

## DDH1 Limited

### Appendix 4D – Half Year Report

### for the Six Months Ended 31 December 2021 (“HY22”)

(All comparisons are for the six months ended 31 December 2020 “HY21”)

<b>Results for announcement to the market</b>	<b>HY22</b>	<b>HY21</b>	<b>Change</b>
<b>Statutory results</b>	<b>\$M</b>	<b>\$M</b>	
Revenue from ordinary activities	168.7	141.5	up 19.2%
Earnings before interest costs, income taxes, depreciation and amortisation (EBITDA) from ordinary activities	41.2	32.5	up 26.4%
Earnings before interest costs and income tax (EBIT)	28.4	21.1	up 34.9%
Net Profit attributable to shareholders (NPAT)	19.7	13.4	up 47%

The accompanying ASX Announcement and Half Year Financial Report that follows give further explanation of the results.

All amounts are in Australian Dollars (AUD\$).

#### Dividend Information

<b>Six Months Ended 31 December 2021</b>	<b>Amount per share (cents)</b>	<b>Franked amount for dividend component (%)</b>	<b>Record date</b>	<b>Payment date</b>
2022 Interim dividend per share	2.51 cents	100%	18 March 2022	8 April 2022

#### Net Tangible Asset Backing

	<b>31/12/21</b>	<b>30/6/21</b>
Net tangible asset backing per share	\$0.63	\$0.59

#### Auditor’s Report

This Appendix 4D is based on the consolidated financial statements of DDH1 Limited for the half year ended 31 December 2021, which have been reviewed by Deloitte.

A copy of Deloitte’s Independent Auditor’s Review Report is included in the Half Year Financial Report that follows.

#### Other Information

During the period a Scheme Implementation Agreement was reached for DDH1 Limited to acquire all of the shares of Swick Mining Services Limited. Under the agreement, all consideration will be in the form of DDH1 ordinary shares issued at a ratio of 0.2970 DDH1 Limited shares for each Swick Mining Services Limited share. This agreement contains various conditions precedent which were not met prior to period end.

The conditions precedent under the SIA were met on 7 February 2022, resulting in the acquisition of Swick Mining Services Limited on this date. Under the terms of the SIA on 16 February 2022, DDH1 issued 83.95 million new ordinary fully paid shares. At the date of acquisition the market price for DDH1 shares was \$1.05 per share, resulting in consideration of \$88.15 million. Further DDH1 took on the net debt of Swick Mining Services Limited. Given the timing of the acquisition, the Company is in the very early stages of the purchase price allocation process and is therefore currently not in a position to disclose the valuation of identifiable assets acquired and liabilities and contingent liabilities assumed in accordance with Accounting Standards.

Costs incurred during the period relating to the acquisition of Swick Mining Services Limited was \$1,627,309, which have been expensed. Expensed amounts do not include any success fees which only became due and payable when the Scheme Implementation Agreement became effective, being 7 February 2022.

On 14th February 2022, the Group amended their 5-year finance agreement with Bankwest, resulting in the credit facility limit increasing to \$95 million (previously \$60 million).

Disclosure requirements for ASX Listing Rule 4.3A not contained in this Appendix 4D are included in DDH1 Limited's Half Year Financial Report for the half-year ended 31 December 2021 and accompanying ASX Announcement. This report is also to be read in conjunction with the Annual Report of DDH1 Limited for the year ended 30 June 2021 and any public announcements made by DDH1 during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and ASX Listing Rules.

**This ASX announcement has been authorised for release by the Board of DDH1 Limited**



**Ben MacKinnon – Chief Financial Officer**

**25 February 2022**

**About DDH1 Limited**

DDH1 Limited (ASX: DDH) is Australia's largest mineral drilling contractor providing high quality surface and underground drilling services to a diverse group of exploration and mining houses across a balanced spread of mineral commodities. Established in 2006, DDH1 is an industry leader in enabling its clients to secure quality mineral samples with exceptional spatial accuracy.

DDH1 employs around 1,600 people and operates a fleet of 176 highly specified mineral drilling rigs across its four brands, namely DDH1 Drilling, Ranger Drilling, Strike Drilling, and Swick Mining Services. Offering clients, the full suite of mineral drilling services including air core, reverse circulation, and both surface and underground core drilling.

DDH1's drill rig fleet is a strategically important asset within the Australian mining industry. Surface drilling is performed across Australia by DDH1 Drilling, Ranger Drilling, and Strike Drilling while Swick Mining Services has a global presence performing underground drilling services across Australia, North America, and Western Europe. DDH1 has a strong reputation for innovation in rig design and drilling practices that deliver improvements in productivity, safety, and value.

Central to DDH1's strategic approach is the pursuit of long-term relationships with clients, built on quality drilling services and a deep understanding of their business needs.

For more information, please visit [www.ddh1.com.au](http://www.ddh1.com.au)



**HEAD OFFICE**  
21 Baile Road  
Canning Vale WA 6155  
**P** (08) 9435 1700

**CONNECT WITH US**  
**W** [ddh1.com.au](http://ddh1.com.au)  
**E** [investor.relations@ddh1.com.au](mailto:investor.relations@ddh1.com.au)

**Facebook** /ddh1drilling/  
**LinkedIn** /company/ddh1-drilling/