CONDENSED CONSOLIDATED UNAUDITED INTERIM

RESULTS

for the six months ended 31 December 2022 and cash dividend declaration

REWIND

DRDGOLD LIMITED

HIGHLIGHTS

Revenue increased by 6% to **R2 654.3 million**	Operating profit decreased by 5% to **R792.4 million**	All-in sustaining costs margin of **17%**	Interim cash dividend of **20 SA cps**	Headline earnings increased by 8% to **R535 million**

REVIEW OF OPERATIONS

		Six months ended 31 December 2022	Six months ended 31 December 2021	% change[1]
Gold production	kg	**2 731**	2 886	(5)
	oz	**87 804**	92 787	(5)
Gold sold	kg	**2 762**	2 891	(5)
	oz	**88 801**	92 948	(5)
Cash operating costs	R per kg	**674 113**	576 444	17
	US$ per oz	**1 210**	1 193	1
All-in sustaining costs	R per kg	**797 972**	665 583	20
	US$ per oz	**1 432**	1 378	4
Average gold price received	R per kg	**961 022**	863 108	11
	US$ per oz	**1 725**	1 786	(3)
Average exchange rate	R/US$	**17.33**	15.02	15
Operating profit	R million	**792.4**	832.0	(5)
Operating margin	%	**29.9**	33.3	(10)
All-in sustaining costs margin	%	**17.0**	23.0	(26)
Headline earnings	R million	**535.0**	495.9	8
	SA cents per share ("**cps**")	**62.3**	58.0	7

[1] Percentage change is rounded to the nearest percent and is based on the amounts as presented, which are rounded to the nearest hundred thousand Rand.

Rounding of figures may result in computational discrepancies.

SHAREHOLDER INFORMATION

DRDGOLD Limited
Incorporated in the Republic of South Africa
Registration number: 1895/000926/06
JSE share code: DRD
NYSE trading symbol: DRD
ISIN: ZAE000058723
(**"DRDGOLD"** or the **"Company"** or the **"Group"**)

Price of stock traded	**JSE (R)**	**NYSE (US$)[1]**
• 12-month intra-day high	12.76	0.78
• 12-month intra-day low	8.64	0.47
• Close	12.24	0.74

*[1] This data represents per share data and not American Depository Receipt ("**ADR**") data: one ADR reflects 10 ordinary shares.*

Issued capital
864 588 711 ordinary shares of no par value (30 June 2022: 864 588 711)
3 896 663 treasury shares held within the Group (30 June 2022: 6 612 266)
5 000 000 cumulative preference shares (30 June 2022: 5 000 000)

Market capitalisation	**Rm**	**US$m**
As at 31 December 2022	10 583	640
As at 30 June 2022	8 542	508

RESULTS

The condensed consolidated unaudited interim financial statements of DRDGOLD for the six months ended 31 December 2022 are available on DRDGOLD's website (www.drdgold.com) as well as at the Company's registered office.

FORWARD LOOKING STATEMENTS

Many factors could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, adverse changes or uncertainties in general economic conditions in the markets we serve, a drop in the gold price, a sustained strengthening of the Rand against the Dollar, regulatory developments adverse to DRDGOLD or difficulties in maintaining necessary licenses or other governmental approvals, changes in DRDGOLD's competitive position, changes in business strategy, any major disruption in production at key facilities or adverse changes in foreign exchange rates and various other factors.

These risks include, without limitation, those described in the section entitled "Risk Factors" included in our annual report for the fiscal year ended 30 June 2022, which we filed with the United States Securities and Exchange Commission on 28 October 2022 on Form 20-F. You should not place undue reliance on these forward-looking statements, which speak only as of the date thereof. We do not undertake any obligation to publicly update or revise these forward-looking statements to reflect events or circumstances after the date of this report or to the occurrence of unanticipated events. Any forward-looking statements and financial information included in this announcement have not been reviewed and reported on by DRDGOLD's auditors.

FOR FURTHER INFORMATION

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DEAR SHAREHOLDER

SIX MONTHS ENDED 31 DECEMBER 2022 VS SIX MONTHS ENDED 31 DECEMBER 2021

OVERVIEW

We are pleased to share the results of our performance for the first half of the 2023 financial year ("**HY1 FY2023**"). In doing so, we draw comparisons with the first six months of the 2022 financial year ("**HY1 FY2022**").

In comparing gold production for HY1 FY2023 to that of HY1 FY2022, one will note a reduction of 155kg from 2 886kg to 2 731kg. The operating details we supply explain this – recovery efficiencies were good, as was plant performance, and recovered grade was marginally higher. Volume throughput was sharply down however, from 14.5Mt to 12.8Mt.

A small part of this was attributable to late phase clean-up at two Ergo sites where, as we lift the last material from the floor of the reclamation site, volumes are typically lower, and head grades slightly higher. By now we anticipate these late phase clean-up trends by timing the commissioning of new reclamation sites to overlap with the last few weeks of site clean-up, to top up the anticipated shortfall in tonnes. This time round, these efforts were frustrated and pushed out by firstly, an opportunistic appeal brought by an affected community against the granting of a Water Use Licence ("**WUL**") on one of the new sites, and secondly, the belated introduction of a new, more onerous standard by the Department of Water and Sanitation ("**DWS**") for the design of spillage dams, also called emergency paddocks, which are installed at reclamation sites to capture any spillages that may occur. The DWS refused to issue WULs for two of these sites until the paddock design included these measures.

The suspension brought about by the appeal has since been lifted by the Minister of Water and Sanitation, and we believe that licensing for the follow-up sites should be in place by March 2023.

An issue that had a far greater effect relates to the systematic implosion of local government services – in this case, Johannesburg City Power. Its inability to maintain electricity supply services and slow turnaround in fixing breakdowns have forced us to abandon the City Power supply lines to a set of pumps at City Deep that deliver up to one third of Ergo's volume throughput, and to construct a line that connected directly with an Eskom Holdings SOC Limited ("**Eskom**") substation. Since this link was established early in December 2022, power lasts as long as Eskom keeps on supplying, and with ongoing load shedding, power is not interrupted, just reduced in terms of the load curtailment arrangement that applies.

These dynamics are all part of the challenges of mining in South Africa - par for the course. The bigger issue is Eskom itself, whose decaying performance is part of an enduring negative trend. There is no near-term solution in sight, and what we and other South African mines are experiencing, is symptomatic of an electricity service provider irredeemably distressed. So, although our volume trends are improving and should stabilise by the end of March 2023, the availability and cost of electricity remain amongst our biggest longer-term risks.

The solution to this is to reduce our reliance on Eskom, and to this end, work on our own solar plant is progressing well – the installation of the two 22KV lines that integrate Ergo and the Brakpan/Withok Tailings Storage Facility ("**TSF**") into a dual Eskom and solar grid is just about finished, as is the Medium Voltage substation at Brakpan/Withok TSF through which ultimately, surplus power will be delivered back into the grid. Civils on the 20MW first phase of the solar farm, comprising roughly 44 000 solar panels, have started and we hope to have this up and running by financial year end.

Despite the drop in volume throughput, Ergo still finished well up in terms of net cash flow, and with Far West Gold Recoveries also finishing strongly, we are trending toward mid-range of our production guidance of between 160 000 and 180 000 ounces. With the gold price hovering close to the R1 000 000/kg mark, headline earnings per share was positive at 62.3 SA cents, and free cash flow for the period was R215.4 million, allowing us to declare an interim cash dividend of 20 cents per ordinary share. FY2023 will be the 16th consecutive year that DRDGOLD will have paid a dividend.

A detailed breakdown of our operating and financial performance, with period-on-period comparisons appears below.

OPERATIONAL REVIEW

Groupwide, gold production decreased by 5% to 2 731kg (HY1 FY2022: 2 886kg). Throughput was 12% lower at 12.8Mt (HY1 FY2022: 14.5Mt), while the average yield increased by 7% to 0.213g/t (HY1 FY2022: 0.200g/t).

Group cash operating unit costs were 17% higher at R674 113/kg (HY1 FY2022: R576 444/kg).

Group all-in sustaining costs ("**AISC**") were 20% higher at R797 972/kg (HY1 FY2022: R665 583/kg).

ERGO MINING PROPRIETARY LIMITED ("ERGO")

Gold production decreased by 5% to 1 996kg (HY1 FY2022: 2 094kg), as a result of a 14% decrease in tonnages to 9.8Mt (HY1 FY2022: 11.4Mt). The decrease in tonnages was due to unprecedented load shedding at the tail end of the current reporting cycle. This mostly affected the City Deep 4A2 and 4L25 operations, which consumed power directly from the municipality and hence do not form part of the load curtailment agreements with Eskom. A power supply cable to draw power directly from the Eskom City Deep consumer substation, to the 4L2 and 4L25 area was installed during December 2022 to alleviate lost tonnage due to load shedding. There were also several Eskom infrastructure failures in the East Rand area, which resulted in the total electrical trip outs at the Ergo plant, which brought the plant to a complete shutdown during these trip outs.

The reduction in tonnages was also caused by rain and weather interruptions in November and December 2022. It is also a result of the reclamation of the final remnant and clean-up material at the Elsburg, 4L50 and Van Dyk sites, as they have depleted their resources.

The yield increased by 10% to 0.203g/t (HY1 FY2022: 0.184g/t) as a result of higher-grade remnant material that is typically encountered during the final stages of reclamation and clean-up, as is being mined at the Elsburg, 4L50 and Van Dyk sites.

The cash operating unit costs increased by 15% to R796 422/kg (HY1 FY2022: R694 593/kg) due to double digit inflationary increases mainly in the cost of cyanide, steel and steel-related products, electricity and transportation costs. Increased machinery costs were also incurred to enable the reclamation of the final remnant material at the clean-up sites. The increase in cash operating unit costs was also exacerbated by the decrease in gold produced.

Three new reclamation sites are currently under development as the final clean-up of Elsburg, 4L50 and Van Dyk comes to an end. Final regulatory approvals are awaited on the Rooikraal TSF, now a reclamation site, as well as on the 4L3 site. The reclamation of higher-grade material is expected to begin at Valley Silts, which is expected to make a substantial contribution to gold production moving forward.

Plans to file an application to amend the Brakpan/Withok TSF final life design are still ongoing, as work with regulators to navigate the changing regulatory requirements to ensure that operation on the site in the most environmentally responsible manner, continues. Daggafontein, although classified as a Mineral Reserve, remains an option for additional tailings deposition if required.

FAR WEST GOLD RECOVERIES PROPRIETARY LIMITED ("FWGR")

Gold production at FWGR decreased by 7% to 735kg (HY1 FY2022: 792kg) due to a 3% decrease in tonnages from 3.1Mt in HY1 FY2022 to 3.0Mt and a reduction in yield. The yield reduced by 5% to 0.245g/t (HY1 FY2022: 0.257g/t), as a result of the material being processed from the lower grade areas of Driefontein 5 and the mills not being fully operational throughout the period due to load shedding. The load curtailment agreement in place requires a percentage reduction in electricity consumption during periods of load shedding.

Severe weather was experienced during the period with heavy rainfall of 425mm measured on Driefontein 5 during December 2022. One particular event on 28 December 2022 recorded 75mm of rainfall in under one hour falling on the reclamation site. This storm damaged the reclamation drawdown point at Driefontein 5, along with other infrastructure, resulting in four days of tonnage lost to allow for repairs.

Cash operating unit costs increased by 23% to R328 393/kg (HY1 FY2022: R268 040/kg) due to double digit inflationary increases mainly in the cost of cyanide, steel and steel-related products, electricity and transportation costs. Lower gold production also contributed to the increase in cash operating unit costs.

Work to obtain the required regulatory approvals for the Regional Tailings Storage Facility is still underway. Depositing on the Sibanye-Stillwater Limited's Leeudoorn TSF is being considered as an alternative, viable solution in the interim.

Capital was spent on the development of a new reclamation site, Driefontein 3 dump, as a follow on from Driefontein 5, which is reaching the end of its life. The new reclamation site is expected to have a life expectancy of approximately nine years and commissioning will start at the end of Q3 FY2023.

FINANCIAL REVIEW

Group revenue increased by 6% to R 2 654.3 million (HY1 FY2022: R2 498.5 million) mainly due to an 11% increase in the average Rand gold price received, to R961 022/kg (HY1 FY2022: R863 108/kg).

Group operating profit decreased by 5% to R792.4 million (HY1 FY2022: R832.0 million), after accounting for cash operating costs which increased by 10% to R1 839.5 million (HY1 FY2022: R1 680.2 million). The operating margin of the Group was 30%, compared to 33% in the previous comparative period.

Headline earnings of R535.0 million (62.3 SA cents per share) were reported compared with headline earnings of R495.9 million (58.0 SA cents per share) in the previous comparative period.

The Group ended the first half of FY2023 with cash and cash equivalents of R2 392.2 million (HY1 FY2022: R2 239.1 million), after paying a cash dividend of R342.5 million in September 2022 (R345.5 million in September 2021). The Group remains free of bank debt at 31 December 2022.

ENVIRONMENT, SOCIAL AND GOVERNANCE ("ESG")

For the first half year of FY2023, the Group spent a total of R18.2 million on environmental rehabilitation, while R34.7 million was spent in HY1 FY2022. Ergo's cyclical nature of the cladding on the Brakpan/Withok TSF accounted for the bulk of the lower expenditure. This is due to the completion of lift 7, as well as the increased rainfall during November and December 2022. 4.0ha were vegetated at the Brakpan/Withok TSF (HY1 FY2022: 22.0ha) and 3.5ha at Driefontein 4 TSF (HY1 FY2022: 12ha).

Some 689 dust samples were analysed for exceedance in the period under review, compared to 718 in HY1 FY2022. Ten exceedances were detected (1.45% of sample) compared to 21 in HY1 FY2022. Eight exceedances were recorded at Ergo and two were recorded at FWGR.

The Group recorded a 2% increase in the use of externally sourced potable water. Ergo's consumption increased to 1 314Ml (HY1 FY2022: 1 261Ml). FWGR potable water consumption decreased to 74Ml (HY1 FY2022: 101Ml).

The Group's socio-economic development spend increased from R19.7 million in HY1 FY2022 to R28.9 million in the current period. This is as a result of funds contributed to the Jagersfontein relief fund, an increase in other corporate donations and an increase in community training spend.

DIVIDEND

The DRDGOLD board of directors ("**Board**") has declared an interim cash dividend of 20 South African ("**SA**") cents per ordinary share for the six months ended 31 December 2022 as follows:

- The dividend has been declared out of income reserves
- The local Dividend Withholding Tax rate is 20% (twenty per cent)
- The gross local dividend amount is 20 SA cents per ordinary share for shareholders exempt from Dividend Withholding Tax
- The net local dividend amount is 16 SA cents per ordinary share for shareholders liable to pay Dividend Withholding Tax
- DRDGOLD currently has 864 588 711 ordinary shares in issue (which includes 3 896 663 treasury shares)
- DRDGOLD's income tax reference number is 9160/013/60/4

In compliance with the requirements of Strate Proprietary Limited ("**Strate**") and the JSE Limited Listings Requirements, given the Company's primary listing on the exchange operated by the JSE Limited ("**JSE**"), the salient dates for payment of the dividend are as follows:

- Last date to trade in ordinary shares cum-dividend: Tuesday, 7 March 2023
- Ordinary shares trade ex-dividend: Wednesday, 8 March 2023
- Record date: Friday, 10 March 2023
- Payment date: Monday, 13 March 2023

On payment date, dividends due to holders of certificated securities on the SA share register will either be electronically transferred to such shareholders' bank accounts or, in the absence of suitable mandates, dividends will be held in escrow by the Company until suitable mandates are received to electronically transfer dividends to such shareholders.

Dividends in respect of dematerialised shareholdings will be credited to such shareholders' accounts with the relevant Central Securities Depository Participant ("**CSDP**") or broker.

To comply with the further requirements of Strate and the JSE, between Wednesday, 8 March 2023 and Friday, 10 March 2023, both days inclusive, no transfers between the SA share register and any other share register will be permitted and no ordinary shares pertaining to the SA share register may be dematerialised or rematerialised.

The currency conversion date for the Australian and United Kingdom share registers will be Monday, 13 March 2023.

The holders of American Depositary Receipts ("**ADRs**") should confirm dividend details with the depository bank.

ADR information is tentative and subject to confirmation by the depositary bank. Assuming an exchange rate of R17.00/$1, the dividend payable on an ADR is equivalent to 9 United States ("**US**") cents for ADR holders liable to pay dividend withholding tax. However, the actual rate of payment will depend on the exchange rate on the date for currency conversion.

LOOKING AHEAD

In the past, we considered the effect of poor political governance on our risk profile as amounting to not much more than regulatory vagueness. For some time though, neglect and corruption have eroded delivery at key state-owned entities - Transnet SOC Limited ("**Transnet**") (logistics and transport) and Eskom (electricity supply) in particular. When it became apparent that it was beyond the means of state-owned Eskom to provide the country's electricity needs, we welcomed steps announced by the President of the Republic of South Africa to increase the threshold on private power generation to 100MW. It seems as though certain elements within the ruling party (desperate to cling to the state's monopoly on electricity supply) are frustrating efforts to decentralise and privatise power generation. Very little progress has been made to transition to reliable, renewable power for no reason other than the fact that the requisite licenses are simply not being issued at the requisite rate.

The collapse of Transnet, also as a result of neglect and corruption, and aggravated by the state's inability to protect vital infrastructure from criminal plundering and vandalism, has left a rail transport and logistics gap that has resulted in a very significant increase in road transportation. It has also placed commuters at the mercy of the minibus-industry, a poorly regulated industry run by shadowy figures who protect their monopoly over their commuter routes with violence and intimidation. Commuters relying on public transport are both dependent upon and defenseless against these cartels. The state is either unable or unwilling to regulate this industry and is in any event unable to provide an alternative.

The effect of these events is that the state is no longer just a source of drag on the economy – it is in consistent default of its constitutional mandate and has now become a threat to the economy and the quality of life of ordinary South Africans. It has also had the effect that the private sector is having to go deeper and wider in providing alternative solutions.

As it is, we have been deploying resources to look after the safety of our staff for quite some time, after some security incidents, and, in terms of transport and logistics we are not capitulating to the strong-arm tactics of the taxi-cartels. We are stepping up to protect the right of staff to use company transport, where it is provided, and commute in groups and clubs, should they prefer to do so.

In terms of electricity supply, our single largest capital investment is in own power generating capacity, which makes sense not just for us, but in the longer term, for the economy as whole so that as and when the political stranglehold on progress is broken, we can sell our surplus power into the grid.

The collective capacity of the private sector is such that it is able to overcome these challenges, and increasingly businesspeople and private enterprise express resolve to do so. The tailings 'endowment' of South Africa remains amongst the most attractive in the world, and we remain determined to reprocess as much of it as we can. We therefore remain as determined as ever to do what is required, with other like-minded South Africans to step into the state-vacuum to help shape an environment in which business can flourish and South Africans can build the best life.

Niël Pretorius
Chief Executive Officer
15 February 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Six months ended 31 Dec 2022 Rm Unaudited	Six months ended 31 Dec 2021 Rm Unaudited
Revenue		**2 654.3**	2 498.5
Cost of sales		**(1 985.7)**	(1 831.1)
Gross profit from operating activities		**668.6**	667.4
Administration expenses and other costs		**(80.7)**	(82.0)
Results from operating activities		**587.9**	585.4
Finance income	3, 5	**157.6**	114.8
Finance expenses		**(33.5)**	(30.9)
Profit before tax		**712.0**	669.3
Income tax		**(177.0)**	(173.4)
Profit for the period		**535.0**	495.9
Other comprehensive income			
Items that will not be reclassified to profit or loss, net of tax			
Net fair value adjustment on equity investments at fair value through other comprehensive income	3, 5	**(15.0)**	(11.4)
Total other comprehensive income for the year		**(15.0)**	(11.4)
Total comprehensive income for the period		**520.0**	484.5
Basic earnings per share [1]	2	**62.3**	58.0
Diluted basic earnings per share [1]	2	**62.2**	57.6

[1] All per share financial information is presented in South African cents per share (cps) and is rounded to the nearest one decimal point based on the results as presented, which are rounded to the nearest million Rand.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 Dec 2022 Rm Unaudited	As at 30 Jun 2022 Rm Audited	As at 31 Dec 2021 Rm Unaudited
Assets				
Non-current assets		**4 325.8**	4 001.2	3 737.0
Property, plant and equipment		**3 366.3**	3 084.1	2 854.5
Investments in rehabilitation and other funds		**762.1**	710.8	666.4
Payments made under protest		**48.5**	40.4	49.5
Other investments	3, 5	**138.6**	151.4	150.7
Deferred tax assets		**10.3**	14.5	15.9
Current assets		**2 947.0**	3 077.0	2 821.4
Inventories		**373.2**	389.3	420.3
Tax receivables		**–**	12.6	–
Trade and other receivables		**181.6**	149.5	162.0
Cash and cash equivalents		**2 392.2**	2 525.6	2 239.1
Total assets		**7 272.8**	7 078.2	6 558.4
Equity and liabilities				
Equity		**5 630.6**	5 439.9	4 972.2
Non-current liabilities		**1 091.4**	1 012.9	1 032.4
Provision for environmental rehabilitation		**539.3**	517.7	577.8
Deferred tax liability		**517.6**	452.0	413.7
Employee benefits		**10.4**	10.4	10.3
Lease liabilities		**24.1**	32.8	30.6
Current liabilities		**550.8**	625.4	553.8
Trade and other payables		**523.7**	598.3	501.0
Current portion of lease liabilities		**18.1**	19.5	16.7
Current tax liability		**9.0**	7.6	36.1
Total liabilities		**1 642.2**	1 638.3	1 586.2
Total equity and liabilities		**7 272.8**	7 078.2	6 558.4

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Six months ended 31 Dec 2022 Rm Unaudited	Six months ended 31 Dec 2021 Rm Unaudited
Balance at the beginning of the period		**5 439.9**	4 820.4
Total comprehensive income			
Profit for the period		**535.0**	495.9
Other comprehensive income	3, 5	**(15.0)**	(11.4)
Transactions with the owners of the parent			
Dividend on ordinary share capital		**(343.2)**	(342.0)
Equity-settled share-based payment expense		**10.2**	9.3
Equity-settled share based payment vesting impact on equity		**3.7**	–
Balance at the end of the period		**5 630.6**	4 972.2

These condensed consolidated unaudited interim financial statements for the six months ended 31 December 2022 have not been audited or reviewed by DRDGOLD's auditors and have been prepared under the supervision of DRDGOLD's Chief Financial Officer, Mr AJ Davel CA(SA). The condensed consolidated unaudited interim financial statements were authorised by the directors on 9 February 2023 for issue on 15 February 2023.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Six months ended 31 Dec 2022 Rm Unaudited	Six months ended 31 Dec 2021 Rm Unaudited
Net cash inflow from operating activities		**636.9**	605.4
Cash generated from operations		**601.4**	618.0
Finance income received	4	**81.4**	52.0
Dividends received	3	**48.4**	41.0
Finance expenses paid		**(2.3)**	(3.8)
Income tax paid		**(92.0)**	(101.8)
Net cash outflow from investing activities		**(421.5)**	(198.5)
Acquisition of property, plant and equipment		**(387.3)**	(182.5)
Investment in other funds		**(29.3)**	–
Environmental rehabilitation payments to reduce decommissioning liabilities		**(4.9)**	(16.0)
Net cash outflow from financing activities		**(351.4)**	(353.7)
Dividends paid on ordinary shares		**(342.5)**	(345.5)
Repayment of lease liabilities		**(8.9)**	(8.2)
Net (decrease)/increase in cash and cash equivalents		**(136.0)**	53.2
Effect of exchange rate fluctuations on cash		**2.6**	5.9
Opening cash and cash equivalents		**2 525.6**	2 180.0
Closing cash and cash equivalents	**4**	**2 392.2**	2 239.1
Reconciliation of cash generated from operations			
Profit for the period		**535.0**	495.9
Adjusted for			
Income tax		**177.0**	173.4
Depreciation		**108.9**	138.5
Movement in gold in process		**22.4**	(13.7)
Environmental rehabilitation payments to reduce restoration liabilities		**–**	(1.4)
Share-based payment expense		**10.2**	9.3
Finance income		**(157.6)**	(114.8)
Finance expense		**33.5**	30.9
Insurance claim received		**31.7**	–
Other non-cash items [1]		**2.1**	0.6
Changes in		**(161.8)**	(100.7)
Change in trade and other receivables		**(64.1)**	(19.3)
Change in payments made under protest		**(9.5)**	(8.6)
Change in inventories		**(6.5)**	(66.8)
Change in trade and other payables and employee benefits		**(81.7)**	(6.0)
Cash generated from operations		**601.4**	618.0

The accompanying notes are an integral part of the condensed consolidated unaudited interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The condensed consolidated unaudited interim financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements (**"Listings Requirements"**) for interim reports and the requirements of the Companies Act of South Africa.

The Listings Requirements require interim reports to be prepared in accordance with and containing the information required by IAS 34: *Interim Financial Reporting*, as well as the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council.

The accounting policies applied in the preparation of the condensed consolidated unaudited interim financial statements are in terms of International Financial Reporting Standards ("**IFRS**") and are consistent with those applied in the previous consolidated annual financial statements.

The condensed consolidated unaudited interim financial statements have been prepared on a going concern basis.

2. EARNINGS PER SHARE

	Six months ended 31 Dec 2022 Rm Unaudited	Six months ended 31 Dec 2021 Rm Unaudited
Reconciliation of headline earnings		
Profit for the period	**535.0**	495.9
Headline earnings	**535.0**	495.9
Weighted average number of ordinary shares in issue adjusted for treasury shares	**858 404 448**	855 564 970
Diluted weighted average number of ordinary shares adjusted for treasury shares	**859 688 266**	860 484 901
Basic earnings per share[1]	**62.3**	58.0
Diluted basic earnings per share[1]	**62.2**	57.6
Headline earnings per share[1]	**62.3**	58.0
Diluted headline earnings per share[1]	**62.2**	57.6

[1] *All per share financial information is presented in SA cps and is rounded to the nearest one decimal point based on the results which are rounded to the nearest million Rand.*

3. INVESTMENT IN RAND REFINERY PROPRIETARY LIMITED ("Rand Refinery")

The fair value of DRDGOLD's 11.3% interest in Rand Refinery at 31 December 2022 is estimated at R125.1 million (30 June 2022: R136.1 million).

The investment is designated as an equity instrument at fair value through other comprehensive income. Majority of the value is driven by cash on hand and valuation of forecasted dividend income received from Prestige Bullion. The enterprise value of the refining operations of Rand Refinery increased because of an increase in forecast gold and silver prices despite an increase in forecast costs and capital expenditure. The value of the forecasted dividends for Prestige Bullion decreased as a result of a decrease in forecast dividends. In accordance with IFRS 13 *Fair Value Measurement*, the income approach has been established to be the most appropriate basis to estimate the fair value of the investment in Rand Refinery. This method relies on the future budgeted cash flows as determined by Rand Refinery. Management used a model developed by an external expert to perform the valuation. The Rand Refinery operations (excluding Prestige Bullion) were valued using the Free Cash Flow model, whereby an enterprise value using a Gordon Growth formula for the terminal value was estimated.

The dividends received by Rand Refinery from Prestige Bullion were valued using a finite life dividend discount model as Rand Refinery's shareholding will be reduced to nil in 2032. The fair value measurement uses significant unobservable inputs and relates to a fair value hierarchy level 3 financial instrument.

	Six months ended 31 Dec 2022 Rm Unaudited	Six months ended 31 Dec 2021 Rm Unaudited
Balance at the beginning of the period	**136.1**	119.3
Fair value adjustment on equity investments at fair value through other comprehensive income	**(11.0)**	9.3
Balance at the end of the period	**125.1**	128.6
Dividend Received	**47.5**	39.6

Key observable/unobservable inputs into the model include:

Rand Refinery operations

Average gold price	Observable input	R922 409/kg
Average Silver price	Observable input	R11 762/kg
Average South African CPI	Observable input	4.40%
Terminal growth rate	Unobservable input	4.40%
South African long-term government bond rate	Observable input	10.08%
Weighted average cost of capital	Unobservable input	15.90%

Investment in Prestige

Discount period	Unobservable input	11 years
Weighted average cost of capital	Unobservable input	14.40%

Marketability and minority discounts (both unobservable inputs) of 16.5% and 17% were also applied respectively. The latest available long-term budget was used and is classified as an unobservable input into the models. The fair value measurement is most sensitive to the Rand denominated gold price and costs. The higher the gold price, the higher the fair value of the Rand Refinery investment. The higher the operating costs, the lower the fair value of the Rand Refinery investment. The fair value measurement is also sensitive to the discount rate, minority and marketability discounts applied. The below table indicates the extent of sensitivity of the Rand Refinery equity value to the inputs:

Rand Refinery operations

Input		Increase/ (Decrease)	% Change in OCI, net tax
Rand US Dollar exchange rate	Observable input	+1%/(-1%)	4.1%/(4.1%)
Commodity prices (Gold and silver)	Observable input	+1%/(-1%)	3.0%/(3.0%)
Operating costs	Unobservable input	+1%(-1%)	(3.9%)/3.9%
Weighted average cost of capital	Unobservable input	+1%/(-1%)	(0.2%)/0.2%
Minority discount	Unobservable input	+1%/(-1%)	(1.2%)/1.2%
Marketability	Unobservable input	+1%/(-1%)	(1.2%)/1.2%

Investment in Prestige Bullion

Input		Increase/ (Decrease)	% Change in OCI, net tax
Weighted average cost of capital	Unobservable input	+1%/(-1%)	(0.9%)/0.9%
Prestige dividend forecast	Unobservable input	+1%/(-1%)	2.8%/(2.8%)

4. FINANCIAL RISK MANAGEMENT FRAMEWORK

Commodity price sensitivity

The Group's profitability and cash flows are primarily affected by changes in the market price of gold which is sold in US Dollars and then converted to Rand. In line with our long-term strategy of being an unhedged gold producer, we generally do not enter into forward gold sales contracts to reduce our exposure to market fluctuations in the US Dollar gold price or the exchange rate movements. However, during periods when medium-term debt is incurred to fund growth projects and hence introduce liquidity risk to the Group, we may mitigate this liquidity risk by entering into facilities to achieve price protection. No such facilities were entered into during the current reporting period.

Liquidity management

DRDGOLD ended the current reporting period with cash and cash equivalents of R2 392.2 million (30 June 2022: R2 525.6 million). The Group earned interest of R81.4 million during the current reporting period, compared to R52.0 million for the six months ended 31 December 2021, reflected by higher cash balances and more favorable interest rates. Furthermore, the Group remains free of bank debt as at 31 December 2022 (30 June 2022: Rnil). Liquidity is further enhanced by sustained high Rand gold price levels.

5. FAIR VALUES

The Groups' assets that are measured at fair value at reporting date consist of equity instruments at fair value through other comprehensive income and are disclosed as Other Investments in the statement of financial position.

R9.0 million (30 June 2022: R10.7 million) relates to fair value hierarchy level 1 instruments; the decrease is mainly due to a decrease in the share price of West Wits Mining Limited. The balance of R129.6 million (30 June 2022: R140.7 million) relates to fair value hierarchy level 3 instruments, mainly the investment in Rand Refinery, refer to note 4.

6. SUBSEQUENT EVENTS

There were no subsequent events between the reporting date of 31 December 2022 and the date of issue of these condensed consolidated unaudited interim financial statements other than included in the notes above and described below:

Dividend

On 15 February 2023, the Board declared an interim cash dividend for the six months ended 31 December 2022 of 20 SA cents per share, payable on Monday, 13 March 2023.

Contingent liability for occupational lung diseases

On 8 February 2023, the DRDGOLD respondents, comprising DRDGOLD and East Rand Proprietary Mines Limited, were notified that the appeal against certain aspects of the class action, *inter alia*, the extension of the remedy entertained in the class action, and the inclusion of tuberculosis as a basis for liability has been struck from the roll of the Supreme Court of Appeal ("**SCA**").

The effect of the decision of the SCA to not hear the appeal is that the issues raised in the appeal remain undetermined and will now have to be dealt with by the court before which the main action for damages is to be brought. In order to take the matter forward, the plaintiff is required to issue a summons, to which the respondents cited will raise a defence, both on the facts as well as the applicable law, including the matters raised in the appeal. The latter could (according to the SCA) therefore in all likelihood, be dealt with by way of separate hearings.

DRDGOLD maintains the view that it is too early to consider settlement of the matter, mainly for the following reasons:

- The applicants have not yet issued and served a summons (claim) in the matter
- There is no indication of the number of potential claimants that may join the class action against the DRDGOLD respondents
- Many principles upon which legal responsibility is founded, are required to be substantially developed by the trial court (and possibly subsequent courts of appeal) to establish liability on the basis alleged by the applicants

In light of the above, there is inadequate information to determine if a sufficient legal and factual basis exists to establish liability, and to quantify such potential liability.

7. OPERATING SEGMENTS

The following summary describes the operations in the Group's reportable operating segments:

- Ergo is a surface gold retreatment operation which treats old slime dams and sand dumps to the south of Johannesburg's central business district as well as the East and Central Rand goldfields. The operation comprises three plants. The Ergo and Knights plants continue to operate as metallurgical plants. The City Deep plant continues to operate as a pump/milling station feeding the metallurgical plants.
- FWGR is a surface gold retreatment operation and treats old slime dams in the West Rand goldfields. Phase 1, which entails the reconfiguration of the Driefontein 2 plant and relevant infrastructure to process tailings from the Driefontein 5 slimes dam and deposit residues on the Driefontein 4 Tailings Storage Facility, was commissioned on 1 April 2019.
- Corporate office and other reconciling items (collectively referred to as "**Other reconciling items**") represent the items to reconcile to consolidated financial statements. This does not represent a separate segment as it does not generate mining revenue.

Note condensed and changes also affected on comparisons.

7. OPERATING SEGMENTS *(continued)*

	Six months ended 31 Dec 2022 Unaudited				Six months ended 31 Dec 2021 Unaudited			
	Ergo Rm	**FWGR Rm**	**Corporate office and other reconciling items Rm**	**Total Rm**	**Ergo Rm**	**FWGR Rm**	**Corporate office and other reconciling items Rm**	**Total Rm**
Revenue (external)	**1 958.5**	**695.8**	**–**	**2 654.3**	1 804.7	693.8	–	2 498.5
Cash operating costs	**(1 594.2)**	**(245.3)**	**–**	**(1 839.5)**	(1 471.8)	(208.4)	–	(1 680.2)
Movement in gold in process	**(30.6)**	**8.2**	**–**	**(22.4)**	20.0	(6.3)	–	13.7
Operating profit	**333.7**	**458.7**	**–**	**792.4**	352.9	479.1	–	832.0
Additions to property, plant and equipment	**(267.6)**	**(123.6)**	**(1.2)**	**(392.4)**	(86.4)	(96.1)	(0.1)	(182.6)
Reconciliation of segment operating profit to profit after tax								
Segment operating profit	**333.7**	**458.7**	**–**	**792.4**	352.9	479.1	–	832.0
Depreciation	**(58.4)**	**(49.9)**	**(0.6)**	**(108.9)**	(67.8)	(69.9)	(0.8)	(138.5)
Ongoing rehabilitation expenditure	**(12.6)**	**(0.7)**	**–**	**(13.3)**	(16.4)	(0.9)	–	(17.3)
Care and maintenance	**–**	**–**	**(0.5)**	**(0.5)**	–	–	(3.9)	(3.9)
Other operating costs	**(1.1)**	**–**	**–**	**(1.1)**	(4.8)	(0.1)	–	(4.9)
Administration expenses and other costs	**(3.5)**	**(1.5)**	**(75.7)**	**(80.7)**	(3.9)	(1.2)	(76.9)	(82.0)
Finance income	**16.3**	**13.8**	**127.5**	**157.6**	11.3	9.3	94.2	114.8
Finance expense	**(27.3)**	**(4.9)**	**(1.3)**	**(33.5)**	(23.0)	(5.4)	(2.5)	(30.9)
Current tax	**–**	**(99.7)**	**(7.1)**	**(106.8)**	(27.6)	(110.5)	(3.6)	(141.7)
Deferred tax	**(37.2)**	**(28.4)**	**(4.6)**	**(70.2)**	(12.9)	(23.9)	5.1	(31.7)
Profit for the period	**209.9**	**287.4**	**37.7**	**535.0**	207.8	276.5	11.6	495.9
Reconciliation of cost of sales to cash operating costs								
Cost of sales	**(1 696.9)**	**(287.7)**	**(1.1)**	**(1 985.7)**	(1 540.8)	(285.6)	(4.7)	(1 831.1)
Depreciation	**58.4**	**49.9**	**0.6**	**108.9**	67.8	69.9	0.8	138.5
Movement in gold in process	**30.6**	**(8.2)**	**–**	**22.4**	(20.0)	6.3	–	(13.7)
Care and maintenance	**–**	**–**	**0.5**	**0.5**	–	–	3.9	3.9
Ongoing rehabilitation expenditure	**12.6**	**0.7**	**–**	**13.3**	16.4	0.9	–	17.3
Other operating costs	**1.1**	**–**	**–**	**1.1**	4.8	0.1	–	4.9
Cash operating costs	**(1 594.2)**	**(245.3)**	**–**	**(1 839.5)**	(1 471.8)	(208.4)	–	(1 680.2)

	Six months ended 31 Dec 2022 Unaudited				Six months ended 31 Dec 2021 Unaudited			
	Ergo Rm	FWGR Rm	Corporate office and other reconciling items Rm	Total Rm	Ergo Rm	FWGR Rm	Corporate office and other reconciling items Rm	Total Rm
OPERATIONAL PERFORMANCE								
Ore milled (000't)	**9 842**	**3 000**	**–**	**12 842**	11 387	3 079	–	14 466
Yield (g/t)	**0.203**	**0.245**	**–**	**0.213**	0.184	0.257	–	0.200
Cash operating costs								
(R/t)	**162**	**82**	**–**	**143**	129	68	–	116
(US$/t)	**9**	**5**	**–**	**8**	9	5	–	8
Gold produced (kg)	**1 996**	**735**	**–**	**2 731**	2 094	792	–	2 886
Gold sold (kg)	**2 040**	**722**	**–**	**2 762**	2 090	801	–	2 891
Reconciliation of All-in sustaining costs								
(All amounts presented in R million unless otherwise indicated)								
Cash operating costs	**(1 594.2)**	**(245.3)**	**–**	**(1 839.5)**	(1 471.8)	(208.4)	–	(1 680.2)
Movement in gold in process	**(30.6)**	**8.2**	**–**	**(22.4)**	20.0	(6.3)	–	13.7
Administration expenses and general costs (sustaining)	**(3.5)**	**(1.4)**	**(73.2)**	**(78.1)**	(4.7)	(1.3)	(77.4)	(83.4)
Other operating costs excluding care and maintenance costs	**(18.8)**	**(9.3)**	**26.8**	**(1.3)**	(22.2)	(9.3)	26.6	(4.9)
Unwinding of provision for environmental rehabilitation	**(21.4)**	**(4.7)**	**(0.4)**	**(26.5)**	(18.9)	(5.2)	(0.3)	(24.4)
Capital expenditure (sustaining)	**(135.0)**	**(100.0)**	**(1.2)**	**(236.2)**	(83.3)	(61.7)	(0.1)	(145.1)
All-in sustaining costs	**(1 803.5)**	**(352.5)**	**(48.0)**	**(2 204.0)**	(1 580.9)	(292.2)	(51.2)	(1 924.3)
Care and maintenance costs	**–**	**–**	**(0.5)**	**(0.5)**	–	–	(3.9)	(3.9)
Ongoing rehabilitation expenditure	**(12.6)**	**(0.7)**	**–**	**(13.3)**	(16.4)	(0.9)	–	(17.3)
Administration expenses and general costs								
(non-sustaining)	**–**	**(0.1)**	**(2.5)**	**(2.6)**	–	–	(8.1)	(8.1)
Capital expenditure (non-sustaining)	**(132.6)**	**(23.6)**	**–**	**(156.2)**	(3.1)	(34.4)	–	(37.5)
All-in costs	**(1 948.7)**	**(376.9)**	**(51.0)**	**(2 376.6)**	(1 600.4)	(327.5)	(63.2)	(1 991.1)
Cash operating costs (R/kg)	**796 422**	**328 393**	**–**	**674 113**	694 593	268 040	–	576 444
Cash operating costs (US$/oz)	**1 430**	**590**	**–**	**1 210**	1 438	555	–	1 193
All-in sustaining costs (R/kg)[1]	**883 971**	**488 227**	**–**	**797 972**	756 316	364 794	–	665 583
All-in sustaining costs (US$/oz)[1]	**1 587**	**876**	**–**	**1 432**	1 565	755	–	1 378
All-in cost (R/kg)[1]	**955 245**	**522 022**	**–**	**860 463**	765 646	408 864	–	688 689
All-in cost (US$/oz)[1]	**1 714**	**937**	**–**	**1 544**	1 585	846	–	1 425

[1] *All-in sustaining costs and All-in cost definitions are based on the guidance note on non-GAAP Metrics issued by the World Gold Council on 27 June 2013*

There have been no material changes to the technical information relating to, *inter alia*, the Group's Mineral Reserves and Mineral Resources, legal title to its mining and prospecting rights and legal proceedings relating to its mining and exploration activities as disclosed in DRDGOLD's annual report for the year ended 30 June 2022.

The technical information referred to in this report is in accordance with the SAMREC Code and has been reviewed by Messrs Mpfariseni Mudau (Pr.Sci.Nat.), Vaughn Duke (Pr Eng), Professor Steven Rupprecht (FSAIMM) and Ms Diana van Buren (Pr.Sci.Nat.). All are independent contractors of DRDGOLD.

They approved this information in writing before the publication of the report.