4,197)	-	-	-	(4,197)
Balance at 31 December 2020	162,547	6,000	133,935	6,150	308,632
	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 year	-	-	50,000	3,454	53,454
Other comprehensive income/(loss) for the year, net of tax	-	(1,170)	-	14	(1,156)
Total comprehensive income/(loss) for the year	-	(1,170)	50,000	3,468	52,298
Transactions with owners in their capacity as owners:					
Put option (note 21)	-	18,890	-	-	18,890
Issue of ordinary shares (note 22)	500	-	-	-	500
Share issue transaction costs (note 22)	(2,267)	-	-	-	(2,267)
Share buy-back (note 22)	-	(114,904)	-	-	(114,904)
Share-based payments (note 37)	-	3,344	-	-	3,344
Dividend paid by subsidiaries to minority interests	-	-	-	(417)	(417)
Balance at 31 December 2021	160,780	(87,840)	183,935	9,201	266,076

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	Note	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Receipts from clients		1,117,251	960,583
Payments to suppliers and employees		(1,078,895)	(853,627)
		38,356	106,956
Finance income received		1,998	3,333
Finance cost paid		(3,463)	(2,390)
Income tax paid		(24,162)	(6,397)
Net cash from operating activities	36	12,729	101,502
Cash flows from investing activities			
Payments for property, plant and equipment		(12,708)	(8,373)
Proceeds from sale of property, plant and equipment and software		4,741	2,771
Payments for intellectual property and software development costs		(1,358)	(1,868)
Business combinations, net of cash acquired		-	(140)
Proceeds from sale of other financial assets		1,687	1,010
Loans to employees		-	(1,946)
Dividends received from associates		126	372
Net cash used in investing activities		(7,512)	(8,174)
Cash flows from financing activities			
Proceeds from borrowings		41,467	2,579
Repayment of principal elements of borrowings		(4,720)	(2,157)
Repayment of principal elements of lease payments		(9,262)	(8,456)
Proceeds from issue of shares		500	3,956
Share issue and IPO transaction payments		(4,114)	-
Share buy-back		(64,830)	-
Net cash used in financing activities		(40,959)	(4,078)
Net increase/(decrease) in cash and cash equivalents		(35,742)	89,250
Cash and cash equivalents at the beginning of the financial year		204,809	126,735
Effects of exchange rate changes on cash and cash equivalents		1,957	(11,176)
Cash and cash equivalents at the end of the financial year	10	171,024	204,809

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

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NOTE 1. BASIS OF PREPARATION

INTRODUCTION

DRA Global Limited (the Company or DRA) is a company domiciled in Australia. The 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.

DRA Global Limited is a for-profit entity for the purpose of preparing the financial statements. These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements of the Group also comply with International Financial Reporting Standards (IFRS) as adopted by the International Accounting Standards Board (IASB).

The financial statements have been prepared under the historical cost convention, except for financial instruments, property, plant and equipment that have been measured at fair value in initial accounting of a business combination.

The COVID-19 pandemic continues to impact DRA's people, clients, supply chains and business performance in general. The Group's protection and prevention efforts included vaccination drives, increased hygiene and cleaning practices and flexible working arrangements. DRA remains focused on protecting the health, wellbeing and safety of our people whilst continuing to deliver for our clients. The pandemic had limited direct financial impact to DRA during the financial year. The Group experienced reduced net cash flows from operating activities in the current year due to the structure of certain commercial contracts. However the Group was able to successfully increase revenue and net profit after tax compared to the prior year, it discontinued loss making construction services, and agreed to partially defer repayment of amounts owed in relation to the Stockdale share buy-back agreement. The Group's cash balance was higher than forecasted in the IPO prospectus at \$171,024K and has remaining undrawn borrowing facilities of \$55,144K to support its liquidity position.

The Group considered the impact of COVID-19 on each of its significant accounting judgements and estimates, with the area of impairment of goodwill, expected credit loss allowances on trade receivables and contract assets, and provision for loss making contracts being the main areas of estimation uncertainty. No further significant estimates have been identified as a result of COVID-19, however the pandemic has created a level of heightened uncertainty on cash flow forecasts applicable in the consideration of asset recoverability and liability recognition for the Group.

The Group 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 these financial statements have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars (K), or in certain cases, the nearest dollar.

BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of the Group. A list of significant controlled entities (subsidiaries) at year end is contained in note 33 'Interests in subsidiaries'.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, using consistent accounting policies.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Note 1. Basis of Preparation (continued)

FOREIGN CURRENCY TRANSLATION

The financial statements are presented in Australian dollars, which is DRA Global Limited's functional and presentation currency.

Transactions denominated in foreign currencies are initially recorded in the functional currency using the exchange rate ruling at the date of the underlying transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange at year end. Exchange gains or losses on retranslation are included in profit or loss.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each reporting period presented are translated at the closing rate at the reporting date,
- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

COMPARATIVE FIGURES

Where required by the Australian Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are included in the respective notes or note 40.

NOTE 2. 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.

IDENTIFICATION OF REPORTABLE 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 reportable operating segment when the Group has assessed and determined the aggregated operating segments share similar economic and geographical characteristics, such as the type of clients for the Group's services and similar expected growth rates and regulatory environment.

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

- Group finance;
- Information technology;
- Origination;
- Treasury;
- Corporate secretarial; and
- Corporate development.

These amounts are presented in 'Group and unallocated items' in the operating segment information below. The 'Group and unallocated items' also include intercompany eliminations.

The performance of each segment forms the basis of all reporting to the CODM and the Board. The CODM and the Board primarily uses Earnings Before Interest and Tax (EBIT) to assess the performance of a segment. It will also review the assets and working capital of each segment on a regular basis. The accounting policies adopted for internal reporting to the CODM and the Board are consistent with those adopted in the financial statements.

In reporting the EBIT to the CODM and the Board, results for the normal operations of the segment separately show reporting of the effect of significant items of income and expenditure which may have an impact on the quality of earnings such as depreciation, amortisation and impairment losses.

OPERATING SEGMENT INFORMATION

2021	EMEA \$'000	APAC/ AMER \$'000	Group and unallocated items \$'000	Total \$'000
Revenue				
Segment revenue	623,493	580,476	27,508	1,231,477
Inter-segment revenue	(16,148)	(1,451)	(27,508)	(45,107)
Total revenue	607,345	579,025	-	1,186,370
EBIT	80,622	(12,132)	(2,935)	65,555
Net finance income/(expense)	10,298	(1,326)	2,427	11,399
Profit/(loss) before income tax expense	90,920	(13,458)	(508)	76,954
Income tax expense				(23,500)
Profit after income tax expense				53,454
<i>Material items include:</i>				
Share of net profit of associates	406	-	-	406
Share-based payment expense	-	-	(3,344)	(3,344)
Expected credit loss (expense)/reversal on trade receivables and contract assets	4,594	(967)	275	3,902
Fair value gain on UPRs	-	-	13,000	13,000
Depreciation expense	(7,930)	(8,531)	(1,119)	(17,580)
Amortisation expense	(4,480)	(133)	(1,064)	(5,677)

Note 2. Operating Segments (continued)

2021	EMEA \$'000	APAC/ AMER \$'000	Group and unallocated items \$'000	Total \$'000
Assets				
Segment assets	437,803	169,903	32,574	640,280
Total assets				640,280
<i>Total assets include:</i>				
Investments in associates	2,379	-	-	2,379
Acquisition of non-current assets	5,965	7,823	278	14,066
Liabilities				
Segment liabilities	109,276	172,884	92,044	374,204
Total liabilities				374,204
2020	EMEA \$'000	APAC/ AMER \$'000	Group and unallocated items \$'000	Total \$'000
Revenue				
Segment revenue	549,323	404,361	21,910	975,594
Inter-segment revenue	(11,561)	(3,874)	(21,910)	(37,345)
Total revenue	537,762	400,487	-	938,249
EBIT	43,834	5,101	(9,921)	39,014
Net finance income/(expense)	2,000	(1,304)	2,415	3,111
Profit/(loss) before income tax expense	45,834	3,797	(7,506)	42,125
Income tax expense				(16,506)
Profit after income tax expense				25,619
<i>Material items include:</i>				
Share of net profit of associates	367	-	-	367
Share-based payment expense	-	-	(2,011)	(2,011)
Expected credit loss (expense)/reversal on trade receivables and contract assets	(2,774)	(419)	819	(2,374)
Impairment of goodwill	-	-	(5,713)	(5,713)
Depreciation expense	(6,772)	(8,472)	(1,635)	(16,879)
Amortisation expense	(806)	(7)	(8,177)	(8,990)
Assets				
Segment assets	347,034	146,424	136,738	630,196
Total assets				630,196
<i>Total assets include:</i>				
Investments in associates	2,318	-	-	2,318
Acquisition of non-current assets	1,120	5,821	2,167	9,108
Liabilities				
Segment liabilities	195,506	122,168	3,890	321,564
Total liabilities				321,564

NOTE 3. REVENUE

Disaggregation of revenue by major service lines and geographical regions:

	EMEA \$'000	APAC/ AMER \$'000	Total \$'000
2021			
Revenue recognised over time:			
Projects	309,658	306,599	616,257
Operations	297,687	272,426	570,113
	607,345	579,025	1,186,370
2020			
Revenue recognised over time:			
Projects	286,201	141,598	427,799
Operations	249,128	258,889	508,017
Other	2,433	-	2,433
	537,762	400,487	938,249

RECOGNITION AND MEASUREMENT

The Group provides project and operation services to its clients. Revenue is recognised when control of the goods or services are transferred to the client at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods and services before transferring them to the client.

PROJECT REVENUE

The Group derives project revenue through provision of consulting services that includes the assessment of mineral projects through the completion of feasibility studies and design and construction of mineral process plants. These activities involve extensive engineering expertise in the engineering disciplines of process, electrical and instrumentation, mechanical, civil, structural and infrastructure as well as the associated disciplines of project management, materials handling and procurement.

These projects generally contain one performance obligation due to the highly integrated activities, that in combination, forms the deliverable of the contract for the client. The activities cannot easily be distinguished from one another. In rare circumstances, some projects will have multiple performance obligations. For these contracts, the total value of the contract will be allocated to the individual performance obligations based on a standalone selling price.

Work is typically performed on assets that are controlled by the client or on assets that have no alternative use to the Group, with the Group having right to payment for performance to date. As performance obligations are satisfied over time, project revenue is recognised over time using input methods such as labour hours expended or costs incurred.

OPERATION REVENUE

The Group derives operation revenue from fixed term contracts involving the operation and maintenance of mineral process plants, which includes associated services relating to metallurgical quality management, control and analysis as well as process optimisation.

Under these contracts, the services are delivered through the provision of labour and specialist capabilities in systems integration, recruitment and human resource management, skills development and training, purchasing and cost control, stores and asset management, health and safety and environmental management. These services provided are the performance obligation in respect of each contract.

Note 3. Revenue (continued)

The contracts are typically structured at a fixed price per month over the contract period. Additional costs incurred on behalf of a client on an ad hoc basis are recoverable from the client on a reimbursable basis. These additional costs are a separate distinct performance obligation per the contract.

Performance obligations are fulfilled over time as the Group largely enhances assets which the client controls. Operation revenue is recognised when the services are rendered based on the amount of the expected transaction price allocated to each performance obligation noted above. Typically this is based a schedule of rates or a cost-plus basis.

Clients are generally invoiced monthly as per the structure of the contract, which are aligned with the stand-alone selling prices for each performance obligation. Payment is received following invoice on normal commercial terms.

COSTS TO FULFIL A CONTRACT

Costs incurred prior to the commencement of a contract may arise due to mobilisation or site setup costs. Where these costs are expected to be recovered, they are capitalised and amortised over the course of the contract consistent with the transfer of service to the client.

VARIABLE CONSIDERATION

It is common for contracts to include performance bonuses or penalties assessed against the timeliness or cost effectiveness of work completed or other performance related indicators. Where consideration in respect of a contract is variable, the expected value of revenue is only recognised when any uncertainty associated with the variable consideration is subsequently resolved.

Variable consideration is typically billed based on the achievability of agreed metrics based on clearly defined parameters. Once achieved, the Group will bill the client for the agreed amount.

In relation to variable consideration, the expected value of revenue is only recognised when it is highly probable that a significant reversal will not occur. Expected revenue is recognised consistently in a contract based on the expected value method or the most likely amount method whichever is more appropriate.

Certain contracts are subject to claims which are enforceable under the contract. If the claim does not result in any additional goods or services, the transaction price is updated and the claim accounted for as variable consideration.

WARRANTY AND DEFECT LIABILITY

Generally, contracts include defect and warranty periods following completion of the project. These obligations are not deemed to be separate performance obligations and are therefore estimated and included in the total costs of the contracts. Where required, amounts are recognised according to AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

A provision is made for the difference between the expected cost of fulfilling a contract and the expected unearned portion of the Group's transaction price where the forecast costs are greater than the forecast revenue.

FINANCING COMPONENTS

The Group does not expect to have any contracts where the period between the transfer of goods or services to the client and payment by the client exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

CONTRACT MODIFICATION

The accounting for contract modifications is dependent on whether the contract modification is accounted for as a separate contract or not under the principles set out in AASB 15 *Revenue from Contracts with Customers* (AASB 15).

The Group accounts for the modification as a separate contract if the scope of contract increases because of the addition of promised goods and services that are distinct, and the price of the contract increases by an amount of consideration that reflects the Group's stand-alone selling prices of the additional promised goods or services, and any other appropriate adjustments to that price to reflect the circumstances of the particular contract.

Other than the above, all other contract modifications are not accounted for as a separate contract. The effect of the contract modification has on the transaction price, and on the Group's measure of progress towards a complete satisfaction of the performance obligation, is recognised as an adjustment to revenue on a cumulative basis at the date of the contract modification.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

EXPECTED COSTS TO COMPLETE

For project revenue recognised using an input method based on costs incurred, management is required to estimate the expected forecast costs to complete. Fundamental to this calculation, is a reliable estimate of the total forecast costs to complete the project. The Group estimates its forecast costs to complete based on its budget derived from the tender process and reassessed at each reporting period end by its project manager based on the best available information and the current progress of the project.

VARIABLE CONSIDERATION

In determining transaction price (total contract revenue), variable consideration including bonuses, penalties, claims, and contract variations are only included to the extent it is highly probable that a significant reversal in revenue will not occur in the future. Each claim or contract variation, until they are approved, are subject to a level of uncertainty, both in terms of the amounts that the customer will pay and the collection thereof, which usually depends on the outcome of negotiations between the parties or decisions taken by judicial or arbitration bodies. The Group considers all the relevant information for each individual claim or contract variation such as the contract terms, business and negotiating practices of the industry. The Group's historical experiences with similar contracts, inputs from external and internal experts and consideration of those factors that affect the variable consideration that are out of the control of the Group or other supporting evidence.

For the year ended 31 December 2021, the Group has recognised revenue of \$14,476K (FY2020: \$3,107K) being 1.2% (FY2020: 0.3%) of total revenue recognised from unapproved claims based on the relative progress of the projects.

ASSESSMENT OF COLLECTABILITY OF CONSIDERATION FROM CUSTOMERS

In evaluating whether collectability of an amount of consideration is probable, the Group considers only the customer's ability and intention to pay that amount of consideration when it is due in accordance with AASB 15. If the collectability of an amount of consideration condition is not probable, the Group shall continue to assess the contract to determine whether the condition is subsequently met. In FY2021, \$17,782K of revenue (FY2020: Nil) was not previously recognised as revenue as a result of not meeting the above condition has been recognised in the current year.

Note 3. Revenue (continued)

ASSETS AND LIABILITIES RELATED TO CONTRACTS WITH CLIENTS

	2021 \$'000	2020 \$'000
The Group has recognised the following assets and liabilities related to contracts with clients:		
Current assets		
Contract assets – projects	32,491	25,179
Contract assets – operations	30,611	13,408
Expected credit loss allowance (note 25)	(1,026)	-
	62,076	38,587
Current liabilities		
Contract liabilities – Projects	23,037	48,507
Contract liabilities – Operations	355	5,211
	23,392	53,718

CONTRACT ASSETS AND LIABILITIES

Contract assets and contract liabilities refer to what is commonly known as 'unbilled or accrued revenue' and 'deferred revenue' respectively. Contract assets represent the Group's right to consideration which is conditional on something other than the passage of time (for example, the Group's future performance). If the Group's right to an amount of consideration is unconditional (other than the passage of time), the contract asset is reclassified as a receivable.

Contract liabilities arise where payment is received from the client ahead of scheduled transfer of goods and services transferred to the clients.

Contract assets have increased as the Group has provided services ahead of the agreed payment schedules or is awaiting for final approval on contract variations on some of its projects.

Contract liabilities have decreased as the Group has completed the work for some of its projects where it has received advance payments previously.

REVENUE RECOGNISED IN RELATION TO CONTRACT LIABILITIES

	2021 \$'000	2020 \$'000
Revenue recognised that was included in contract liabilities at the beginning of the year	53,718	45,289
Revenue recognised from performance obligations satisfied or partially satisfied in previous periods	17,782	-

REMAINING PERFORMANCE OBLIGATIONS (WORK IN HAND)

Contracts which have remaining performance obligations as at 31 December 2021 are set out below:

	2021 \$'000	2020 \$'000
Project revenue	302,077	443,511
Operations revenue	487,938	640,415
	790,015	1,083,926

Contracts in different operating segments have different lengths. Revenue is typically earned over these varying time frames. The average duration of contracts is given below:

Projects revenue	1 – 3 years
Operations revenue	1 – 5 years

NOTE 4. OTHER INCOME

	2021 \$'000	2020 \$'000
Fair value gain/loss on other financial assets measured at fair value through profit or loss	1,843	634
Government grants (i)	6,233	954
Job keeper payments	39	2,832
Other	149	660
Other income	8,264	5,080

(i) The Group received Employment Tax Incentive (ETI) grants from the South African government through employing qualifying individuals involved in mining operations. There are no unfulfilled conditions or other contingencies attaching to these grants. The ETI received has been spent on training programs to enable these individuals to acquire relevant skills and experience.

NOTE 5. OTHER GAINS/(LOSSES) - NET

	2021 \$'000	2020 \$'000
Profit on disposal of property, plant and equipment	763	1,053
Foreign exchange gain	2,690	7,421
Profit/(loss) of foreign currency contracts	1,187	(1,227)
Profit on disposal of other financial assets	510	299
Other gains/(losses) - net	5,150	7,546

NOTE 6. EXPENSES

Included in cost of sales and general and administrative expenses are expenses of the following nature:

	Notes	2021 \$'000	2020 \$'000
Employee expenses		(578,009)	(509,290)
Expected credit loss (expense)/reversal on trade receivables and contract assets	25	3,902	(2,374)
Impairment of loan receivable measured at amortised cost		(1,586)	-
Impairment of goodwill	16	-	(5,713)
Share based payments	37	(3,344)	(2,011)
Depreciation expense of right-of-use assets	15	(9,748)	(8,978)
Depreciation expense of property, plant and equipment	14	(7,832)	(7,901)
Amortisation expense of intangible assets	16	(5,677)	(8,990)

NOTE 7. NET FINANCE INCOME

	2021 \$'000	2020 \$'000
Finance income		
Interest income on cash deposits	2,106	3,030
Interest income on other financial assets (i)	12,756	2,471
	14,862	5,501
Finance costs		
Interest expense on interest-bearing borrowings, lease liability and other financial liabilities	(3,463)	(2,390)
Net finance income	11,399	3,111

(i) Included in finance income was an interest income recognised during FY2021 of \$10,591K (FY2020: nil). The interest income related to a loan receivable owing from a client who was placed into business rescue in FY19. The loan receivable was not recognised previously as it did not meet the recognition criteria under the Accounting Standards. As a result, interest income accrued on the loan receivable since FY19 was not recognised until the loan receivable met the recognition criteria in FY2021. Refer to note 13 for further information.

NOTE 8. INCOME TAX

A) INCOME TAX EXPENSE

	2021 \$'000	2020 \$'000
Income tax expense/(benefit)		
Current tax on profits for the year	12,559	19,029
Adjustments for current tax of prior periods	354	352
Foreign withholding tax written off	1,542	4,430
Deferred tax - Originating and reversing temporary differences	8,308	(2,927)
Adjustments for deferred tax of prior periods	737	(4,378)
Aggregate income tax expense	23,500	16,506
Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	76,954	42,125
Tax at the statutory tax rate of 30%	23,086	12,638
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Difference in overseas tax rates	(3,224)	835
Tax loss not recognised	341	1,199
Non-deductible expenses	4,699	3,272
Non-assessable income	(4,717)	(319)
Adjustments for current and deferred taxes of prior periods	1,091	(4,026)
Foreign withholding tax written off	1,542	4,430
Tax credits/incentives (including foreign income tax credits)	(498)	(1,308)
Other items	1,180	(215)
Income tax expense	23,500	16,506

B) DEFERRED TAX BALANCES

	2021 \$'000	2020 \$'000
Deferred tax assets	53,599	57,031
Deferred tax liabilities	(4,342)	(3,615)
Net deferred tax assets	49,257	53,416

	Net deferred tax 2021 \$'000	Net deferred tax 2020 \$'000	(Charged)/ credited to profit or loss 2021 \$'000	(Charged)/ credited to profit or loss 2020 \$'000
Type of temporary difference:				
Tax losses	23,397	22,764	(1,747)	1,900
Employee benefits liabilities	11,906	13,314	(1,944)	2,072
Allowance for expected credit losses	1,219	5,838	(4,597)	(776)
Contracts in progress	387	437	(2,898)	(1,538)
Lease liabilities	3,102	651	1,065	572
Property, plant and equipment and right-of-use assets	(6,478)	(5,263)	91	3,160
Provisions	19,690	14,971	(1,389)	1,094
Other items	(3,966)	704	2,374	821
	49,257	53,416	(9,045)	7,305

	2021 \$'000	2020 \$'000
Movements:		
Opening balance	53,416	50,712
Credited/(charged) to profit or loss	(9,045)	7,305
Additions through business combinations	-	(54)
Foreign currency exchange adjustment	4,886	(4,547)
Closing balance	49,257	53,416

C) TAX LOSSES

	2021 \$'000	2020 \$'000
Unused tax losses for which no deferred tax asset has been recognised	14,698	16,355
Potential tax benefit at statutory tax rate	4,005	4,437

The unused tax losses were incurred by subsidiaries that are not likely to generate taxable income in the foreseeable future. They can be carried forward indefinitely.

Note 8. Income Tax (continued)

RECOGNITION AND MEASUREMENT

The income tax expense for the period comprises current and deferred tax.

CURRENT TAX ASSETS AND LIABILITIES

Current tax comprises normal income tax on companies. Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities/(assets) for the current and prior periods are measured at the amount expected to be paid to/(recovered from) the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

DEFERRED TAX ASSETS AND LIABILITIES

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which, at the time of the transaction, affects neither accounting profit nor taxable profit/(loss).

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit/(loss).

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which the unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognised, in the same or a different period, to other comprehensive income, or
- a business combination.

Current and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

TAX CONSOLIDATION LEGISLATION

DRA Global Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The parent entity, DRA Global Limited, and the controlled entities in the tax consolidated group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, the entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

SIGNIFICANT JUDGMENTS AND ESTIMATES

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due, or when the Group concludes it is not probable that the taxation authority will accept an uncertain tax treatment. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted.

Deferred tax assets that relate to carried-forward tax losses of the Group are recognised on the basis that the Group will satisfy applicable tax legislation requirements at the time of proposed recoupment of those tax losses. An assessment will be performed at the time when those tax losses are utilised.

NOTE 9. EARNINGS PER SHARE

(I) EARNINGS PER SHARE

	2021 \$'000	2020 \$'000
Profit after income tax	53,454	25,619
Non-controlling interest	(3,454)	(2,474)
Profit after income tax attributable to the owners of DRA Global Limited	50,000	23,145
Fair value adjustment on UPRs	(13,000)	-
Profit after income tax attributable to the owners of DRA Global Limited used in calculating diluted earnings per share	37,000	23,145
	Cents	Cents
Basic earnings per share	87.20	27.90
Diluted earnings per share	58.87	27.79

(II) BASIC 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 basic earnings per share which excludes the gain or loss from revaluation of UPRs is provided in the table below:

	2021 \$'000	2020 \$'000
Profit after income tax attributable to the owners of DRA Global Limited	50,000	23,145
Fair value adjustment on UPRs	(13,000)	-
Profit after income tax excluding revaluation of UPRs	37,000	23,145
	Cents	Cents
Basic earnings per share (excluding revaluation of UPRs)	64.53	27.90

Note 9. 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 Johannesburg Stock Exchange and is calculated in accordance with Circular 1/2019, 'Headline Earnings', issued by the South African Institute of Chartered Accountants.

	2021 \$'000	2020 \$'000
Profit after income tax attributable to the owners of DRA Global Limited	50,000	23,145
Add back items required by Circular 1/2019:	-	-
Impairment of goodwill	-	5,713
Profit on disposal of property, plant and equipment	(763)	(1,053)
Impairment of loan receivable and other financial assets measured at amortised cost	1,361	366
Foreign translation currency reserve reclassified to profit	5	3,488
Taxation effects on adjustments	(159)	(765)
Headline earnings from continuing operations	50,444	30,894
Fair value adjustment of UPRs	(13,000)	-
Headline earnings from continuing operations used in calculating diluted earnings per share	37,444	30,894

	Cents	Cents
Basic headline earnings per share	87.97	37.24
Diluted headline earnings per share	59.58	37.10

(IV) WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	57,340,775	82,961,587
Adjustments for calculation of diluted earnings per share:		
Options over ordinary shares	2,782,519	313,770
UPRs	2,728,655	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	62,851,949	83,275,357

The above table is 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.

ACCOUNTING POLICY FOR EARNINGS PER SHARE**BASIC EPS**

Basic EPS is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

DILUTED EPS

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The adjustment for the calculation of diluted EPS in the table above does not take into account any options accrued but not yet issued under the Non-Executive Directors Share Option Plan. The potential number of ordinary shares that could be issued under these arrangements were excluded from the adjustment for the calculation of diluted EPS in the table above given the number of options over ordinary shares to be issued will only be determined at a future date based on future valuations which are unable to be reliably estimated at the date of this report.

NOTE 10. CASH AND CASH EQUIVALENTS

	2021 \$'000	2020 \$'000
Cash	171,024	204,809

RESTRICTED CASH

The cash balance above includes issued cash-backed bank guarantees to the value of \$8,650K (FY2020: \$8,568K). These cash balances are restricted and not available for general use by the Group.

RECOGNITION AND MEASUREMENT

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

NOTE 11. TRADE AND OTHER RECEIVABLES

	2021 \$'000	2020 \$'000
Current assets		
Trade receivables	118,033	144,742
Less: Expected credit loss allowance	(10,852)	(35,095)
Net trade receivables	107,181	109,647
Prepayments	12,016	5,824
Withholding taxes	1,935	1,404
Other receivables	4,899	3,976
Retention debtors	2,808	4,359
	128,839	125,210
Non-current assets		
Retention debtors	2,808	-
	131,647	125,210

RECOGNITION AND MEASUREMENT

Trade receivables are amounts due from clients for goods sold or services performed in the ordinary course of the business. If collection of the amounts is expected in one year or less they are classified as current assets, otherwise they are classified as non-current.

Refer to note 25 for further information on credit risk.

NOTE 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021 \$'000	2020 \$'000
Derivative financial instruments – foreign exchange currency (FEC) contracts	–	876
Listed shares	2,536	1,750
Shares in non-listed entities	666	534
	3,202	3,160

Refer to note 26 for further information on fair value measurement of financial assets and liabilities.

NOTE 13. OTHER FINANCIAL ASSETS AT AMORTISED COST

	2021 \$'000	2020 \$'000
Current assets		
Loan receivable – at amortised cost (i) (iv)	16,474	772
Loans to employees – at amortised cost (ii)	–	2,081
Other loans	1,317	969
	17,791	3,822
Non-current assets		
Loan receivable – at amortised cost (iii) (iv)	24,978	12,642
Loans to employees – at amortised cost (ii)	1,727	–
	26,705	12,642
	44,496	16,464

- (i) Included in the loan receivables was a loan receivable of \$752K (FY2020: \$772K) which accrues interest at a rate of 15% per annum secured by assets of the counterparty. The loan has been impaired to the value recoverable from the security.
- (ii) These loans accrue interest at the prime lending rate in South Africa, currently 7% per annum. In FY2021, the repayment date of the loans were extended to 2 years from the original repayment deadline of 60 days after listing, being July 2023.
- (iii) \$15,730K (FY2020: \$12,642K) of this balance represents a loan subject to interest at a rate ranging from 15% – 27.78% per annum secured by assets of the counterparty. The loan is repayable no later than 6 years after the anniversary of the loan, being June 2023.
- (iv) Included in the current and non-current loan receivables was an amount totalling \$26,071K owing from a client. The client had a contract with DRA where DRA terminated the contract in FY19 as a result of non-payment. The client was placed into business rescue in FY19. As a result, the loan receivable and its related capitalised interest were not recognised previously as it did not meet the recognition criteria. In FY2021, the client secured funding and re-entered into a new contract with DRA. A new loan agreement for the amount owing to DRA previously was also entered into as a part of new contract with DRA. Consequently, the previous loan receivable and capitalised interest have now been recognised. The loan receivable bears interest of 12% to 15% per annum and is repayable by regular instalments until December 2023.

NOTE 14. PROPERTY, PLANT AND EQUIPMENT

	Buildings \$'000	Leasehold improve- ments \$'000	Plant and equipment \$'000	Furniture and fixtures \$'000	Motor vehicles \$'000	Site establish- ment \$'000	Total \$'000
Balance at 31 December 2020							
Cost	2,963	2,762	23,266	6,915	13,446	33,601	82,953
Accumulated depreciation	(462)	(1,474)	(18,195)	(5,373)	(11,248)	(28,312)	(65,064)
	2,501	1,288	5,071	1,542	2,198	5,289	17,889
Balance at 31 December 2021							
Cost	3,895	5,409	27,119	6,302	13,019	28,033	83,777
Accumulated depreciation	(801)	(1,483)	(20,394)	(5,868)	(11,641)	(23,657)	(63,844)
	3,094	3,926	6,725	434	1,378	4,376	19,933

RECONCILIATIONS

Reconciliations of the net book values at the beginning and end of the current and previous financial year are set out below:

	Buildings \$'000	Leasehold improve- ments \$'000	Plant and equipment \$'000	Furniture and fixtures \$'000	Motor vehicles \$'000	Site establish- ment \$'000	Total \$'000
Balance at 1 January 2020	3,361	1,477	4,618	3,044	3,267	4,647	20,414
Additions	18	192	3,160	89	608	4,304	8,371
Additions through business combinations	-	-	72	-	-	-	72
Disposals	(39)	(6)	(36)	(6)	(492)	(331)	(910)
Exchange differences	(787)	(53)	(492)	(55)	(568)	(202)	(2,157)
Transfers in/(out)	-	-	(52)	52	-	-	-
Depreciation expense	(52)	(322)	(2,199)	(1,582)	(617)	(3,129)	(7,901)
Balance at 31 December 2020	2,501	1,288	5,071	1,542	2,198	5,289	17,889
Additions	215	3,571	4,803	116	441	3,562	12,708
Disposals	-	(623)	(719)	(10)	(35)	(2,410)	(3,797)
Exchange differences	582	36	110	41	178	37	984
Transfers to right-of-use assets	-	(19)	-	-	-	-	(19)
Transfers in/(out)	(23)	234	763	(196)	(429)	(349)	-
Depreciation expense	(181)	(561)	(3,303)	(1,059)	(975)	(1,753)	(7,832)
Balance at 31 December 2021	3,094	3,926	6,725	434	1,378	4,376	19,933

Note 14. Property, Plant and Equipment (continued)

RECOGNITION AND MEASUREMENT

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the Group; and
- the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to and replace part of it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment, where the entity is obligated to incur such expenditure, and where the obligation arises as a result of acquiring the asset or using it for purposes other than the production of inventories.

Major spare parts and stand-by equipment which are expected to be used for more than one period are included in property, plant and equipment. In addition, spare parts and stand by equipment which can only be used in connection with an item of property, plant and equipment are accounted for as property, plant and equipment.

Major inspection costs which are a condition of the continuing use of an item of property, plant and equipment and which meet the recognition criteria above are included as a replacement in the cost of the item of property, plant and equipment. Any remaining inspection costs from the previous inspection are derecognised.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Refer to note 40 for impairment policy of non-financial assets.

Property, plant and equipment are depreciated on a straight line basis over their expected useful lives to their estimated residual value. The useful lives of items of property, plant and equipment have been assessed as follows:

Buildings	20 – 40 years
Land	Not depreciated
Furniture and fixtures	4 – 10 years
Motor vehicles	4 – 5 years
Plant and equipment	3 – 6 years
Leasehold improvements	4 – 10 years
Site establishment	Varies depending on life of mine or contract

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is recognised in profit or loss.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

SIGNIFICANT JUDGMENT AND ESTIMATES

The Group depreciates or amortises its assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires significant judgement to be applied. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programs.

Significant judgement is applied by management when determining residual values. When determining the residual value the following factors are taken into account:

- External residual value information (if applicable)
- Internal technical assessments for complex equipment.

NOTE 15. LEASES

AMOUNTS RECOGNISED IN THE STATEMENT OF FINANCIAL POSITION

The statement of financial position shows the following amounts relating to leases:

	2021 \$'000	2020 \$'000
Right-of-use assets		
Buildings	26,491	34,812
Vehicles	2,544	2,526
	29,035	37,338
	2021	2020
Lease liabilities		
Current	6,496	9,013
Non-current	26,218	31,659
	32,714	40,672

Additions to the right-of-use assets during the year was \$1,804K (FY2020: \$27,222K).

AMOUNTS RECOGNISED IN THE STATEMENT OF PROFIT OR LOSS

	2021 \$'000	2020 \$'000
Depreciation expense		
Buildings	(8,803)	(8,219)
Vehicles	(945)	(759)
	(9,748)	(8,978)
	2021	2020
	\$'000	\$'000
Interest expense (included in finance costs)	(2,653)	(2,173)
Expense relating to short-term, low-value and variable lease rentals (included in cost of sales, general and administrative expenses)	(2,463)	(1,610)

The total cash outflow for leases in FY2021 was \$14,295K (FY2020: \$12,240K). The total cash outflow includes principal payments, interest expense and expense relating to short-term, low-value and variable lease rentals.

Note 15. Leases (continued)

RECOGNITION AND MEASUREMENT

The Group leases buildings and vehicles. Rental agreements are typically for fixed periods but may have extension options. The lease agreements do not impose any covenants.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Group's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies AASB 136 *Impairment of Assets* to determine whether a right-of-use asset is impaired. At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. No impairment loss of right-to-use assets was recorded during the year (FY2020: nil).

Payments associated with short-term leases and leases of low-value assets are recognised as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

NOTE 16. INTANGIBLES

	Goodwill \$'000	Brand names \$'000	Computer software \$'000	Client relation- ships \$'000	Total \$'000
Balance at 31 December 2020					
Cost	120,549	7,248	9,978	39,893	177,668
Accumulated amortisation and impairment	(22,452)	(3,824)	(7,419)	(26,082)	(59,777)
	98,097	3,424	2,559	13,811	117,891
Balance at 31 December 2021					
Cost	120,242	7,285	10,321	39,973	177,821
Accumulated amortisation and impairment	(22,452)	(5,239)	(8,656)	(29,224)	(65,571)
	97,790	2,046	1,665	10,749	112,250

RECONCILIATIONS

Reconciliations of the net book values at the beginning and end of the current and prior financial year are set out below:

	Goodwill \$'000	Brand names \$'000	Computer software \$'000	Client relation- ships \$'000	Total \$'000
Balance at 1 January 2020	110,281	5,535	3,778	19,228	138,822
Additions	-	-	1,868	-	1,868
Additions through business combinations (note 32)	1,081	-	-	-	1,081
Disposals	-	-	(441)	-	(441)
Exchange differences	(7,552)	(307)	(230)	(647)	(8,736)
Impairment	(5,713)	-	-	-	(5,713)
Amortisation expense	-	(1,804)	(2,416)	(4,770)	(8,990)
Balance at 31 December 2020	98,097	3,424	2,559	13,811	117,891
Additions	-	-	1,358	-	1,358
Additions through business combinations (note 32)	1,202	-	-	-	1,202
Reclassified to software as a service prepayment (i)	-	-	(1,119)	-	(1,119)
Disposals	-	-	(30)	-	(30)
Exchange differences	(1,509)	38	15	81	(1,375)
Amortisation expense	-	(1,416)	(1,118)	(3,143)	(5,677)
Balance at 31 December 2021	97,790	2,046	1,665	10,749	112,250

- (i) In April 2021, the IFRS Interpretations Committee (IFRIC) published its final agenda decision on accounting for configuration and customisation costs in a software as a service (SaaS) arrangement further to AASB 138 *Intangible Assets* – Configuration or customisation of costs in a cloud computing arrangement. The Group changed its accounting policy for configuration or customisation costs as a result of this agenda decision for year ended 31 December 2021. \$1,119K of software capitalisation has been identified as 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.

Note 16. Intangibles (continued)

RECOGNITION AND MEASUREMENT**GOODWILL**

Business combination principles apply to entities over which the Group obtains control. The Group obtains control of a subsidiary when it becomes exposed to, or gains rights to, variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

Contingent consideration is included in the cost of the combination at fair value as at the date of acquisition. Subsequent changes to the assets, liabilities or equity which arise as a result of the contingent consideration are not affected against goodwill, unless they are valid measurement period adjustments.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of AASB 3 *Business Combinations* are recognised at their fair values at acquisition date, except for non-current assets (or disposal group) that are acquired and classified as held-for-sale in accordance with AASB 5 *Non-current Assets Held-For-Sale and Discontinued Operations*, which are recognised at fair value less costs to sell.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

On acquisition, the Group assesses the classification of the acquiree's assets and liabilities and reclassifies them where the classification is inappropriate for Group purposes. This excludes lease agreements and insurance contracts, whose classification remains as per their inception date.

Non-controlling interest arising from a business combination is measured either at their share of the fair value of the assets and liabilities of the acquiree or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations.

In cases where the Group held a non-controlling shareholding in the acquiree prior to obtaining control, that interest is measured to fair value as at the acquisition date. The measurement to fair value is included in profit or loss for the year. Where the existing shareholding was classified as an available-for-sale financial asset, the cumulative fair value adjustments previously recognised to other comprehensive income and accumulated in equity are recognised in profit or loss as a reclassification adjustment.

Goodwill is determined as the consideration paid plus the fair value of any shareholding held prior to obtaining control; plus non-controlling interest and less the fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is not amortised but is tested on an annual basis for impairment. If goodwill is assessed to be impaired, that impairment is not subsequently reversed.

Goodwill is allocated to cash-generating units (CGU) for the purpose of impairment testing. The allocation is made to those CGU or groups of CGU that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the different regions.

BRAND NAMES AND CLIENT RELATIONSHIPS

Separately acquired brand names and client relationships are shown at historical cost. Brand names and client relationships acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Identifiable intangible assets with a finite life are amortised on a straight-line basis over their expected useful life from when the asset is ready for use. The useful lives are as follows:

Brand names	1 – 5 years
Client relationship	2 – 10 years

COMPUTER SOFTWARE

Computer software is initially measured at cost and amortised on a straight-line basis over the estimated useful life of each asset. Impairment testing is conducted annually. Computer software is amortised on a straight-line basis over 1 to 3 years.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

RESIDUAL VALUES

Significant judgement is applied by management when determining the residual values for intangible assets. In the event of contractual obligations in terms of which a termination consideration is payable to the Group, management will apply a residual value to the intangible asset.

KEY ASSUMPTIONS USED FOR VALUE-IN-USE CALCULATIONS

Significant judgements and estimates on key assumptions used for value-in-use (VIU) calculations are presented in impairment testing below.

IMPAIRMENT TESTING

The Group monitors goodwill on a CGU level.

	2021 \$'000	2020 \$'000
Goodwill is attributed to:		
AMER CGU	–	–
APAC CGU	41,962	41,962
EMEA CGU	55,828	56,135
	97,790	98,097

The recoverable amount of all CGUs is based on VIU calculations, using cash flow projections covering up to a five-year period based on forecast operating results. Cash flows beyond the five-year period are extrapolated using the lower of the estimated industry long-term growth rates or earnings multiple approach. The recoverable amount of each CGU exceeds its carrying amount.

The Group determines the recoverable amount, being the higher of the fair value less cost to sell and the VIU, of individual CGUs by discounting the expected future cash flows of each CGU. The recoverable amount is then compared to the carrying value of the CGU and an impairment loss is recognised if required.

In FY2020, an impairment charge of \$5,713K was recognised to fully impair the AMER CGU goodwill.

The key assumptions used in the VIU calculations are based on the Group's approved FY2022 forecast and the approach to determining the recoverable amount of all CGUs in the current and previous period are:

ASSUMPTIONS

APPROACH USED TO DETERMINING VALUES

Revenue growth rate:	Relevant to the market conditions and business plan
EBIT margin:	Based on past performance and management's expectations for the future
Long-term growth rate:	Typically consistent with the long-term growth rate of the economic environment or country within which the CGU operates

Note 16. Intangibles (continued)

Discount rate (Pre-tax): Risk in the industry and country in which each CGU operates.

2021	AMER CGU	APAC CGU	EMEA CGU
Revenue growth rate (% annual growth rate) from FY23-FY26 (i)	(iii)	3	4 – 7.8
EBIT margin (%) (i)	(iii)	5.0-5.4	6.9-8.4
Long-term growth rate (%)	(iii)	4	4
Pre-tax discount rate (%)	(iii)	19	23

2020	AMER CGU	APAC CGU	EMEA CGU
Revenue growth rate (% annual growth rate) from FY23-FY25 (i)	(ii)	4	5 – 8
EBIT margin (%)	5.1-6.7	4.3-4.4	8.6-11.1
Long-term growth rate (%)	(ii)	4	4
Pre-tax discount rate (%)	15	18	22

(i) Revenue and EBIT margin forecasts for FY2021 to FY2022 are based on actual forecast derived from work in hand and tender opportunities.

(ii) Cash flow projection of the AMER CGU covers a two year period.

(iii) The goodwill in the AMER CGU was fully impaired in FY2020.

SENSITIVITY TO CHANGES IN ASSUMPTIONS - APAC CGU

The recoverable amount of the APAC CGU is estimated to exceed its carrying amount at 31 December 2021 by \$39,809K.

If the pre-tax discount rate used in the VIU calculation for the APAC CGU has been 10% higher at 31 December 2021 (19% to 21%), the recoverable value would reduce by \$5,629K. The change of 10% in pre-tax discount rate represents a reasonably possible increase in the discount rate by 2% (i.e. pre-tax discount rate of 19% to 21%).

The recoverable amount of this CGU would equal its carrying amount if the following key assumption was to change:

2021	APAC CGU
EBIT margin (%)	3.1

Other than the above, the Group has considered and assessed reasonably possible changes for other key assumptions and has not identified any instances that could cause the carrying amount of its CGUs to exceed their recoverable amount.

NOTE 17. TRADE AND OTHER PAYABLES

	2021 \$'000	2020 \$'000
Trade payables	71,190	54,960
Accrued expenses and contract costs	26,093	23,280
Other payroll accruals	20,767	16,849
Retention creditor	2,123	-
VAT/GST payable	4,851	3,407
Other payables	16,156	10,019
	141,180	108,515

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

NOTE 18. INTEREST-BEARING BORROWINGS

	2021 \$'000	2020 \$'000
Current liabilities		
Loan from non-controlling interests (i)	1,146	689
Other borrowings	1,143	243
	2,289	932
Non-current liabilities		
Bank loan (ii)	34,894	-
Other borrowings	157	250
	35,051	250
	37,340	1,182

- (i) The loan incurs interest at the prime lending rate in South Africa of 7% per annum and is repayable on demand.
- (ii) The Group has drawn down \$34,555K from the Revolving Credit Facility (Facility) provided by Rand Merchant Bank on 31 August 2021. The loan has a 3 year term with a variable interest rate (that is reset every 3 months) plus a fixed margin. The Facility is secured by a first ranking security over the receivables, cash and insurance proceeds of the 14 entities controlled by the Group acting as guarantors to the Facility.

The Facility is taken up at DRA Group Holdings Pty Ltd (DRAGH), a subsidiary of the Group. These financial covenants are measured on the consolidated results and position of DRAGH which are as follows:

- Leverage ratio is less than 2 times
- Equity value of DRAGH Group is not less than ZAR 2 billion
- Interest cover ratio is not less than 4 times

DRAGH has complied with the financial covenants of its borrowing facilities during FY2021 reporting period.

Refer to note 25 for further information on interest rate and liquidity risks.

	2021 \$'000	2020 \$'000
Movements in interest-bearing borrowings		
Opening balance	1,182	321
Proceeds from borrowings	41,467	2,579
Business combinations	-	478
Repayment of borrowings (inclusive of interest)	(5,163)	(2,186)
Interest capitalised	443	29
Exchange differences	(589)	(39)
Closing balance	37,340	1,182

Note 18. Interest-bearing borrowings (continued)

FINANCING ARRANGEMENTS

Significant borrowing facilities at the reporting date:

	2021 \$'000	2020 \$'000
Total facilities		
Derivative Products Trading Facility	27,864	23,908
Vehicle and Asset Finance	10,044	6,669
Revolving Credit Facility	34,555	39,943
Global Banking Facility	17,277	13,314
	89,740	83,834
Used at the reporting date		
Derivative Products Trading Facility	-	1,470
Vehicle and Asset Finance	41	2,908
Revolving Credit Facility	34,555	-
Global Banking Facility	-	-
	34,596	4,378
Unused at the reporting date		
Derivative Products Trading Facility	27,864	22,438
Vehicle and Asset Finance	10,003	3,761
Revolving Credit Facility	-	39,943
Global Banking Facility	17,277	13,314
	55,144	79,456

RECOGNITION AND MEASUREMENT

Borrowings are initially measured at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost, using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption value is recognised over the term of the borrowings in terms of the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred unless required to be capitalised.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

NOTE 19. EMPLOYEE BENEFITS

	2021 \$'000	2020 \$'000
Current liabilities		
Employee benefits liabilities	37,648	35,887
Non-current liabilities		
Employee benefits liabilities	2,397	1,269
	40,045	37,156

RECOGNITION AND MEASUREMENT

CURRENT EMPLOYEE BENEFITS

The employee benefits liabilities for wages and salaries including non-monetary benefits, incentives, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

NON-CURRENT EMPLOYEE BENEFITS

The employee benefits liabilities for long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

NOTE 20. PROVISIONS

	2021 \$'000	2020 \$'000
Loss making contracts	44,194	46,870
Warranty provision	3,230	1,964
Other	3,019	606
	50,443	49,600

MOVEMENTS IN PROVISIONS

Movements in each provision during the current and prior financial year are set out below:

2021	Loss making contracts \$'000	Warranty provision \$'000	Other \$'000
Opening balance	46,870	1,964	766
Additional provisions recognised	792	2,923	2,245
Amounts released	(2,835)	(1,444)	(60)
Amounts utilised	(17)	(188)	(20)
Exchange differences	(616)	(25)	88
Closing balance	44,194	3,230	3,019

LOSS MAKING CONTRACTS

The provision for loss making contracts relates to expected unavoidable losses on projects. The calculation of the provision is based on the additional losses expected to be incurred to complete the contracts per the agreed scope or the compensation or penalties arising from failure to fulfil the contracts whichever is lower.

Some of these contracts are subject to disputes and claims by the clients and counter-claims by the Group. Should the Group be successful in recovering amounts, this may result in a reduction in the loss previously recorded. The status of these contracts and the adequacy of provisions are assessed at each reporting date. Refer to note 27 for further information on contingencies.

WARRANTY PROVISION

The provision for warranty relates to the estimated liabilities on certain contracts still under warranty or defect liability period at the reporting date.

Note 20. Provisions (continued)

RECOGNITION AND MEASUREMENT

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

If an entity has a contract that is onerous, a provision is recognised when expected benefits to be derived from a contract of meeting its obligation under the contract are less than the unavoidable costs.

Depending on the circumstances of the onerous contract, the provision is measured at either the present value of the expected cost of terminating the contract (if permitted) or the expected net cost of completing the contract, whichever is less.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

In determining the estimate of the provision for loss making contracts, management applies judgements to estimate the costs to complete the onerous contracts which includes estimation of labour, technical costs, penalties from the impact of delays and productivity.

NOTE 21. OTHER FINANCIAL LIABILITIES

	2021 \$'000	2020 \$'000
Current liabilities		
Put option liability (i)	-	18,890
Deferred cash consideration (ii)	15,242	-
UPRs (ii)	21,500	-
Derivative financial instruments - foreign exchange currency (FEC) contracts	153	-
Contingent consideration	2,718	-
	39,613	18,890
Non-current liabilities		
Contingent consideration	-	1,004
	39,613	19,894

(i) During the year, the put option liability was extinguished when the Company was admitted to the ASX and JSE.

(ii) These financial liabilities relate to the Stockdale share buy-back transaction. Refer to note 22 for further information.

The deferred cash consideration accrues interest at 1.41% per annum. On 31 December 2021, the Company agreed with Stockdale to extend the repayment due date to 31 March 2022.

The UPRs have been revalued as at 31 December 2021 with a \$13,000K gain recognised in profit or loss. The fair value is determined using an option pricing model with reference to the Company's share price. 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.

The key inputs used for the valuation of the UPRs are set out below:

	At initial recognition	At 31 December 2021
Value of the underlying share	\$3.95	\$3.35
Exercise price	\$3.10	\$3.10
Cap	\$6.50	\$6.50
Life of the Rights (years)	2.75	2.00
Volatility	40%	40%
Risk-free rate	0.11%	0.54%
Number of UPRs	25,000,000	25,000,000
Valuation per UPR	\$1.38	\$0.86
Total value of UPRs	\$34,500,000	\$21,500,000

RECOGNITION AND MEASUREMENT

Financial liabilities are measured at amortised cost or fair value through profit or loss (FVTPL). A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

A financial instrument that creates an obligation or potential obligation for an entity to purchase its own equity instruments for cash or another financial asset also gives rise to a financial liability. The amount of the financial liability is measured at the present value of the redemption amount with a corresponding adjustment to equity.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The Group entered into a business acquisition agreement which required additional payments based on meeting certain earnings targets and net working capital position. The Group estimated these amounts payable based on its forecasts. It is reasonably possible that these forecasts may change which may then impact management's estimations and may then require a material adjustment in the contingent consideration.

NOTE 22. ISSUED CAPITAL

	2021 Shares	2020 Shares	2021 \$'000	2020 \$'000
Ordinary shares – fully paid	54,165,974	84,101,195	160,780	162,547
Settlement shares	(4,715,456)	–	–	–
	49,450,518	84,101,195	160,780	162,547

Note 22. Issued capital (continued)

MOVEMENTS IN ORDINARY SHARES:

	Shares	\$'000
As at 1 January 2020	84,589,860	162,788
New shares issued	646,464	3,956
Buy-back of shares	(1,135,129)	(4,197)
As at 31 December 2020	84,101,195	162,547
Buy-back of shares – Stockdale (i)	(30,000,000)	-
New shares issued (ii)	126,582	500
Share issue transaction costs	-	(2,267)
On market share buy-back (iii)	(61,803)	-
	(29,935,221)	(1,767)
As at 31 December 2021	54,165,974	160,780

(i) Buy-back of shares – Stockdale

On 28 January 2021, the Company entered into a Share Buy-back Agreement with Stockdale to buy-back and cancel 30,000,000 shares in the Company. The share buy-back consideration totalled \$80,200K of cash, deferred cash consideration and the issue of 25,000,000 UPRs which were initially valued at \$34,500K.

The deferred cash consideration and the UPRs are recorded as Other financial liabilities. Refer to note 21 for further information

(ii) New shares issued

These shares were subscribed for as part of the initial public offering when the Company was admitted to the ASX.

(iii) On market share buy-back

On 19 August 2021, the Company announced its intention to undertake an on-market share buy-back of up to 10% of ordinary shares on issue over a period of 12 months. 61,803 shares have been bought back and cancelled during FY2021.

The transaction was accounted for in the share buy-back reserve in accordance with the accounting policy outlined in note 23.

(iv) 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 May 2021, the Company, the Share Schemes Lenders and loan holders executed agreements formally recording and confirming agreement reached on 1 August 2018. On that date, the parties to each Share Scheme Loan acknowledged and agreed to settle all amounts owing under the Loan and release the relevant shareholder from all obligations under the Loan amounted to \$32,942K in consideration for the assignment by that shareholder of all its rights and benefits to the sale proceeds from the sale or buy back of the Settlement Shares (as defined in the share scheme sale and loan agreement) to the Lender (or its nominee).

By operation of the power of attorney, the restrictions on disposal and escrow arrangements with respect to the Settlement Shares under the terms and conditions of the Share Schemes and Loan Deed, the Company has a relevant interest in 4,715,456 shares, comprising 8.7% of the total number of shares on issue.

For accounting purposes, these settlement shares are accounted for 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.

ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group's strategy is to maintain a gearing ratio less than 20% of total borrowings (excluding lease liabilities) to total equity. This target gearing level will enable DRA to support growth (both organic and through acquisitions) and to increase return on capital employed.

The gearing ratio at the reporting date was as follows:

	2021 \$'000	2020 \$'000
Total borrowings (excluding lease liabilities)	37,340	1,182
Total equity	266,076	308,632
Gearing ratio	14.0%	0.4%

The gearing ratio increased from 0.4% to 14.0% as a result of the new bank loan drawn down and a reduction in equity as a result of share buy-backs during the year. Refer to note 18 for further information.

RECOGNITION AND MEASUREMENT

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Ordinary shares purchased by the employees through a limited recourse loans from the Group is accounted as a share-based payment and no loan receivables, related interest expense and share capital are recognised. Any repayments made are treated as the exercise price for the shares and accounted for as equity when received.

NOTE 23. RESERVES

	2021 \$'000	2020 \$'000
Foreign currency reserve	16,469	17,638
Other reserve - Broad-Based Black Economic Empowerment Structure	3,214	3,214
Share-based payment reserve	7,381	4,038
Put option reserve	-	(18,890)
Share buy-back reserve	(114,904)	-
	(87,840)	6,000

Note 23. Reserves (continued)**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 recognises 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 recognises the value of the put option arising from a transaction with the Company's shareholders.

SHARE BUY-BACK RESERVE

The reserve recognises shares bought back from shareholders.

MOVEMENTS IN RESERVES

Movements in each class of reserve during the current and prior financial year are set out below:

	Foreign currency reserve \$'000	Other reserve - Broad Based Black Economic Empower- ment Structure \$'000	Share- based payment reserve \$'000	Put option reserve \$'000	Share buy-back reserve \$'000	Total \$'000
Balance at 1 January 2020	50,082	3,214	2,026	-	-	55,322
Exchange differences on translation of foreign operations	(35,931)	-	-	-	-	(35,931)
Reclassification of exchange differences to profit or loss on closure of foreign operations	3,488	-	-	-	-	3,488
Share-based payment expense	-	-	2,011	-	-	2,011
Put option	-	-	-	(18,890)	-	(18,890)
Balance at 31 December 2020	17,639	3,214	4,037	(18,890)	-	6,000
Exchange differences on translation of foreign operations	(1,175)	-	-	-	-	(1,175)
Reclassification of exchange differences to profit or loss on closure of foreign operations	5	-	-	-	-	5
Share-based payment expense	-	-	3,344	-	-	3,344
Put option (note 21)	-	-	-	18,890	-	18,890
Share buy-back	-	-	-	-	(114,904)	(114,904)
Balance at 31 December 2021	16,469	3,214	7,381	-	(114,904)	(87,840)

RECOGNITION AND MEASUREMENT

SHARE BUY-BACK

Where the Company acquires its own equity instruments as a result of a 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 24. DIVIDENDS

There were no dividends paid, recommended or declared during the current or previous financial year.

FRANKING CREDITS

FORMER EXEMPTING ENTITY

On 22 March 2018, DRA Global Limited formed an Australian tax consolidated group (DRA TCG) with DRA Global Limited as the head company. The franking credit balance of DRA TCG originated as a result of the subsequent acquisition of two subsidiaries which transferred their franking credit balances to the DRA TCG upon joining. Based on a series of historical transactions relevant to ownership of the DRA TCG and the two subsidiaries, DRA TCG meets the definition of a "former exempting entity" pursuant to the Income Tax Assessment Act 1997 (ITAA 1997). Broadly, a corporate tax entity is an "exempting entity" at a particular time if not less than 95% of membership interests are owned by a foreign resident or a tax-exempt entity. A corporate tax entity is a "former exempting entity" if it has, at any time, ceased to be an exempting entity and is not again an exempting entity. As a result of previously meeting the definition of an "exempting entity" and currently being a "former exempting entity", the franking credit balance of DRA TCG of \$3,821K has been converted to "exempting credits".

Australian resident investors of DRA Global Limited are not entitled to a tax offset or credits on dividends franked with "exempting credits". Except in limited circumstances, foreign resident investors of DRA Global Limited will not qualify for withholding tax exemption on dividends franked with "exempting credits". Only certain non-resident shareholders may receive a benefit from dividends franked with "exempting credits" by way of exemption from dividend withholding tax.

	2021 \$'000	2020 \$'000
Franking and exempting credits available for the subsequent financial year:		
Franking credits	-	-
Exempting credits	3,821	3,821

RECOGNITION AND MEASUREMENT

Distributions to the Company's shareholders are recognised as a liability in the Group's financial statements in the period in which the distributions are appropriately authorised and no longer at the discretion of the Company, on or before the end of the reporting period but not distributed at the end of the reporting period.

NOTE 25. FINANCIAL INSTRUMENTS

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed. These methods include:

- sensitivity analysis for interest rate and foreign exchange risk;
- ageing analysis for credit risk;
- rolling cash flow forecasts for liquidity risk; and
- beta analysis in respect of investment portfolios for market risk.

The Group's financial risk management is carried out by a central treasury department under policies approved by the Board. The central treasury department identifies, evaluates, and hedges financial risks in close co-operation with the Group's operating units. The Board is responsible for the governance framework and oversight of risk management within the Group. The Audit and Risk Committee is responsible for reviewing the governance framework and risk management within the Group. The day to day responsibility for risk management is carried out by senior management in the Group.

MARKET RISK

FOREIGN CURRENCY RISK

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar (USD) and South African Rand (ZAR).

Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations by an operating entity that are denominated in currencies other than its own functional currency (FC). Where possible the Group does not take on foreign exchange risk. The Group manages its exposure to foreign currency risk by minimising excess foreign currency balances in overseas jurisdictions not required for working capital, minimising contracting outside of its functional currencies, entering into hedging arrangement via forward exchange contracts (FEC) and transferring foreign exchange risks to clients where possible.

The Group's significant exposure to foreign currency risk at the end of the reporting period, expressed in Australian dollars (AUD), was as follows:

2021	USD held in AUD FC \$'000	USD held in CAD FC \$'000	USD held in GNF FC \$'000	USD held in ZAR FC \$'000	ZAR held in AUD FC \$'000	ZAR held in CAD FC \$'000	ZAR held in MZN FC \$'000	ZAR held in USD FC \$'000
Net financial assets/ (liabilities)	52,117	7,434	5,396	12,954	(214)	(1,064)	(805)	1,320
FEC contracts (notional amounts)	-	-	-	5,516	-	-	-	-

Note 25. Financial instruments (continued)

2020	USD held in AUD FC \$'000	USD held in CAD FC \$'000	USD held in GNF FC \$'000	USD held in ZAR FC \$'000	ZAR held in AUD FC \$'000	ZAR held in CAD FC \$'000	ZAR held in MZN FC \$'000	ZAR held in USD FC \$'000
Net financial assets/(liabilities)	(35,899)	867	10,539	23,951	2,436	(1,486)	(3,391)	96
FEC contracts (notional amounts)	-	-	-	13,637	-	-	-	-

As shown in the table above, the Group is primarily exposed to financial assets and liabilities denominated in USD and ZAR held by entities in the Group that have different functional currencies to these financial assets and liabilities. The significant exposure arises from changes in USD/AUD, USD/CAD (Canadian dollar), USD/GNF (Guinea Franc), USD/ZAR, ZAR/AUD, ZAR/CAD and ZAR/MZN (Mozambican metical) exchange rates. The sensitivity of profit or loss to changes in these exchange rates is shown below:

	Profit/(loss) before tax	
	2021 \$'000	2020 \$'000
USD/AUD exchange rate - increase 10%	5,212	(3,590)
USD/CAD exchange rate - increase 10%	743	86
USD/GNF exchange rate - increase 10%	540	1,054
USD/ZAR exchange rate - increase 10%	612	1,021
ZAR/AUD exchange rate - increase 10%	(21)	244
ZAR/CAD exchange rate - increase 10%	(106)	(149)
ZAR/MZN exchange rate - increase 10%	(80)	(339)

A 10 percent weakening of the USD/AUD, USD/CAD, USD/GNF, USD/ZAR, ZAR/AUD, ZAR/CAD and ZAR/MZN would have the equal but opposite effect on the above currencies to the amounts shown above, on the basis of all other variables held constant.

INTEREST RATE RISK

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

As at the reporting date, the Group had the following variable rate borrowings outstanding:

	2021		2020	
	Weighted average interest rate %	Balance \$'000	Weighted average interest rate %	Balance \$'000
Bank loans*	6.18%	34,894	-	-
Net exposure to cash flow interest rate risk		34,894		-

* The interest rate on the bank loan is based on a variable interest rate (reset every 3 months) plus a fixed margin.

Note 25. Financial instruments (continued)

Profit or loss is sensitive to higher/lower interest expense on bank loans. The sensitivity of profit or loss to changes in interest rates is shown below:

	Profit/ (loss) before tax 2021 \$'000	Profit/ (loss) before tax 2020 \$'000
Interest rates – increased by 25 basis points	(87)	-

CREDIT RISK

Credit risk is the risk of financial loss due to counterparties to financial instruments not meeting their contractual obligation.

The Group manages and analyses the credit risk for each new client before standard payment and delivery terms and conditions are offered. During the year, the Group has also increased its monitoring of debtor recovery as there is an increased probability of clients delaying payment or being unable to pay, due to COVID-19. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to trade clients, including outstanding receivables and committed transactions. The Group only deposits cash with major banks with a high quality credit rating.

Financial assets exposed to credit risk at reporting date were as follows:

	2021 \$'000	2020 \$'000
Contract assets	62,076	38,587
Trade and other receivables (excluding prepayments)	119,631	119,386
Cash and cash equivalents	171,024	204,809
Other financial assets – loans receivable	44,496	16,464
Other financial assets – FEC contracts	-	876
	397,227	380,122

On that basis, the expected credit loss allowance as at 31 December 2021 and 31 December 2020 was determined as follows for both trade receivables and contract assets:

	Expected credit loss rate		Carrying amount		Expected credit loss allowance	
	2021 %	2020 %	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Trade receivable						
– Current	0.9%	3.0%	67,455	66,443	578	2,004
– More than 30 days past due	1.3%	1.0%	22,549	25,689	301	259
– More than 60 days past due	2.4%	7.6%	8,806	3,858	212	295
– More than 90 days past due	50.8%	66.7%	19,223	48,752	9,761	32,537
			118,033	144,742	10,852	35,095
Contract assets	1.7%	-	63,102	38,587	1,026	-
			181,135	183,329	11,878	35,095

Movements in the expected credit loss allowance for contract assets and trade receivables during the current and prior financial year are set out below:

	Trade receivables 2021 %	Trade receivables 2020 %	Contract assets 2021 \$'000	Contract assets 2020 \$'000
Opening balance	35,095	41,947	-	-
(Decrease)/increase in expected credit loss recognised in profit or loss during the year	(4,849)	2,374	1,026	-
Receivables written off during the year as uncollectible	(79)	(2,182)	-	-
Amounts reclassified to loan receivables	(19,529)	-	-	-
Increase through business combinations	-	50	-	-
Exchange differences	214	(7,094)	-	-
Closing balance	10,852	35,095	1,026	-

OTHER FINANCIAL ASSETS AT AMORTISED COST

The gross carrying amount of loans receivables at amortised cost and expected credit loss allowance are as follows:

	2021 \$'000	2020 \$'000
Gross carrying amount		
Performing (stage 1)	42,333	12,642
Under-performing (stage 2)	-	-
Non-performing (stage 3)	4,265	4,382
	46,598	17,024

	Performing \$'000	Under- performing \$'000	Non- performing \$'000	Total \$'000
Expected credit loss allowance				
Opening balance as at 1 January 2020	79	-	4,301	4,380
(Decrease) in the expected credit loss allowance recognised in profit or loss	-	-	(165)	(165)
Exchange differences	-	-	(525)	(525)
Closing balance as at 31 December 2020	79	-	3,611	3,690
Increase in the expected credit loss allowance recognised in profit or loss	1,586	-	-	1,586
Exchange differences	(32)	-	(97)	(129)
Closing balance as at 31 December 2021	1,633	-	3,514	5,147

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The Group applies the AASB 9 *Financial Instruments* simplified approach to measuring expected credit losses which uses a lifetime expected credit loss for all trade receivables and contract assets.

In determining the recoverability of trade receivables and contract assets, consideration is given to any change in the credit quality of these financial assets from the date credit was granted up to the reporting date. The concentration of credit risk is limited due to the client base being large and geographically diverse. The Group has assessed expected credit losses, including those counterparties who have been granted credit during the period, and no further expected credit loss allowance is required.

Note 25. Financial instruments (continued)

The expected loss rates are based on the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information based on macroeconomic factors including economic conditions due to COVID-19 affecting the ability of the clients to settle amounts owed to the Group.

All other financial assets at amortised cost that are considered to be performing (loans whose credit risk is in line with original expectations), the loss allowance recognised during the period was therefore limited to 12 month expected credit losses. These instruments are considered to be low risk when they have a low risk of default or the counterparty has a strong capacity to meet its obligations within the short term.

For those other financial assets at amortised costs in default and under-performing (loans for which a significant increase in credit risk has occurred compared to original expectations) or non-performing (interest and/or principal repayments are significantly past due or it becomes probable that the customer will default), a lifetime expected credit loss was recognised during the period if these assets had not been previously impaired.

LIQUIDITY RISK

Liquidity risk is the risk that an entity in the Group will not be able to meet its obligations as they become due.

The central treasury department manages liquidity risk of the Group. The Group's liquidity risk is mitigated by the availability of funds to cover future commitments. Liquidity is reviewed continually by the central treasury department through daily cash monitoring, review of available credit facilities and rolling cash flow forecasts.

Surplus cash held by the operating entities over and above balances required for working capital management, is invested in interest bearing current accounts, term deposits and money market deposits. The Group has sufficient cash funds to meet its identified ongoing operating expenses and commitments.

REMAINING CONTRACTUAL MATURITIES

The table below analyses the Group's financial liabilities and net-settled non-derivative financial liabilities into relevant maturity groupings, based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash outflows.

	Carrying amount \$'000	Less than 1 year \$'000	Between 1 and 5 years \$'000	Over 5 years \$'000	Remaining contractual maturities \$'000
2021					
Trade and other payables	141,180	141,180	-	-	141,180
Interest-bearing borrowings	37,340	4,517	39,332	-	43,849
Lease liabilities	32,714	8,396	16,657	15,649	40,702
Other financial liabilities	39,613	39,613	-	-	39,613
	250,847	193,706	55,989	15,649	265,344
2020					
Trade and other payables	108,515	108,515	-	-	108,515
Interest-bearing borrowings	1,182	965	250	-	1,215
Lease liabilities	40,672	11,565	20,321	18,894	50,780
Other financial liabilities	19,894	18,890	1,004	-	19,894
	170,263	139,935	21,575	18,894	180,404

NOTE 26. 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

2021	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 4 \$'000
Financial assets at fair value through profit or loss	2,536	-	666	3,202
Total assets	2,536	-	666	3,202
Financial liabilities at fair value through profit or loss	153	21,500	-	21,653
Total liabilities	153	21,500	-	21,653

2020	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Level 4 \$'000
Financial assets at fair value through profit or loss	2,626	-	534	3,160
Total assets	2,626	-	534	3,160
Financial liabilities at fair value through profit or loss	-	-	-	-
Total liabilities	-	-	-	-

There were no transfers between levels during the year.

NOTE 27. CONTINGENCIES

The Group has guarantee facilities of \$203,572K (FY2020: \$206,499K) available for utilisation.

The Group has issued financial guarantees as security to various landlords and clients for leases and construction projects, to the value of \$62,222K (FY2020: \$82,831K). Provision for bank guarantees was \$14,983K (FY2020: \$14,983K) and included in provision for loss making contracts. Refer to note 20 for further information.

The Group occasionally receives legal claims arising from its operations in the ordinary course of business. Group entities may also have potential financial liabilities that arise from historical commercial contracts. Currently 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 27. Contingencies (continued)

SIGNIFICANT JUDGEMENTS AND ESTIMATES

The Group assessed and applied judgements to determine whether it has a possible or a present obligation and the likelihood of an outflow of resources being required. A provision is recognised when there is a present obligation that probably requires an outflow of resources (refer to note 20). Disclosures are made for any possible obligations or present obligations that may, but probably will not, require an outflow of resources unless the disclosures will prejudice the position of the Group in a dispute with the other party.

NOTE 28. COMMITMENTS

The Group is a lessee of various office properties as well as motor vehicles under non-cancellable lease agreements. Leases are accounted for as lease liabilities under AASB 16 *Leases*. Refer to note 15 for further information.

NOTE 29. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 31 December 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.

NOTE 30. RELATED PARTY TRANSACTIONS**PARENT ENTITY**

DRA Global Limited is the parent entity. Parent entity information is set out in note 31.

SUBSIDIARIES

Interests in material subsidiaries are set out in note 33.

ASSOCIATES

Interests in associates are set out in note 34.

JOINT OPERATIONS

Interests in joint operations are set out in note 35.

KEY MANAGEMENT PERSONNEL COMPENSATION

	2021 \$	2020 \$
Short-term employee benefits	3,094,652	4,158,230
Long-term benefits	97,436	112,756
Termination benefits	154,888	-
Share-based payments	823,050	531,742
	4,170,026	4,802,728

LOANS TO RELATED PARTIES

The following balances are outstanding at the reporting date in relation to loans with related parties:

	2021 \$	2020 \$
Loans to key management personnel (i)	-	2,213,155

(i) Alistair Hodgkinson (KMP) and DRA have acknowledged and agreed to settle all amounts owing under a loan extended to Mr Hodgkinson in respect of his participation in a share ownership scheme previously offered to senior members of management and release Mr Hodgkinson from all obligations under the Loan in consideration for the assignment by Mr Hodgkinson of his rights and benefits to the sale proceeds from the sale or buy back of the "Settlement Shares" (as defined in the share scheme sale and loan agreements) to the Lender (or its nominee). The arrangement includes 285,973 settlement shares held subject to the following terms:

- The holder will use any proceeds from a dividend or distribution paid in respect of the settlement shares, or from a sale of the settlement shares, to repay the loan.
- The holder will sell the settlement shares to a third party procured by DRA, or to DRA pursuant to a shareholder approved share buy-back.
- The holder will not dispose of the shares other than in accordance with the terms of the loan, and a holding lock has been applied to the shares for this purpose.

NOTE 31. PARENT ENTITY INFORMATION

The individual financial statements for the parent entity show the following aggregate amounts:

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Parent	
	2021 \$'000	2020 \$'000
Profit/(loss) after income tax	46,986	(3,320)
Total comprehensive income/(loss)	46,986	(3,320)

STATEMENT OF FINANCIAL POSITION

	Parent	
	2021 \$'000	2020 \$'000
Total current assets	37,094	25,135
Total assets	708,645	691,137
Total current liabilities	105,820	38,296
Total liabilities	106,819	38,606
Equity		
Issued capital	500,409	617,079
Reserves	101	(18,879)
Retained profits	101,316	54,331
Total equity	601,826	652,531

Note 31. Parent entity information (continued)**GUARANTEES ENTERED INTO BY THE PARENT ENTITY IN RELATION TO THE DEBTS OF ITS SUBSIDIARIES**

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2021 (FY2020: nil).

CONTINGENT LIABILITIES

DRA Global Limited has provided certain parent company undertakings and indemnities in respect of contract performance by members of the Group. DRA Global Limited is not party to a Deed of Cross Guarantee but has provided letters of support to certain entities of the Group.

NOTE 32. BUSINESS COMBINATIONS**ACQUISITION OF UMM CONTRACTING**

On 1 September 2020, the Group acquired a 60% interest in UMM Contracting Pty Ltd (UMM) for a net consideration of \$1,448K, comprising cash consideration (\$444K) and contingent consideration (\$1,004K) payable in FY22. The Group has the option to acquire a further 20% of UMM's shares from the sellers expiring a year after the issuing of UMM's 31 December 2021 financial statements.

The Group reassessed provisional accounting on UMM and recognised an additional \$1,202K in goodwill and contingent consideration in FY2021.

NOTE 33. INTERESTS IN SUBSIDIARIES

Material subsidiaries of the Group, which are those with the most significant contribution to the Group's revenue or profit/(loss) before tax, are as follows:

Name	Principal place of business/Country of incorporation	Ownership interest	
		2021 %	2020 %
DRA Pacific Pty Ltd	Australia	100.00%	100.00%
G&S Engineering Services Pty Ltd	Australia	100.00%	100.00%
G&S Projects Australia Pty Ltd	Australia	100.00%	100.00%
DRA Americas Inc. (Canada)	Canada	100.00%	100.00%
Senet Guinea SARLU	Guinea	100.00%	100.00%
Minopex Lesotho Pty Ltd	Lesotho	100.00%	100.00%
Ensermo Ltd	Mozambique	100.00%	100.00%
DRA Saudi Arabia LLC	Saudi Arabia	100.00%	100.00%
DRA Projects Pty Ltd	South Africa	100.00%	100.00%
DRA Projects SA Pty Ltd	South Africa	100.00%	100.00%
New SENET Pty Ltd	South Africa	100.00%	100.00%
Minerals Operations Executive Pty Ltd	South Africa	100.00%	100.00%
UMM Contracting Services Pty Ltd	South Africa	60.00%	60.00%
DRA Americas Inc. (USA)	United States	100.00%	100.00%

RECOGNITION AND MEASUREMENT

Subsidiaries are all entities (including structured or special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. In determining whether control exists the Group considers all relevant facts and circumstances, including:

- power of the investee,
- exposure, or rights, to variable returns from its involvement with the investee, and
- the ability to use its power over the investee to affect the amount of the investor's returns.

The results of subsidiaries (including special purpose entities) are included in the consolidated financial statements from the effective date of acquisition to the effective date of disposal.

Adjustments are made when necessary to the financial statements of subsidiaries to bring their accounting policies in line with those of the Group.

Non-controlling interests in the net assets of consolidated subsidiaries are identified and recognised separately from the Group's interest therein, and are recognised within equity. The proportion of the loss of subsidiaries attributable to non-controlling interests are allocated to the non-controlling interest even if this results in a debit balance being recognised for non-controlling interest.

CHANGES IN OWNERSHIP INTEREST IN SUBSIDIARIES WITHOUT A CHANGE IN CONTROL

Transactions which result in changes in ownership levels, where the Group has control of the subsidiary both before and after the transaction are regarded as equity transactions and are recognised directly in the statement of changes in equity.

The difference between the fair value of the consideration paid or received and the movement in non-controlling interest for such transactions is recognised in equity attributable to the owners of the parent.

Where a subsidiary is disposed of and a non-controlling shareholding is retained, the remaining investment is measured to fair value, with the adjustment to fair value recognised in profit or loss as part of the gain or loss on disposal of the controlling interest.

DISPOSAL OF SUBSIDIARIES

When the Group ceases to have control of any retained interest in the entity, it is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

NOTE 34. INTERESTS IN ASSOCIATES

INDIVIDUALLY IMMATERIAL ASSOCIATES

Name	Principal place of business/Country of incorporation	Ownership interest	
		2021 %	2020 %
LSL Consulting (Pty) Ltd	South Africa	25.51%	25.00%
Tekpro Projects (Pty) Ltd	South Africa	25.51%	25.00%
FineTech Minerals (Pty) Ltd	South Africa	25.00%	25.00%

	2021 \$'000	2020 \$'000
Aggregate carrying amount of individually immaterial associates	2,379	2,154
Aggregate amounts of the Group's share of:		
Profit from continuing operations	406	367
Dividends paid	(126)	(372)
Cost of initial investment	-	124
Other comprehensive loss	(55)	(283)
	225	(164)

RECOGNITION AND MEASUREMENT

An investment in associate is accounted for using the equity method, except when the investment is classified as held-for-sale in accordance with AASB 5 *Non-current Assets Held-For-Sale and Discontinued Operations*. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate, less any impairment losses.

Any goodwill on acquisition of an associate is included in the carrying amount of the investment, however, a gain on acquisition is recognised immediately in profit or loss.

Profits or losses on transactions between the Group and an associate are eliminated to the extent of the Group's interest therein.

When the Group reduces its level of significant influence or loses significant influence, the Group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

NOTE 35. INTERESTS IN JOINT OPERATIONS

Individual immaterial joint operations.

Name	Principal place of business/Country of incorporation	Ownership interest	
		2021 %	2020 %
Nokeng Joint Venture (Unincorporated)	South Africa	50.00%	50.00%

RECOGNITION AND MEASUREMENT

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor.

Investments in joint operations are proportionately consolidated from the date on which the Group has the power to exercise joint control, up to the date on which the power to exercise joint control ceases. This excludes where the investment is classified as held-for-sale in accordance with AASB 5 *Non-current Assets Held-For-Sale and Discontinued Operations*.

When the Group loses joint control, the Group proportionately reclassifies the related items which were previously accumulated in equity through other comprehensive income to profit or loss as a reclassification adjustment. In such cases, if an investment remains, that investment is measured to fair value, with the fair value adjustment being recognised in profit or loss as part of the gain or loss on disposal.

The two parties have direct rights to the assets of the joint arrangement and are jointly and severally liable for the liabilities incurred by the joint arrangement. This entity is therefore classified as a joint operation and the Group recognises its direct right to the jointly held assets, liabilities, revenues and expenses.

NOTE 36. CASH FLOW INFORMATION

RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH FROM OPERATING ACTIVITIES

	2021 \$'000	2020 \$'000
Profit after income tax expense for the year	53,454	25,619
Adjustments for:		
Impairment of loan receivable and other financial assets	1,361	366
Impairment of goodwill	-	5,713
Net gain on disposal of other financial assets	(510)	(299)
Net gain on disposal of property, plant and equipment	(763)	(1,053)
Net fair value gain on other financial assets	(14,843)	(634)
Depreciation expense	17,580	16,879
Amortisation expense	5,677	8,990
Non-cash finance income	(12,864)	(2,167)
Non-cash foreign exchange (gains)/losses	(1,900)	(7,247)
Employee share-based payment expense	3,344	2,011
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(21,899)	26,063
Increase in contract assets	(23,489)	(16,605)
Decrease in inventories	1,175	1,019
Increase in trade and other payables	73,707	31,912
Increase/(decrease) in contract liabilities	(30,326)	8,429
Decrease in provisions	(36,314)	(7,604)
Increase in current and deferred tax balances	(661)	10,110
Net cash from operating activities	12,729	101,502

CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities \$'000	Other interest bearing liabilities \$'000	Total \$'000
Balance at 1 January 2020	23,108	321	23,429
Net cash used in financing activities	(8,456)	(2,157)	(10,613)
Loans received	-	2,579	2,579
New leases	27,222	-	27,222
Changes through business combinations	49	478	527
Exchange differences	(1,251)	(39)	(1,290)
Balance at 31 December 2020	40,672	1,182	41,854
Net cash used in financing activities	(9,262)	(4,720)	(13,982)
Loans received	-	41,467	41,467
New leases	1,804	-	1,804
Exchange differences	(500)	(589)	(1,089)
Balance at 31 December 2021	32,714	37,340	70,054

NOTE 37. SHARE-BASED PAYMENTS

The expense recognised for share-based payments during the year is shown below:

	2021 \$	2020 \$
Legacy Long-Term Incentive Plan (Legacy LTIP)	-	80,571
Non-Executive Directors Share Option Plan	89,999	132,000
One-off Share Option Plan	799,145	596,907
Employee Share Option Plan	2,454,445	1,201,937
	3,343,589	2,011,415

LEGACY LTIP

On 1 July 2016, a group of management personnel (Participants) were issued 10,000,000 share appreciation rights (SARs) of DRA Group Holdings Pty Ltd (DRAGH). The rights to acquire shares at \$2.73 (ZAR 30) each were intended to vest in three equal tranches on the 2nd, 3rd and 4th anniversary of the grant date based on service conditions only and the options to acquire shares at \$2.73 (ZAR 30) would remain exercisable for a period of 5 years thereafter.

In July 2018, DRAGH was acquired by DRA Global Limited through a Scheme of Arrangement. DRAGH restructured the SARs arrangement and replaced the remaining SARs with an issue of 5,076,620 ordinary DRAGH shares at a ratio of approximately 0.6 shares per SAR. The modification has not resulted in an incremental fair value under AASB 2 *Share-Based Payments* and consequently the expense for the original grant will continue to be recognised as if the terms had not been modified. These ordinary DRAGH shares participated in the Scheme of Arrangement as ordinary shareholders in DRAGH and were replaced by ordinary shares of DRA Global Limited. The Participants agreed to restrictions on the sale of the shares received pursuant to this restructure, specifically restrictions on the sale of these shares prior to specific dates replicating the original vesting profile of the SARs – i.e. sale of 1/3rd restricted until after each of 30 June 2018, 2019, 2020, and further agreed to sell these shares back to the Company at nominal value if they leave the employment of the Group before these dates.

The SARs fully vested in FY2020.

The following table shows the number of DRA Global Limited's shares vested and outstanding at the beginning and end of the reporting period after it replaced DRAGH shares and the SARs:

	2021 Number	2020 Number
Opening balance	-	1,331,244
Vested during the year	-	(1,331,244)
Closing balance	-	-

EMPLOYEE INCENTIVE SCHEME

A new DRA Global Limited Employee Share Scheme titled "Incentive Option Plan" (the Plan) was established by the Group and approved by shareholders at the 2019 Annual General Meeting, whereby the Group may, at the discretion of the People, Culture & Remuneration Committee, grant options over ordinary shares in the Company to certain eligible key employees of the Group. The options are issued for nil exercise price and are granted in accordance with performance guidelines established by the People, Culture & Remuneration Committee.

Note 37. Share-based payments (continued)

ONE-OFF SHARE OPTION PLAN

On 14 May 2020, the Company granted a one-off share option offer to certain key employees who may not have qualified as participants of the 2016 Legacy LTIP in recognition of their significant contribution to the Group. A total of 495,000 of these zero exercise price options (ZEPO) at a fair value of \$4 per option were granted. The ZEPO will vest on 30 June 2022 subject to the employees remaining in the Company. Once vested, the options remain exercisable for a period of two years.

A summary of the options granted under the Plan is set up below:

	Exercise price of option 2021	Number of options 2021	Exercise price of option 2020	Number of options 2020
Opening balance	\$0.00	495,000	\$0.00	-
Issued during the year	\$0.00	-	\$0.00	495,000
Forfeited during the year	\$0.00	(40,000)	\$0.00	-
Closing balance		455,000	-	495,000

No options expired during the period covered by the above table.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise Price 2021	Number of Share options 2021	Exercise Price 2020	Number of Share options 2020
14 May 2020	30 June 2024	\$0.00	455,000	\$0.00	495,000
Weighted average remaining contractual life of options outstanding at the end of the period			2.5 years		3.5 years

NON-EXECUTIVE DIRECTORS SHARE OPTION PLAN

Non-Executive Directors were entitled to sacrifice options to the value of 20% of their annual remuneration (excluding superannuation and any payment made in lieu of receiving superannuation in jurisdictions where superannuation is not required to be paid) in lieu of cash and received that part of their remuneration through the issue of options. Options entitled to them have been issued during the year for the service they performed from their date of appointment to 30 June 2021. Further options entitled to them from 1 July 2021 to 31 December 2021 have been accrued as equity-settled share-based payment expense and will only be issued if shareholder approval is obtained at the next annual general meeting, or a lump sum cash payment will be paid if shareholder approval is not given. The likelihood of issuing the options is considered probable at the reporting date. There are no vesting conditions attached.

	Exercise price of option 2021	Number of options 2021	Exercise price of option 2020	Number of options 2020
Opening balance	\$0.00	-	\$0.00	-
Forfeited during the year	\$0.00	38,208	\$0.00	-
Closing balance		38,208	-	-

Grant date	Expiry date	Exercise Price 2021	Number of Share options 2021	Exercise Price 2020	Number of Share options 2020
28 September 2021	30 June 2023		38,208	\$0.00	
Weighted average remaining contractual life of options outstanding at the end of the period			1.5 years		

EMPLOYEE SHARE OPTION PLAN

The employee share Option Plan is designed to provide long-term incentives for senior managers and above (including executive Directors) to deliver long-term shareholder returns. Under the plan, participants are granted options which only vest if certain performance standards are met. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Set out below are summaries of options granted under the plan:

	Exercise price of option 2021	Number of options 2021	Exercise price of option 2020	Number of options 2020
Opening balance	\$0.00	-	\$0.00	-
Issued during the year	\$0.00	3,067,797	\$0.00	-
Forfeited during the year	\$0.00	(96,581)	\$0.00	-
Closing balance		2,971,216		-
Vested and exercisable at 31 December	\$0.00		\$0.00	
Weighted average remaining contractual life of options outstanding at the end of the period		3.75 years		

Grant	Grant date	Expiry date	Exercise Price of option	Share options 31 December 2021	Exercise Price of option	Share options* 31 December 2020	Fair value
FY2020 Share Option Plan (Tranche 1)	31/12/2020	31/03/2025	\$0.00	771,421	\$0.00	-	\$1.66
(Tranche 2)	31/12/2020	31/03/2025	\$0.00	771,421	\$0.00	-	\$3.97
FY202021 Share Option Plan (Tranche 1)	29/06/2021	31/03/2026	\$0.00	714,187	\$0.00	-	\$1.98
(Tranche 2)	29/06/2021	31/03/2026	\$0.00	714,187	\$0.00	-	\$3.90
Minново Option Plan	09/09/2021	30/06/2025	\$0.00	150,000	\$0.00	-	\$3.60

* The options under the FY2020 Share Option Plan were granted in FY2020 but the number of options were not able to be determined or issued until DRA was listed in July 2021. Refer to the disclosure in the FY2020 Annual Report.

FY2021 SHARE OPTION PLAN

During the year ended 31 December 2021, the Company granted options to the value of \$5,935K to key employees where the number of options to be issued were determined based on the Company's share price after listing, a total of 1,466,111 options were issued after the listing. The FY2021 Share Option Plan will vest subject to satisfaction of Absolute Total Shareholders Return (ATSR or Tranche 1) (50% of the grant value) and Earnings Per Share (EPS or Tranche 2) (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 FY23 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 the FY2021 to FY23 performance period is achieved respectively.

Note 37. Share-based payments (continued)

ATSR performance is measured based on the 10-day volume weighted average share price (VWAP) of the Company from date of listing and compared 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.

The assessed fair value at grant date for the options issued was independently valued after taking into account the performance hurdles and other assumptions.

The fair value of the options for the FY2021 and FY20 Share Option Plan is measured using Monte-Carlo simulation and Binomial models with the following inputs:

Assumptions	Tranche 1 ATSR Performance Hurdle	Tranche 2 EPS Performance Hurdle
Grant Date	29-Jun-21 (2020: 31-Dec-20)	29-Jun-21 (2020: 31-Dec-20)
Number of option granted*	733,055 (2020: 800,843)	733,055 (2020: 800,843)
Fair value per option*	\$1.98 (2020: \$1.66)	\$3.90 (2020: \$3.97)
Vesting Date	31-Mar-24 (2020: 31-Mar-23)	31-Mar-24 (2020: 31-Mar-23)
Expiry Date	31-Mar-26 (2020: 31-Mar-25)	31-Mar-26 (2020: 31-Mar-25)
Expected Future Volatility	40% (2020: 35%)	40% (2020: 35%)
Risk Free Rate	0.78% (2020: 0.34%)	0.78% (2020: 0.34%)
Dividend Yield	3% (2020: 3%)	3% (2020: 3%)
Share price at issue date*	\$4.24 (2020: \$4.24)	\$4.24 (2020: \$4.24)

* The number of option granted and fair value per option has been determined after the Company was listed in July 2021. The share price was determined based on 10-day volume weighted average share price of the Company from the date of listing (9 July 2021).

MINNOVO OPTION PLAN

Minnovio options were issued to current employees who were previously shareholders of a subsidiary acquired by DRA. The additional options issued to them will retain and incentivise these key employees to remain with DRA for at least another two years.

A total of 150,000 of the options at a fair value of \$3.60 per option were granted. The options will vest at the end of 30 June 2023 subject to the employees remaining in the Company. Once vested, the options remain exercisable for a period of two years.

	Exercise price of option 2021	Number of options 2021	Exercise price of option 2020	Number of options 2020
Opening balance	\$0.00	-	\$0.00	-
Issued during the year	\$0.00	150,000	\$0.00	-
Forfeited during the year	\$0.00	-	\$0.00	-
Closing balance		150,000		-
Weighted average remaining contractual life of options outstanding at the end of the period		3.5 years		

RECOGNITION AND MEASUREMENT

The fair value of equity-settled share-based payments granted to employees under the Employee Incentive Scheme is recognised as an employee benefit expense over the relevant service period, being the vesting period of the share-based payments, with a corresponding increase in equity. The fair value is measured at the grant date of the share-based payments including any market performance condition and impact of any non-vesting conditions. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates in profit or loss with a corresponding adjustment to equity.

SIGNIFICANT JUDGEMENTS AND ESTIMATES

VALUATION OF SHARE-BASED PAYMENTS

The Group is required to estimate the fair value of equity-settled share-based payment transactions with employees at the grant date. Estimating the fair value requires determination of the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the earning multiples, expected life of the share rights, volatility and dividend yield where applicable. The Group has applied the earning multiples model or Black Scholes option pricing model and Binomial Model to estimate the fair value of the rights with non-market-based vesting conditions. A hybrid employee share option pricing model and the Monte Carlo simulation have been applied to estimate the fair value of rights with market-based vesting conditions.

SHARE-BASED PAYMENT EXPENSE

The recognition of share-based payment expense involves making estimates and assumptions about the number of equity instruments being vested. The vesting of these equity instruments is subject to achievement of predetermined market and non-market performance conditions, and service conditions. If the non-market performance conditions or service conditions are not met during the vesting period then the estimated number of equity instruments can be revised, reducing the share-based payment expense.

NOTE 38. REMUNERATION OF AUDITORS

The following fees were paid or payable for services provided by BDO Audit (WA) Pty Ltd, the auditor of the Company, its network firms and other unrelated firms:

	2021 \$	2020 \$
Audit services – BDO Audit (WA) Pty Ltd		
Audit or review of the financial statements	641,433	901,923
Other services – BDO Audit (WA) Pty Ltd		
Tax services	566,112	237,455
Corporate advisory services	-	25,228
IPO related services	511,612	-
Remuneration advisory services	47,200	153,900
	1,124,924	416,583
Total services – BDO Audit (WA) Pty Ltd	1,766,357	1,318,506
Audit services – BDO network firms		
Audit or review of the financial statements	949,852	870,798
Other services – BDO network firms		
Tax services	183,363	268,070
Corporate advisory services	148,049	198,373
	331,412	466,443
Total services – BDO network firms	1,281,264	1,337,241
Audit services – other firms (non-BDO)		
Audit or review of the financial statements	143,254	135,013
Other services – other firms (non-BDO)		
Tax services	90,085	98,460
Total services from other firms (non-BDO)	233,339	233,473

NOTE 39. NEW STANDARDS AND INTERPRETATIONS

NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The Group has applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2021:

- AASB 2020-4 Amendments to Australian Accounting Standards – Covid-19-Related Rent Concessions (AASB 16), and
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2 (AASB 4, AASB 7, AASB 9, AASB 16 & AASB 139).

The adoption of these Accounting Standards and Interpretations did not have a material impact on the financial performance or position of the Group.

NEW ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

A number of new standards, amendments to standards and interpretations are effective for annual reporting periods beginning on or after 1 January 2022, and have not been applied in preparing the consolidated financial statements. The Group's assessment of the impact of these new standards, amendments to standards and interpretations is set out below.

Description	AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities
Impact on Group Financial Report	It is not expected that there will be a material impact to the Group as a result of this amendment to the standard.
Application of standard	1 July 2021
Description	AASB 2020–3 Amendments to Australian Accounting Standards – Annual Improvements 2018–2020 and Other Amendments (AASB 1, AASB 3, AASB 9, AASB 116, AASB 137 & AASB 141)
Impact on Group Financial Report	It is not expected that there will be a material impact to the Group as a result of this amendment to the standard.
Application of standard	1 January 2022
Description	AASB 2020–1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (AASB 101) AASB 2020–6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date (AASB 101)
Impact on Group Financial Report	It is not expected that there will be a material impact to the Group as a result of this amendment to the standard.
Application of standard	1 January 2023
Description	AASB 2021–2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates (AASB 7, AASB 101, AASB 108, AASB 134 & AASB Practice Statement 2)
Impact on Group Financial Report	It is not expected that there will be a material impact to the Group as a result of this amendment to the standard.
Application of standard	1 January 2023
Description	AASB 2021–5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction (AASB 112)
Impact on Group Financial Report	It is not expected that there will be a material impact to the Group as a result of this amendment to the standard.
Application of standard	1 January 2023

Several other amendments to standards and interpretations will apply on or after 1 January 2022, and have not yet been applied, however they are not expected to have a material impact the Group's consolidated financial statements.

NOTE 40. OTHER SIGNIFICANT ACCOUNTING POLICIES**OTHER REVENUE**

Other revenue is recognised when it is received or when the right to receive payment is established.

DIVIDENDS

Dividends are recognised, in profit or loss, when the right to receive payment has been established.

INTEREST

Interest is recognised, in profit or loss, using the effective interest rate method unless it is doubtful.

GOVERNMENT GRANTS

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Note 40. Other significant accounting policies (continued)

CURRENT AND NON-CURRENT CLASSIFICATION

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

DERIVATIVE FINANCIAL INSTRUMENTS

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

INVESTMENTS AND FINANCIAL ASSETS**RECOGNITION AND DERECOGNITION**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

CLASSIFICATION AND INITIAL MEASUREMENT OF FINANCIAL ASSETS

Financial assets are classified according to their business model and the characteristics of their contractual cash flows and are initially measured at fair value adjusted for transaction costs (where applicable).

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following two categories:

- Financial assets at fair value through profit or loss (FVTPL)
- Financial assets at amortised cost

FINANCIAL ASSETS AT FVTPL

Financial assets at FVTPL comprise quoted and unquoted equity instruments which the Group had not irrevocably elected, at initial recognition or transition, to classify at FVOCI. This category would also include debt instruments whose cash flow characteristics fail the SPPI (Solely Payments of Principal and Interest) criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect and sell contractual cash flows.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

FINANCIAL ASSETS AT AMORTISED COST

Financial assets with contractual cash flows representing SPPI and held within a business model of 'hold to collect' contractual cash flows are accounted for at amortised cost using the effective interest method. The Group's trade and most other receivables fall into this category of financial instruments.

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

EXPECTED CREDIT LOSSES

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and FVTOCI.

The ECL methodology applied depends on whether there has been a significant increase in credit risk. The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the ECL losses. In using this practical expedient, the Group uses its historical experience, external indicators and forward looking information to calculate the ECL using a provision matrix. For other financial assets, the ECL is based on either the 12-month or lifetime ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. When there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. In all cases, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due. The Group considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses, at the end of each reporting period, whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit (CGU) to which the asset belongs is determined.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value-in-use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being operating segments.

An impairment loss is recognised for CGUs if the recoverable amount of the unit is less than the carrying amount of the units. The impairment loss is allocated to reduce the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the CGU; and
- then, to the other assets of the unit, pro rata on the basis of the carrying amount of each asset in the unit.

The Group assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss.

DIRECTORS' DECLARATION

In the directors' opinion:

- the consolidated financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the consolidated financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the consolidated financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the financial year 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.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the directors



Peter Mansell
Chairperson



Andrew Naudé
Chief Executive Officer

25 February 2022



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

As lead auditor of DRA Global Limited for the year ended 31 December 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 audit, and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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, 25 February 2022

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRA GLOBAL LIMITED

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INDEPENDENT AUDITOR'S REPORT

To the members of DBA Global Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of DRA Global Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the Corporations Act 2001, including:

- (ii) Giving a true and fair view of the Group's financial position as at 31 December 2021 and of its financial performance for the year ended on that date; and
- (iii) Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Report section of our report. We are independent of the Group in accordance with the Corporations Act 2001 and 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue from Contracts with Customers

Key audit matter	How the matter was addressed in our audit
The Group generates a significant portion of its revenue from long-term customer contracts with customers. Within the Projects revenue disclosed in Note 3, a significant proportion is derived from fixed price construction contracts. Revenue recognition is a key audit matter due to the significance of revenue generated from construction contracts and the accounting for construction contracts involving significant levels of judgement around: • Determining the transaction price; • Assessing the stage of completion of satisfying the identified performance obligation; • Forecasting the costs to complete the contractual work; • Determining the contractual entitlement and assessing the probability of customer approval of changes in scope and/or price to be recognised as variable consideration.	Our procedures included, but were not limited to the following: • Understanding management's controls and processes over the significant estimates made in the recognition of revenue; • Obtaining an understanding of the terms and conditions of a sample of contracts with customers and comparing to management's assessment of the contract; • Assessing forecast costs to complete through discussions with project managers and commercial personnel and through these discussions enquiring as to challenges or issues faced in completing the contractual work and considering any resulting impact on revenue recognition; • Testing a sample of actual costs incurred on contracts with customers and agreeing to supporting documentation; • Assessing management's assessment of the transaction price for a sample of contracts with customers and challenging the estimates made on variable consideration and uncertified claims; • Reviewing the accounting for revenue on a project where DRA recommenced work which had been suspended in the prior year due to the customer experiencing financing issues; • Considering exposure to penalties and liquidated damages for late delivery of contract works; and • Considering the adequacy of disclosures in Note 3 of the financial report.



Impairment testing of Goodwill

Key audit matter	How the matter was addressed in our audit
Note 16 of the financial report discloses the carrying value of goodwill and the assumptions which have been used by the Group in testing for impairment. As required by Australian Accounting Standards, the Group has performed an annual impairment test for each cash generating unit ("CGU") to which goodwill has been allocated to determine whether the recoverable amount exceeds or is below the carrying amount. Impairment testing of goodwill was assessed as being a key audit matter as management's assessment of the recoverable amount is based on value in use ("VIU") cash flow forecasts which requires estimates and judgements about future financial performance. The VIU calculations include significant judgements such as: • Revenue forecasts; • Long term growth rates; • Forecast gross profit margins; and • Discount rates.	Our procedures included, but were not limited to the following: • Evaluating management's determination of the Group's CGU's to ensure they are appropriate, including being at a level no higher than the operating segments of the Group; • Evaluating the processes and controls in place over the Groups budgeting process which produces the forecasts for FY22 which the VIU cash flow forecasts are based on; • Understanding the business processes undertaken by management in assessing for impairment; • Holding discussions with management to understand the financial performance of each CGU and the plan for the coming 12 months. This included understanding the changes implemented within the APAC business to improve profitability in FY22; • Corroborating management's expectations to supporting documentation where applicable; • Challenging key assumptions used in the VIU such as gross profit margins and probabilities applied to revenue opportunities; • Involving our internal valuation specialists in assessing the discount rates applied to each CGU; • Testing the arithmetic accuracy of the VIU models; • Performing sensitivity analysis to stress test the recoverable amount using different key assumptions; and • Considering the adequacy of disclosures in Note 16 of the financial report.



Derecognised Contract Provisions and Contingent Liabilities

Key audit matter	How the matter was addressed in our audit
At 31 December 2021, the Group's statement of financial position includes a provision for loss making contracts as disclosed in Note 20. In addition, at times the Group is exposed to risks associated with claims, counterclaims, disputes and litigation for its contracts with customers that may be material. There is a significant level of estimation and judgement involved in the calculation of the provision. While the assessment of potential liabilities associated with claims, counterclaims, disputes and litigation can require significant judgement to be exercised based on the information available to the Group at the time. This was determined to be a key audit matter due to the nature of the provision and its material impact on the financial report.	Our procedures included, but were not limited to the following: • Reviewing the minutes of the Group's key governance meetings (Audit & Risk Committee, Board of Directors) and reviewing the Group risk register; • Reviewing position papers prepared by management on key contracts with customers, including the updated assessment of provisions and contingent liabilities; • Agreeing details included in management's position papers to relevant supporting documentation and holding discussion with project managers and regional executives to obtain an update on the status; • Reviewing the year end provisions balance and obtaining support for movements in the provision during the year; • Holding discussions with in-house legal counsel on the status of certain matters relevant to the provisions and contingent liabilities; and • Considering the adequacy of disclosures in Note 20 and Note 27 of the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/admin/file/content102/c3/ari_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 2021.

In our opinion, the Remuneration Report of DRA Global Limited, for the year ended 31 December 2021, complies with section 300A of the *Corporations Act 2001*.



Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

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

Neil Smith
Director

Perth, 25 February 2022

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ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange and not shown elsewhere in DRA's 2021 Annual Report is detailed below. The information was current as at 28 January 2022.

DISTRIBUTION OF EQUITY SECURITIES

The number of holders, by size of holding, in each class of equity securities is set out below.

	Shares			Upside Participation Rights			ZEPOs* Expiring 28/9/2023		
	# Holders	Total	%	# Holders	Total	%	# Holders	Total	%
1 – 1,000	511	131,333	0.24				1	943	2.47
1,001 – 5,000	218	565,603	1.04						
5,001 – 10,000	57	409,034	0.76				2	16,982	44.44
10,001 – 100,000	97	3,428,725	6.33				1	20,283	53.09
100,001 – and over	73	49,631,279	91.63	2	25,000,000	100.00			
Total	956	54,165,974	100.00	2	25,000,000	100.00	4	38,208	100.00%

	ZEPOs* Expiring 31/3/2024			ZEPOs* Expiring 31/3/2025			ZEPOs* Expiring 30/6/2025		
	# Holders	Total	%	# Holders	Total	%	# Holders	Total	%
1 – 1,000									
1,001 – 5,000				10	41,308	2.58			
5,001 – 10,000				36	281,315	17.56			
10,001 – 100,000	15	495,000	100.60	44	1,075,643	67.16	6	150,000	100.00
100,001 – and over				1	203,420	12.70			
Total		495,000	100.00	91	1,601,686	100.00	6	150,000	100.00

	ZEPOs* Expiring 31/3/2026		
	# Holders	Total	%
1 – 1,000			
1,001 – 5,000	43	169,816	11.58
5,001 – 10,000	30	235,848	16.09
10,001 – 100,000	28	737,020	50.27
100,001 – and over	2	323,427	22.06
Total	103	1,466,111	100.00

* ZEPO is a zero exercise price option.

There were 316 holders of less than a marketable parcel of shares based on the closing price of shares on the ASX on 28 January 2022.

EQUITY SECURITY HOLDERS

The names of the twenty largest holders of quoted equity securities (fully paid ordinary shares) are listed below.

	Name of Holder	Number Held	Percentage of Issued Shares
1	GENCY SUPPORT LIMITED	6,642,339	12.26%
2	LION STEPS PTY LTD	4,123,340	7.61%
3	ANCHOR HIGH EQUITY WORLDWIDE SNN QI	3,913,423	7.22%
4	VMF INVESTMENTS LIMITED	3,075,615	5.68%
5	JAMIJEN HOLDINGS PTY LTD <THE INTEENWE A/C>	2,695,539	4.98%
6	HARRINGTON INVESTMENT HOLDINGS	1,905,536	3.52%
7	CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	1,522,471	2.81%
8	KILMARNOCK INVESTMENTS HOLDINGS (PT	1,463,314	2.70%
9	HOWGOLD ENTERPRISES PTY LTD	1,223,660	2.26%
10	WOODMEAD ASHES (PTY) LTD	1,100,110	2.03%
11	ALISTAIR RUTH PTY LTD	884,639	1.63%
12	LAELA BAYLEY PTY LTD <THE NUMBER ELEVEN A/C>	861,142	1.59%
13	ANDREW JAMES NAUDE	830,979	1.53%
14	GSPC TRADING AND REFINING PTY LTD	799,990	1.48%
15	WRAY CARVELAS <THE WWC FAMILY A/C>	647,528	1.20%
16	SALT ROCK HOLDINGS	633,607	1.17%
17	JDAD ASSET HOLIDNGS PTY LTD	622,222	1.15%
18	NABUGRAPH PTY LTD	622,222	1.15%
19	PRO LIBERI INVESTMENTS PTY LTD	622,222	1.15%
20	THESTFIELD PTY LTD	622,222	1.15%
		34,812,120	64.27%

The 25,000,000 Upside Participation Rights on issue are held by BPESAM IV M Limited (holds 12,500,000) and BPESAM IV N Limited (holds 12,500,000).

SUBSTANTIAL HOLDERS

The following shareholders have declared a relevant interest in the number of voting shares at the date of giving a substantial shareholder notice under Part 6C.1 of the Corporations Act 2001 as at 22 January 2022.

	Ordinary Shares	
	Number Held	Percentage
DRA Global Limited*	34,295,426	63.32%
Gency Support Limited	6,642,339	12.26%
Leon and Stella Uys (Lion Steps Pty Ltd)	4,123,340	7.61%
Mponjwane Investments Proprietary Limited	3,913,423	7.22%
VMF Investments Limited	3,075,615	6.99%
Andrew Naudé	3,526,518	6.51%

* DRA Global Limited is not the registered holder of any DRA shares but holds a relevant interest in those shares subject to voluntary escrow or a share scheme loan holding lock.

There may be differences between this information and the list of the top 20 largest shareholders due to differences between registered holder details and the nature of a holder's relevant interest in voting shares.

VOTING RIGHTS

The voting rights attaching to each class of equity securities are detailed below.

- Fully paid ordinary shares – each holder present at a general meeting (whether in person, online, by proxy or by representative) is entitled to one vote on a show of hands, or on a poll, one vote for each share subject to any voting restrictions that may apply.
- Options – no voting rights.

ON-MARKET SHARE BUY-BACK

DRA is currently conducting an on-market buy-back of its shares on both the ASX and the JSE. DRA last bought back shares on 10 December 2021.

VOLUNTARILY ESCROWED SECURITIES

DRA has 34,078,625 fully paid ordinary shares subject to voluntary escrow. The voluntary escrow period ends at the close of trading on ASX on the day of announcement of DRA's full year financial results to the ASX for the financial year ended 31 December 2021 (being 25 February 2022).

ASX WAIVER CONDITIONS

As part of DRA's listing on the ASX it obtained a confirmation from the ASX that the terms of the 25,000,000 upside Participation Rights proposed to be issued (and now on issue) to BPESAM IV Limited and BPESAM IV N Limited by the Company are appropriate and equitable for the purposes of ASX listing rule 6.1 on the following conditions.

The Company discloses the following in each annual report, annual audited financial accounts and half yearly report issued by the Company in respect of any period during which any of the UPRs remain on issue or were converted or cancelled:

- the number of UPRs on issue during the relevant period – there were 25,000,000 UPRs on issue during the reporting period, and there remains 25,000,000 UPRs on issue as at the date of this report;
- a summary of the terms and conditions of the UPRs, including without limitation the number of ordinary shares into which they are convertible and the relevant milestones – please see below;
- whether any of the UPRs were converted or cancelled during that period – no UPRs were converted or cancelled during the reporting period; and
- the number of UPRs converted during the period – zero UPRs were converted during the reporting period.

Summary of Terms and Condition of the UPRs

Issuer	DRA Global Limited.
Initial holders	BPESAM IV Limited and BPESAM IV N Limited.
Initial grant	25,000,000 UPRs.
UPR value	The value of each UPR is determined as the 30-day VWAP of Shares minus \$3.10. The UPR value of each UPR is capped at \$3.40, such that the maximum value of all UPRs currently held is \$85,000,000.
Conversion to Shares	The UPRs convert into the shares based on the UPR value at the time of exercise, divided by the 30-day VWAP of shares at the time of UPR exercise.
Cash settlement option	DRA may elect to settle the exercise of UPRs by payment of the UPR value using immediately available funds.

Commencement date	Announcement of DRA's FY2021 full year financial results to the ASX. The holder will be released from these escrow obligations with respect to 50% of the UPRs if at any date from the ASX listing the 30-day VWAP of shares exceeds the Offer Price by 25%.
Expiry date	31 December 2023.
Exercise period	The UPRs may only be exercised between the commencement date and the expiry date.
Early exercise	The holders may elect to reduce up to 30% of the UPRs prior to the expiry date if they do not elect to reduce their UPR holding via the IPO offer.
Automatic exercise on the expiry date	If the UPRs have a UPR value greater than zero and have not been exercised prior to the expiry date, then the UPRs are deemed to be exercised on the expiry date and subsequently cancelled.
Expert valuation	If the total value of the shares issued under or sold into the IPO offer or traded from the ASX listing date to the expiry date is less than \$20,000,000, and the UPRs have not been fully exercised before the expiry date, the UPR value will be determined by an independent expert based on a fair market valuation of a Share rather than the 30-day VWAP.
Minimum exercise	The minimum number of UPRs that can be exercised at any one time is three (3) million.
Liquidity event	If DRA announces: • receipt of a takeover bid under Chapter 6 of the Corporations Act 2001 to acquire all or a majority of the shares, and that takeover bid is recommended by the DRA Board of Directors or accepted by the holders of more than 50% of the shares; • a scheme of arrangement under Part 5.1 of the Corporations Act 2001 to acquire all of the shares; or • a transaction to acquire all (or a majority) of the business assets of DRA, The UPR holders are entitled to an early exercise of their UPRs for shares (based on the price for shares implied by the liquidity event described above) so that they may participate in the relevant transaction as a shareholder.
Adjustments	The 'strike price' (\$3.10), 'maximum cap' (\$6.50) or the number of UPRs (25,000,000) (or a combination thereof) will be subject to adjustment in the following circumstances: • where DRA pays a dividend or capital distribution to the holders of shares; • for bonus issues, share splits and share consolidations; and • for pro-rata entitlement offers. None of these adjustments increase the maximum value of the UPRs. There are no other adjustments to the UPR terms and conditions.
Buy back right	DRA may buy back the UPRs at any time for cash consideration by paying the maximum value of the UPRs to the UPR holders.
Transferability	The UPRs may be transferred to a third party purchaser, provided that DRA has a right of first offer on the sale of the UPRs to a third party. If DRA exercises that right it must purchase the shares on the same terms as they were offered to the third party.

GLOSSARY

AGM	Annual general meeting
APAC/AMER	Australia, Asia Pacific and Americas
ASX	Australian Securities Exchange
B-BBEE	Broad-based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operating Officer
DFS	Definitive Feasibility Study
EBIT	Earnings before net finance income and income tax expense
EBITA	Earnings before net finance income, income tax expense and amortisation
EBITDA	Earnings before net finance income, income tax expense, depreciation and amortisation
EMEA	Europe, the Middle East and Africa
EPC	Engineering, procurement and construction
EPCM	Engineering, procurement, and construction management
EPS	Earnings per share
ESG	Environmental, Social, and Governance
HSE	Health, Safety and Environment
IPO	Initial public offering
JSE	Johannesburg Stock Exchange
KMP	Key management personnel
LTI	Long-term incentive
LTIP	Long-term incentive plan
LTIFR	Lost time injury frequency rate
STI	Short-term incentive
STIP	Short-term incentive plan
TRIFR	Total recordable injury frequency rate
TSR	Total shareholder return
VWAP	Volume weighted average price

DISCLAIMER

NON-IFRS FINANCIAL INFORMATION

DRA's results are reported under the Australian Accounting Standards 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 *Independent Non-Executive Director and Chairman*

Andrew Naudé *Managing Director and Chief Executive Officer*

Kathleen Bozanic *Independent Non-Executive Director*

Lee (Les) Guthrie *Independent Non-Executive Director*

Paulus (Paul) Lombard *Independent Non-Executive Director*

Jonathan (Johnny) Velloza *Independent Non-Executive Director*

CHIEF FINANCIAL OFFICER

Adam Buckler

CHIEF OPERATING OFFICER

Alistair Hodgkinson

COMPANY SECRETARY

Ben Secrett

REGISTERED OFFICE AND BUSINESS ADDRESS

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Telephone: +61 8 6163 5900

POSTAL ADDRESS

PO Box 3130, East Perth WA 6892, Australia

SHARE REGISTER

Computershare Investor Services Pty Ltd

Level 11, 172 St Georges Terrace, Perth WA 6000, Australia

Telephone: +61 8 9323 2000

and at

Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196, Gauteng, South Africa

Telephone: +27 11 370 5000

www.computershare.com

AUDITOR

BDO Audit (WA) Pty Ltd

Level 9, Mia Yellagonga Tower 2, 5 Spring Street
Perth WA 6000, Australia

PRINCIPAL BANKER

HSBC Bank Australia (HSBC)

Level 1, 188-190 St Georges Terrace, Perth WA 6000, Australia

Rand Merchant Bank (RMB)

1 Merchant Place, Cnr Fredman Drive & Rivonia Road
Sandton, Johannesburg Gauteng 2196, South Africa

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

WEBSITE AND EMAIL CONTACT

www.draglobal.com

info@draglobal.com

ANNUAL GENERAL MEETING

The Annual General Meeting of DRA Global Limited is scheduled to be held on 17 May 2022 at a time and places (in both Perth and Johannesburg) to be announced.



draglobal.com

APAC OFFICES:

Brisbane, Perth, Adelaide, Mackay, Beijing

AMER OFFICES:

Toronto, Montreal, Pittsburgh, Lima, Santiago

EMEA OFFICES:

Johannesburg, Cape Town, Harare,
Windhoek, Maputo, Riyadh, Accra, Moscow,
Gaborone

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