

# 2023

## Results Presentation



# Disclaimer

## Disclaimer

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# 2Q23

## Highlights

Total consolidated  
**Gross Revenue:**  
**R\$ 384.6 million in 2Q23**  
(+30.7% vs 2Q22)

**Rental Fleet**  
Net addition of **200 assets**,  
amounting to **11,548 equipment**  
and machines



**Adjusted EBITDA<sup>1</sup>**  
Consolidated of **R\$ 168 MM**  
in 2Q23, with **50%** margin



**ROIC** of **22.1%**  
Consolidated (2Q23 LTM)



**Net profit**  
Consolidated of **R\$ 64 MM**  
in 2Q23, with **19%** margin



**IoE**  
Distribution of **R\$ 18.4 MM (R\$ 36.8 MM YTD)** related to 2023 FY



**Leverage**  
Net Debt / Adjusted EBITDA<sup>1</sup>  
LTM 2Q23 = **0.7x**



**Transformar**  
Beginning of the 4<sup>th</sup> cycle of the  
program, with **220 spots**  
**open** in 15 cities



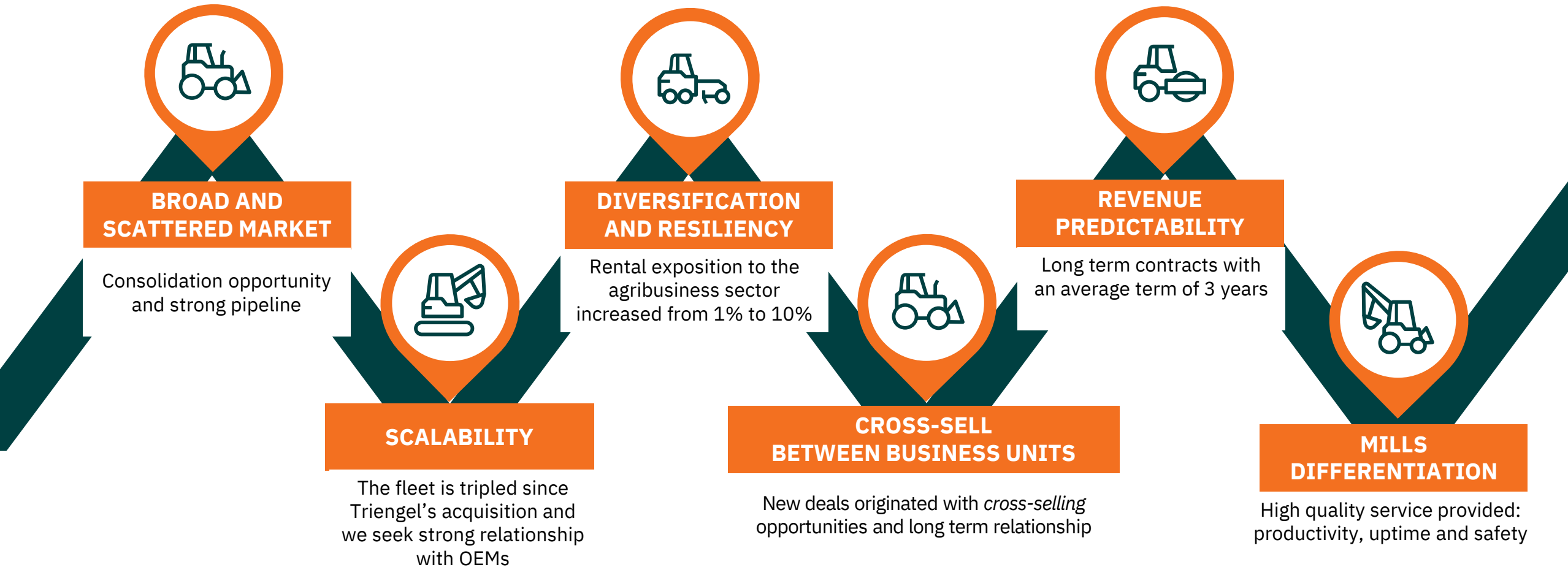
**CAPEX**  
Capex totalized  
**R\$ 81.2 MM** in 2Q23



**TEVA index**  
**5th** position on the **gender**  
**diversity** ranking

<sup>1</sup>Excluding non-recurring items. Non audited

# Mills Heavy Rental: thesis confirmation



Sustainable and profitable growth



A black and white photograph showing the silhouettes of several scissor lifts against a bright, cloudy sky at sunset. The sun is low on the horizon, creating a lens flare effect. The lifts are positioned at various heights and angles, with their platforms extending upwards. The overall scene is industrial and dramatic.

mills

**Results**

Rental (Light and Heavy)

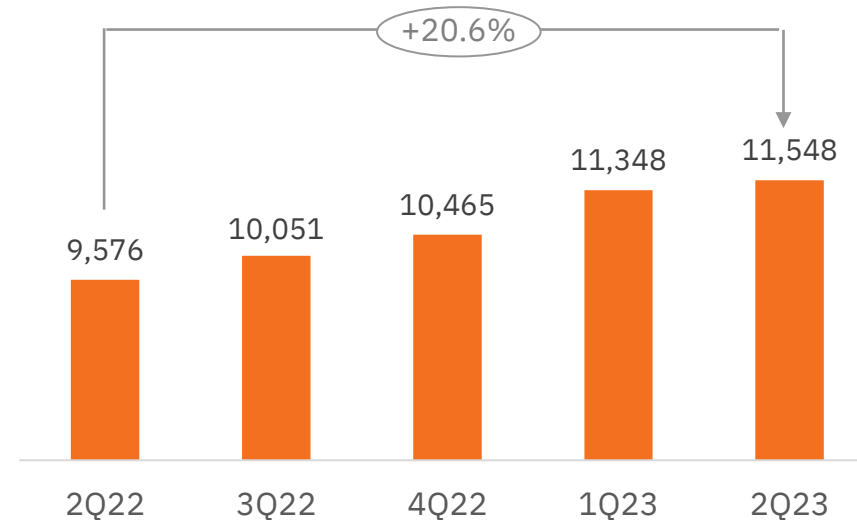
# Rental (Light and Heavy) Operational



2Q23



End of period total fleet (#)<sup>1</sup>



## Continuous growth

In 2Q23 our fleet has a **replacement value** equivalent to **R\$ 4.03 billion**.

The company **added 200 machines** to its fleet in 2Q23<sup>2</sup>, ending the year with 11,548 machines and equipment.

<sup>1</sup>Including MEWPs, Yellow Line equipment, off-road trucks, air compressors, power generators and lighting towers

<sup>2</sup>Fleet addition is net, considering equipment bought and sold in the period

# Rental (Light and Heavy) Operational

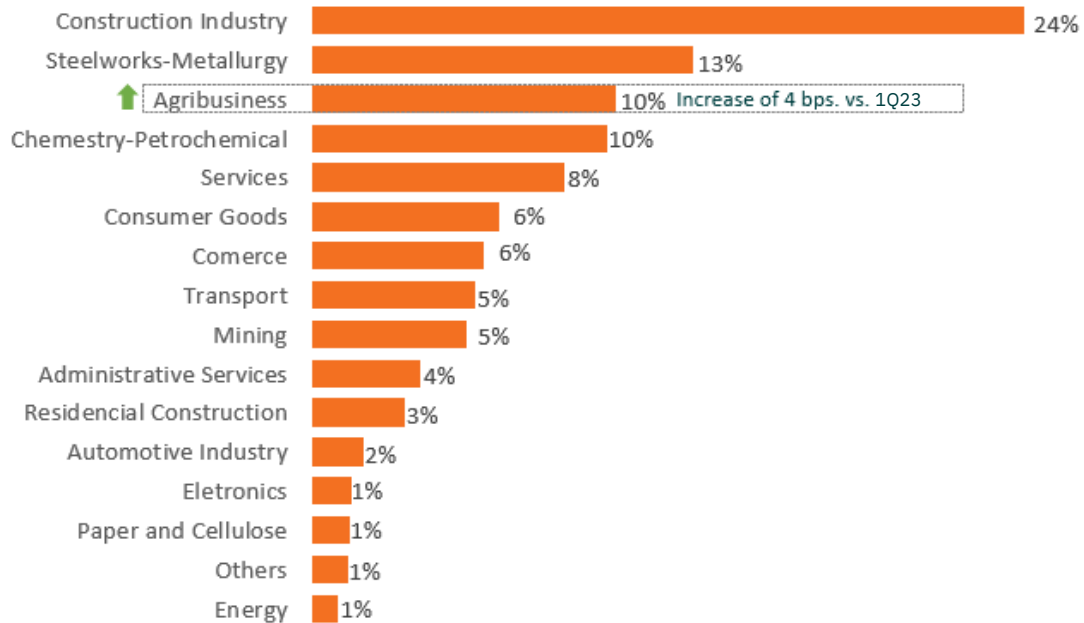


## Clients

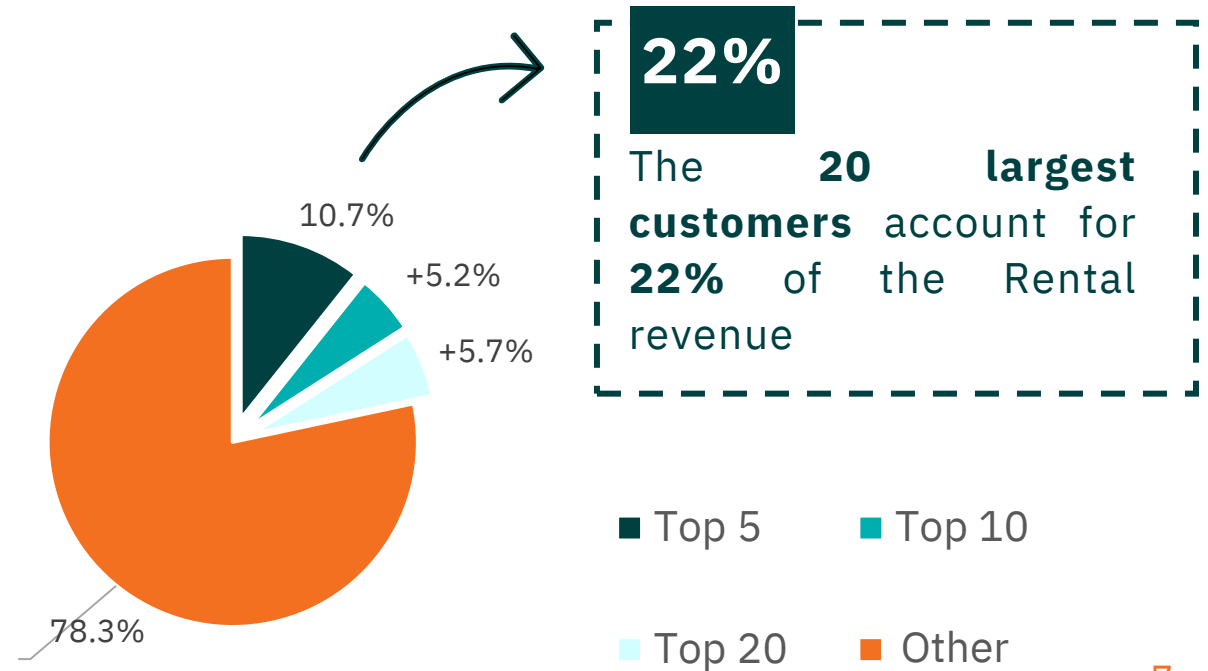
Our diversified client base reduces our exposure to volatile economic cycles

## Sectors

2Q23



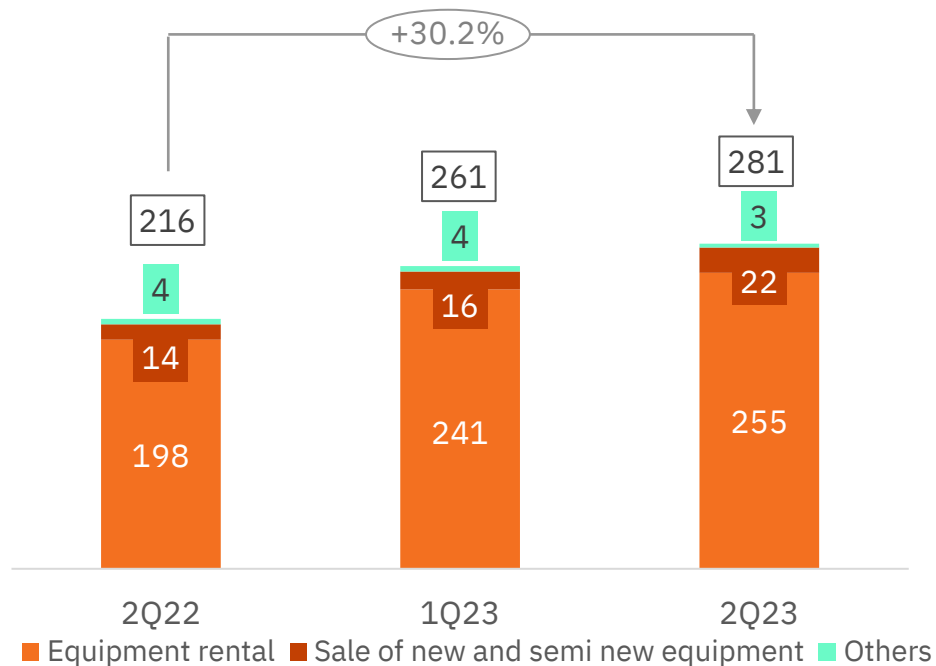
## Customer base diversification



2Q23

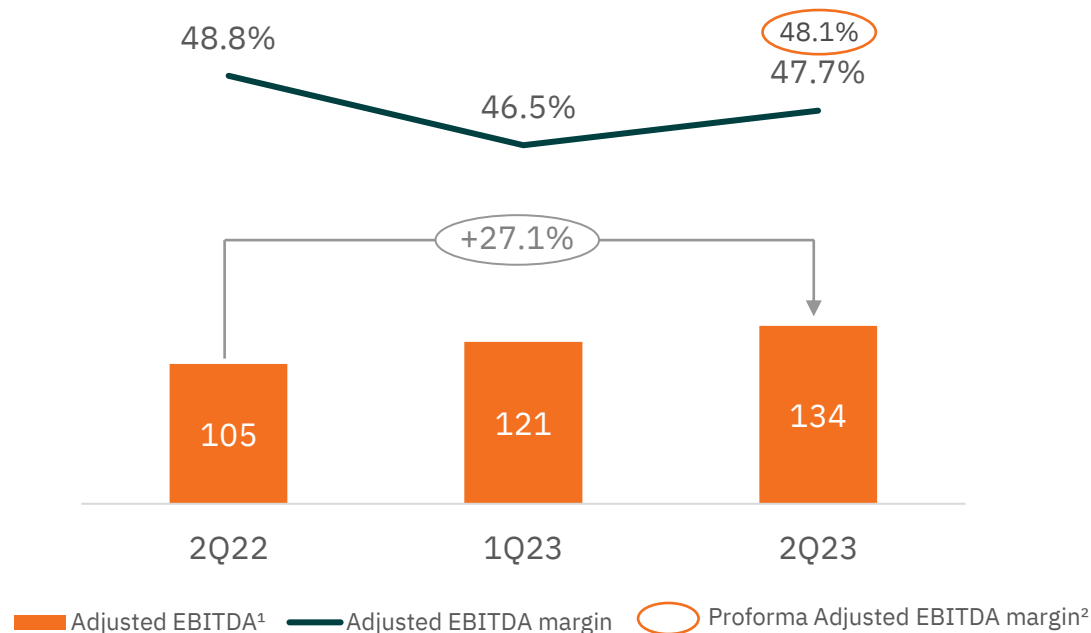
# Rental (Light and Heavy) Financial

**Net revenue (by type)**  
R\$ MM



Strong growth versus 2Q22, mainly due to the entry in the Yellow Line segment, the increase in the rented fleet and higher prices for Light Rental.

**Adjusted Ebitda<sup>1</sup>**  
R\$ MM



Adjusted EBITDA growth versus 2Q22, mainly due to the increase in the rented volume.

# Results

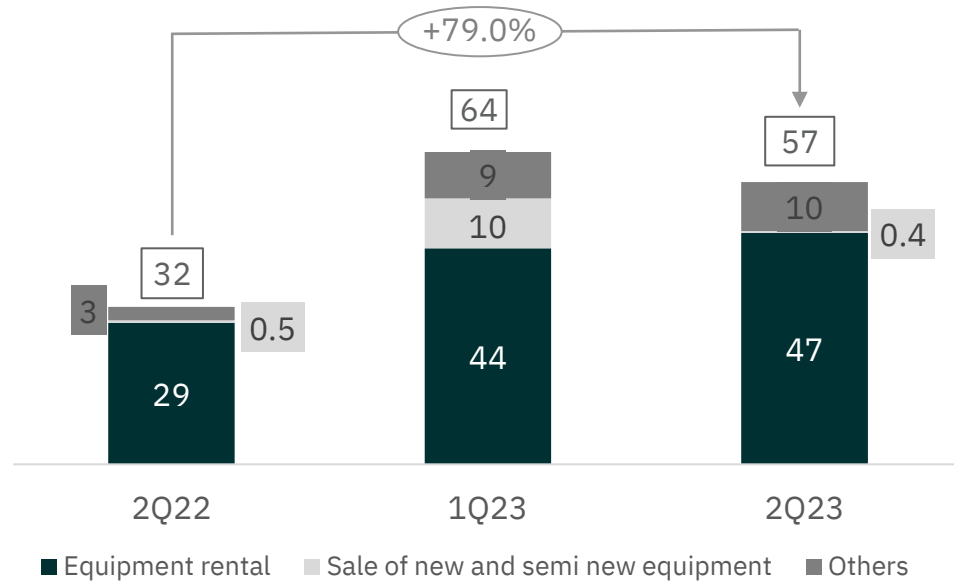
Formwork and Shoring

# Formwork and Shoring

## Financials

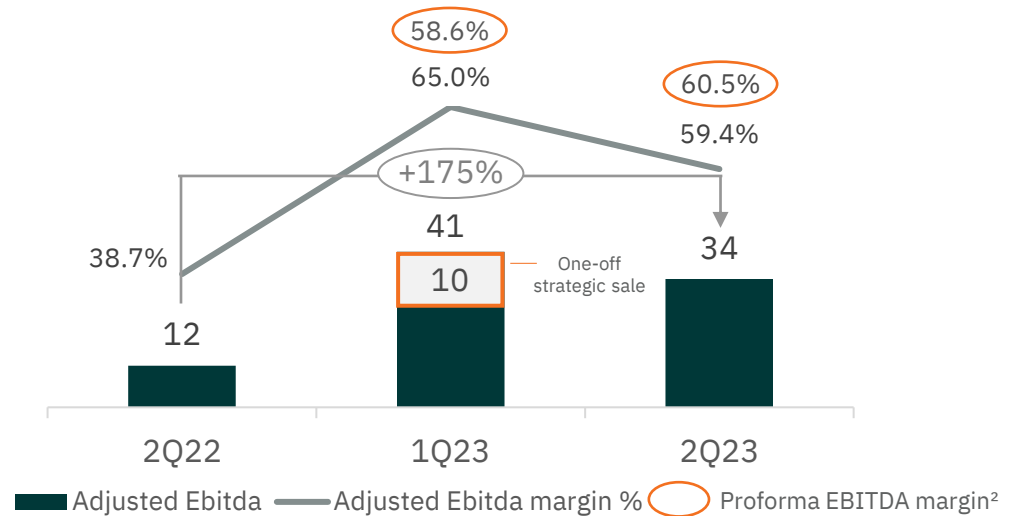


Net Revenue (by type)  
R\$ MM



The net revenue grows when compared to 2Q22, as a result of the higher rental revenues, which increased 79% in the period, mainly due to better prices.

Adjusted EBITDA<sup>1</sup>  
R\$ MM



Value 175% higher than 2Q22 with adjusted EBITDA margin 20.7 p.p. higher year-on-year, as a result of better rental margins, without relevant increase in SG&A.



# CONSOLIDATED RESULTS

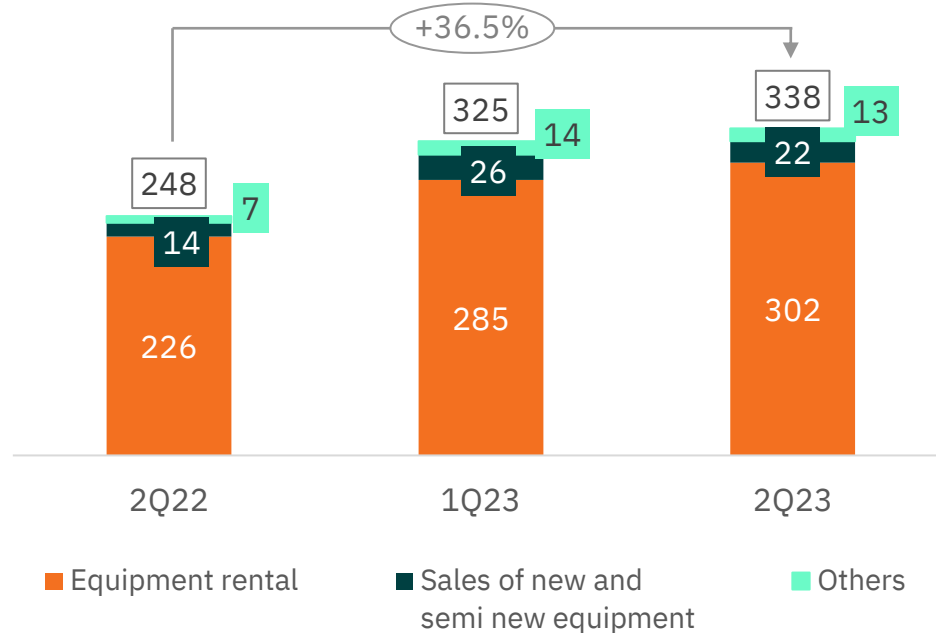


# Consolidated - Financial

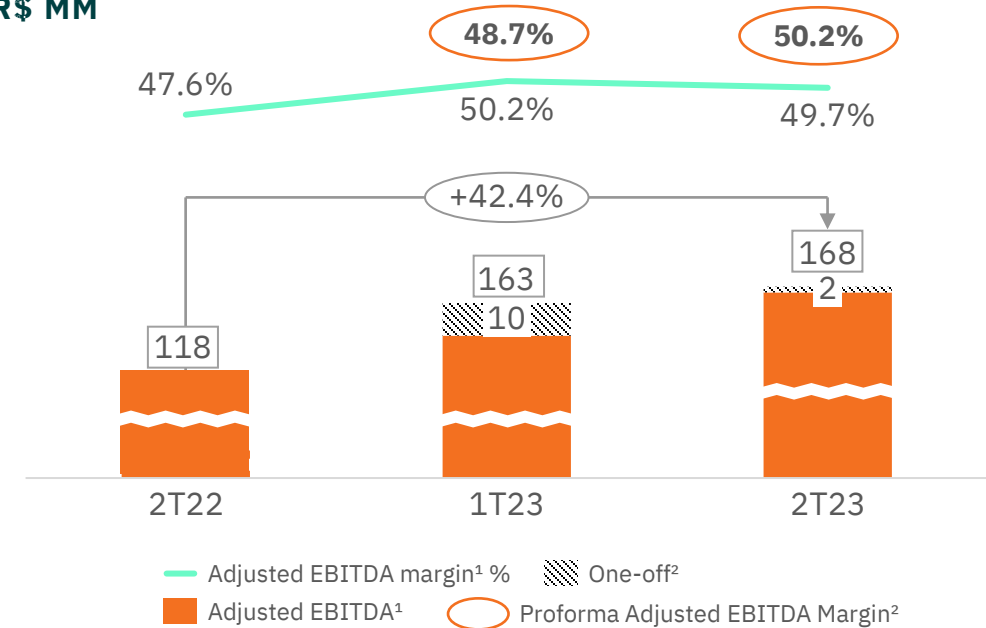
Focus on growth and margin improvement



Net Revenue (by type)  
R\$ MM



Adjusted EBITDA<sup>1</sup>  
R\$ MM



**36.5% higher** when compared with 2Q22, reflecting the Company's growth in all its business units and the beginning of Heavy Rental operation. **Growth of 7.4% when compared with 1Q23**, excluding the non recurring strategic sale in the period

**42.4%** increase over the same period of the year. Consistent profitability.

2Q23

<sup>1</sup>Excluding non recurring items. Information unaudited by the independent auditors.

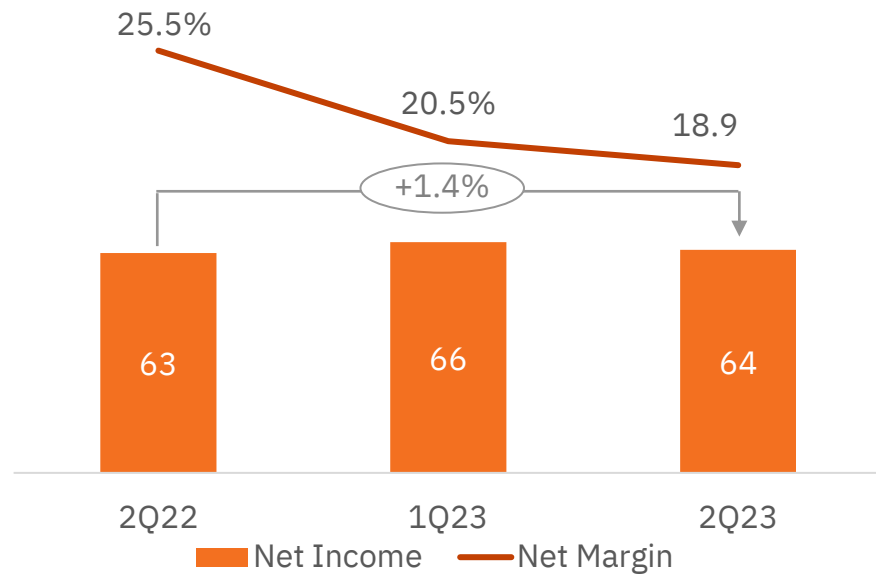
<sup>2</sup> Excluding the result from a non-recurring strategic sale of used assets made on the 1Q23 on the Formwork and Shoring business unit (R\$ 9.7 million) and *one-off* expenses from structural adjustments made on 2Q23 (R\$ 1.8 million)

# Consolidated - Financial

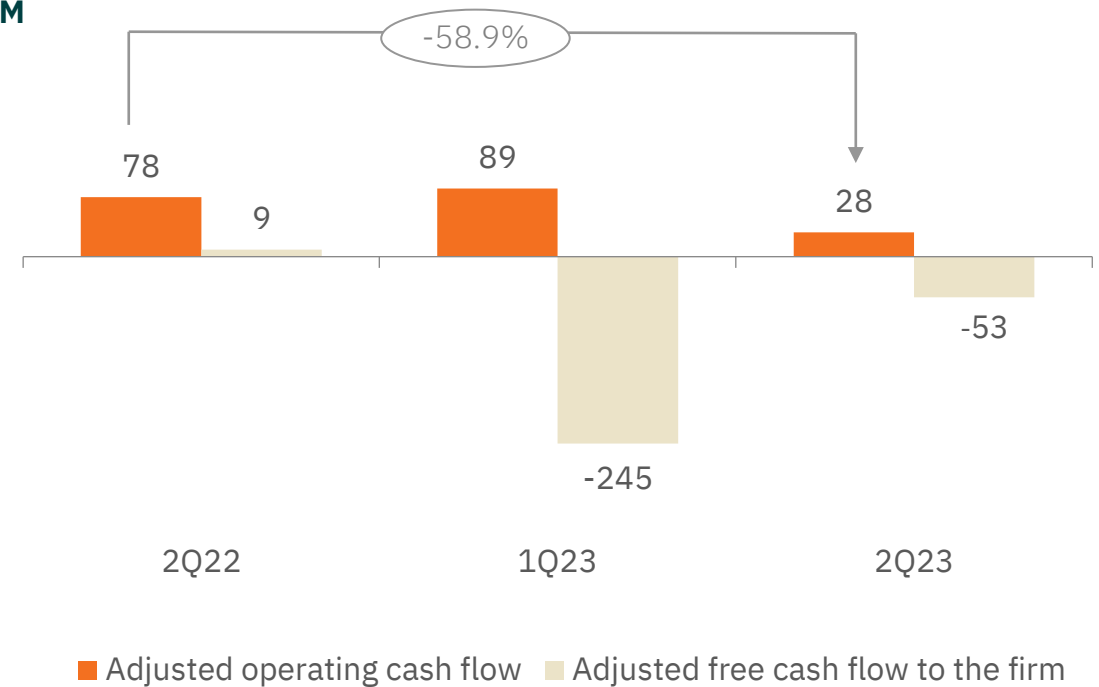


Sustained efficient operation, and ready for the market upturn and increase in demand

Net profit  
R\$ MM



Cash flow  
R\$ MM



Net income 1,4% higher than in 2Q22, with a net margin of 19%.

The company continues to generate operating cash. Decrease in cash flow due to the payment schedule for equipment purchases and payment of profit sharing to employees.

<sup>1</sup> For adjusted operating cash flow, interest paid, investment in lease, interest, and inflation adjustments in assets and liabilities are not included. For the free cash flow to the firm, cash flow from investing activities and purchases of leased goods are also excluded

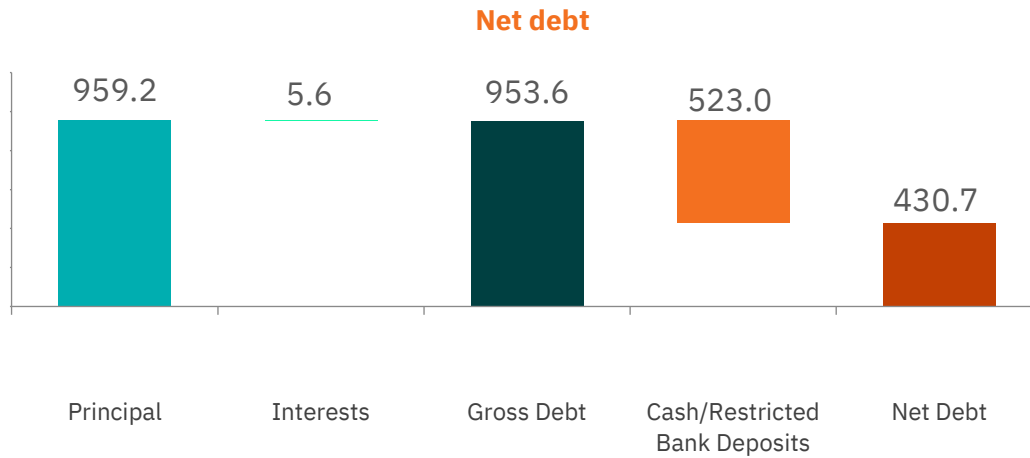
# Debt



Low and stable debt demonstrates healthy financial control.

06/30/2023

R\$ MM



## Indebtedness

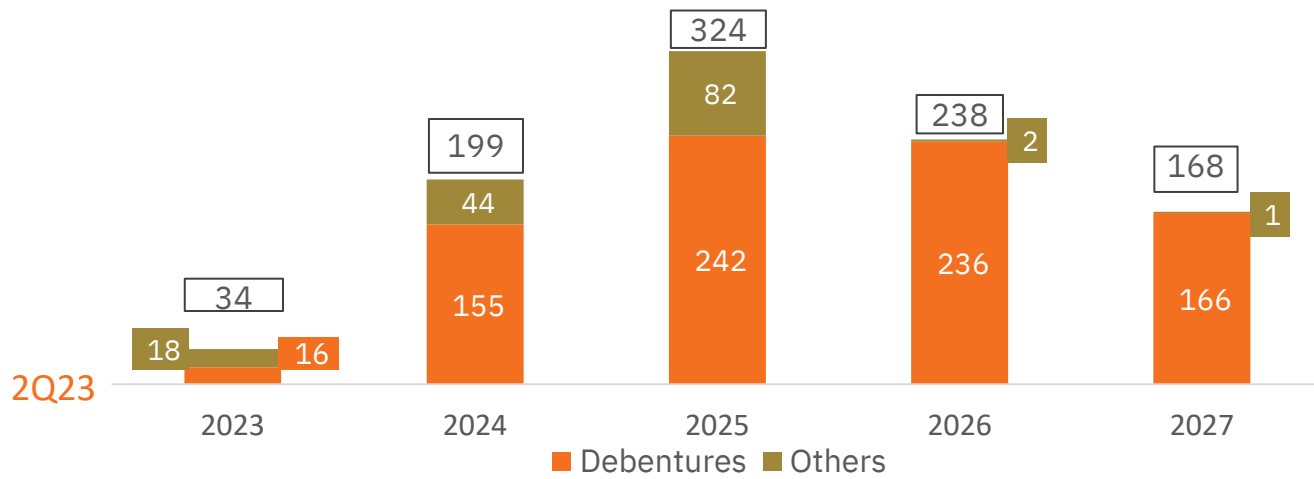
- Issuance of R\$ 100 million, at a cost of CDI + 2.00% - below the Company's average cost
- Continuous Search to improve capital structure and to optimize debt costs.

## Leverage

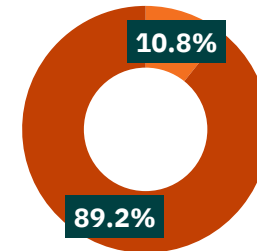
- Net Debt/Adjusted EBITDA LTM LTM = 0.7x
- ST Net Debt / Adjusted LEBITDA LTM = -0,7x

R\$ MM

## Amortization Schedule

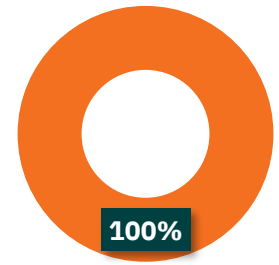


Average term  
2.6 years



Short Term Long Term

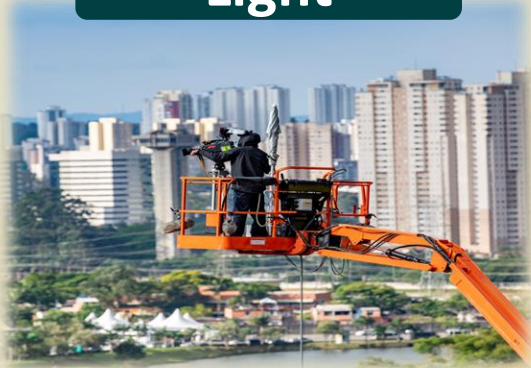
Average cost  
CDI + 2.24% a.a.



CDI

# Levers for growth

## Light



- ✓ MEWP penetration concept for work at height;
- ✓ Increase in utilization rate;
- ✓ Ramp-up and opening of new branches;
- ✓ Commercial action targeted by region.

## Heavy



- ✓ Market consolidation;
- ✓ Penetration concept Buy x Rent;
- ✓ Robust pipeline: conversion of new contracts;
- ✓ Cross-sell with MEWP and F&S;
- ✓ Predictability with long-term contracts;
- ✓ Quality service: productivity, uptime and security.

## F&S



- ✓ Robust pipeline of infrastructure;
- ✓ Strong construction market;
- ✓ Focus on profitability: high cash generation (low capex)

**Right to win - Mills: Combining experience, grit and long-term market partnership**



Capilarity: always close to the customer



Operation Excellence



Healthy balance sheet

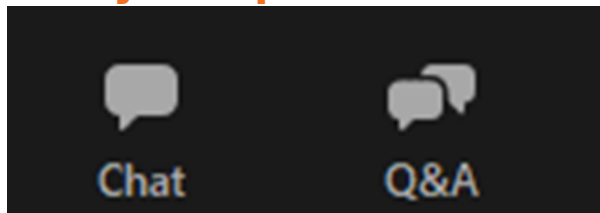


Strong culture (customer-centric)

# Q&A

To ask questions: click on the Q&A icon, on the bottom of the screen and write your NAME, your Company's name and language preference. After your name is announced, you will see a pop up notification asking to unmute your microphone on the screen, then you should active it so that you may ask a question.

## Ask your question:





# APPENDIX



# Appendix I

## Income Statement

R\$ million	2Q22	1Q23	2Q23	6M22	6M23	2Q23/2Q22	2Q23/1Q23	6M23/6M22
<b>Gross Revenue</b>	<b>294.2</b>	<b>374.5</b>	<b>384.6</b>	<b>565.7</b>	<b>759.2</b>	<b>30.7%</b>	<b>2.7%</b>	<b>34.2%</b>
Net revenue from sales and services	247.6	324.7	338.0	482.7	662.7	36.5%	4.1%	37.3%
Cost of products sold and services rendered	-97.7	-114.4	-120.7	-181.3	-235.1	23.5%	5.5%	29.6%
<b>Gross Profit</b>	<b>149.9</b>	<b>210.3</b>	<b>217.3</b>	<b>301.4</b>	<b>427.7</b>	<b>44.9%</b>	<b>3.3%</b>	<b>41.9%</b>
Selling, general and administrative expenses	-75.5	-96.7	-102.4	-153.3	-199.1	35.7%	5.8%	29.9%
ECL	-6.4	-7.1	-7.7	-14.4	-14.9	21.1%	9.0%	3.1%
Other revenues	0.5	2.6	1.5	0.6	4.1	222.4%	-41.2%	533.7%
<b>Profit before Financial Result</b>	<b>68.5</b>	<b>109.0</b>	<b>108.7</b>	<b>134.3</b>	<b>217.7</b>	<b>58.6%</b>	<b>-0.3%</b>	<b>62.1%</b>
Financial expenses	-20.6	-41.6	-38.3	-29.6	-80.0	86.1%	-7.9%	170.1%
Financial revenues	18.1	27.4	18.2	25.0	45.5	0.3%	-33.6%	82.0%
<b>Financial result</b>	<b>-2.5</b>	<b>-14.2</b>	<b>-20.2</b>	<b>-4.6</b>	<b>-34.4</b>	<b>710.1%</b>	<b>41.7%</b>	<b>648.6%</b>
<b>Profit before taxes</b>	<b>66.0</b>	<b>94.8</b>	<b>88.5</b>	<b>129.7</b>	<b>183.3</b>	<b>34.0%</b>	<b>-6.6%</b>	<b>41.3%</b>
Income tax and social contribution	-2.9	-28.4	-24.4	-25.7	-52.8	754.9%	-13.9%	105.5%
<b>Net income (</b>	<b>63.2</b>	<b>66.4</b>	<b>64.1</b>	<b>104.0</b>	<b>130.5</b>	<b>1.4%</b>	<b>-3.5%</b>	<b>25.5%</b>

# Appendix II

## Balance Sheet

In R\$ million	2Q22	1Q23	2Q23
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	450.9	530.9	514.0
Restricted bank deposits	18.7	8.7	9.0
Trade receivables	200.6	251.7	268.5
Inventories	74.6	73.1	71.8
IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax)	23.7	17.6	24.0
Taxes recoverable	12.6	21.3	20.3
Advances to suppliers	8.0	10.4	5.8
Derivative financial instruments			
Assets held for sale	6.1	10.5	11.9
<b>Sub total</b>	<b>805.9</b>	<b>924.3</b>	<b>925.4</b>
Assets held for sale	19.5	18.9	18.9
<b>Total Current Assets</b>	<b>825.4</b>	<b>943.2</b>	<b>944.3</b>
<b>Non-current Assets</b>			
Deferred taxes - IRPJ and CSLL	281.5	258.2	244.5
Taxes recoverable	0.0	48.5	52.7
Judicial deposits	12.2	12.4	12.5
Other assets	0.2	0.2	0.2
<b>Sub total</b>	<b>293.9</b>	<b>319.2</b>	<b>309.9</b>
Property, plant and equipment	511.9	1,190.0	1,211.1
Intangible assets	192.4	188.0	192.1
	704.3	1,378.0	1,403.2
<b>Total Non-current Assets</b>	<b>998.2</b>	<b>1,697.2</b>	<b>1,713.1</b>
<b>Total Assets</b>	<b>1,823.6</b>	<b>2,640.4</b>	<b>2,657.4</b>

In R\$ million	2Q22	1Q23	2Q23
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade payables	80.7	192.3	111.7
Trade payables - acquisition of subsidiary	0.0	0.5	2.7
Borrowings and financing	4.1	32.0	30.5
Right of Use to lease (IFRS 16)	19.0	30.2	30.1
Derivative financial instruments			
Debentures	57.6	64.6	72.1
Income tax and social contribution	31.4	38.1	37.3
Payroll and related taxes	3.0	2.8	6.6
Tax debt refinancing program (REFIS)	1.5	1.6	1.5
Taxes payable	6.7	10.2	10.7
Profit sharing payable	8.3	33.2	12.4
Dividends and interest on equity payable	0.0	18.1	16.8
Other liabilities	0.8	0.8	1.0
<b>Total Current Liabilities</b>	<b>213.3</b>	<b>424.4</b>	<b>333.5</b>
<b>Non Current Liabilities</b>			
Trade payables	17.6	10.8	8.1
Trade payables - acquisition of subsidiary	-	23.7	21.7
Borrowings and financing	1.6	22.4	116.5
Right of Use to lease (IFRS 16)	39.5	64.3	61.5
Debentures	361.5	762.7	734.4
Tax debt refinancing program (REFIS)	1.6	0.5	0.1
Provision for tax, civil and labor risks	17.3	17.0	17.5
Taxes payable	11.1	11.8	12.0
Provision for post-employment benefits	9.4	11.6	11.9
Other liabilities	1.5	1.0	0.9
<b>Total non-current Liabilities</b>	<b>461.1</b>	<b>925.7</b>	<b>984.7</b>
<b>Total Liabilities</b>	<b>674.4</b>	<b>1,350.1</b>	<b>1,318.2</b>
<b>Equity</b>			
Share capital	1,091.1	1,091.6	1,091.6
Capital reserves	14.7	4.5	9.9
Cost of share emission			
Earnings reserves	44.4	203.6	196.2
Treasury shares	-50.8	-41.5	-36.2
Equity adjustments	-10.0	-18.0	-18.0
Accumulated losses	76.0	48.0	93.7
<b>Sub total</b>	<b>1,147.0</b>	<b>1,288.2</b>	<b>1,337.1</b>
Non-controlling shareholders	2.3	2.1	2.2
<b>Total Equity</b>	<b>1,149.2</b>	<b>1,290.3</b>	<b>1,339.2</b>
<b>Total Liabilities and Equity</b>	<b>1,823.6</b>	<b>2,640.4</b>	<b>2,657.4</b>

# Appendix III

## Cash Flow



in R\$ million	2Q22	3Q22	4Q22	1Q23	2Q23
<b>Cash flows from operating activities</b>					
<b>Profit for the year</b>	<b>63.2</b>	<b>64.9</b>	<b>47.5</b>	<b>66.4</b>	<b>64.1</b>
<b>Non cash adjustments:</b>	<b>79.1</b>	<b>70.9</b>	<b>121.8</b>	<b>114.6</b>	<b>129.1</b>
Depreciation and amortization	43.0	48.2	37.2	52.3	55.9
Deferred income and social contribution taxes	8.1	9.4	22.2	10.1	13.7
Provision (reversal) for tax, civil and labor risks	-2.8	-3.0	-0.4	-0.7	1.4
Accrued expenses on stock options	1.1	1.9	8.2	3.0	5.4
Post-employment benefit	0.2	0.2	0.2	0.3	0.3
Residual value of property, plant and equipment and intangible assets sold and written off	0.0	1.6	6.1	3.1	2.0
Interest and monetary exchange gains and losses, net	16.7	13.1	19.7	36.5	34.6
Leasing interest	1.3	1.8	2.1	2.2	2.1
Provision (reversal) for impairment loss on trade receivables	6.4	4.9	7.0	7.1	7.4
Provision (reversal) for impairment and fair value	0.0	0.0	0.3	0.0	0.0
Provision (reversal) for slow-moving inventories	-0.5	0.5	0.2	0.8	2.7
Provision for Profit Sharing	4.0	6.3	12.6	6.1	5.6
Result of advantageous purchase on investment	0.0	-10.4	1.9	0.0	0.0
Other provisions	1.6	-3.6	4.3	-6.4	-1.9
<b>Variations on assets and liabilities:</b>	<b>-66.3</b>	<b>-92.6</b>	<b>-69.6</b>	<b>-352.4</b>	<b>-199.8</b>
Trade receivables	-27.0	-27.1	-33.1	-11.3	-24.1
Acquisitions of rental equipment	-39.9	-91.1	-210.0	-308.2	-71.9
Acquisition of leased assets through capital reduction in subsidiary	0.0	0.0	12.6	0.0	0.0
Inventories	-1.5	-2.8	2.5	1.3	-1.4
Inventory acquisitions through capital reduction subsidiary	0.0	0.0	0.3	0.0	0.0
Taxes recoverable	-5.8	-3.0	-27.1	-27.2	-3.4
IRPJ (Corporate Income Tax) and CSLL (Social Contribution Tax)	-14.9	-0.5	8.0	-1.4	-6.2
Judicial deposits	-1.1	0.6	-0.5	0.0	0.0
Other assets	-0.5	2.6	-2.6	-6.4	3.1
Suppliers	29.3	15.1	138.4	-17.8	-82.1
Trade payables	0.0	-10.0	12.0	0.0	0.0
Payroll and related taxes	3.4	7.9	-2.2	0.8	-0.8
Profit Sharing	-13.5	0.0	0.0	-0.1	-26.4
Taxes payable	5.4	15.3	32.5	18.4	13.3
Other liabilities	-0.2	0.3	0.0	-0.4	0.1
<b>Paid income and social contribution taxes</b>	<b>-14.7</b>	<b>-11.6</b>	<b>-30.0</b>	<b>-21.6</b>	<b>-9.3</b>
<b>Lawsuits</b>	<b>-1.2</b>	<b>-1.2</b>	<b>-1.1</b>	<b>-0.7</b>	<b>-0.8</b>
<b>Interest</b>	<b>-14.0</b>	<b>-17.7</b>	<b>-17.8</b>	<b>-18.1</b>	<b>-47.7</b>
<b>Net cash</b>	<b>46.1</b>	<b>12.7</b>	<b>38.2</b>	<b>-211.8</b>	<b>-64.5</b>

in R\$ million	2Q22	3Q22	4Q22	1Q23	2Q23
<b>Cash flows from operating activities</b>					
<b>Cash flow from investing activities</b>					
Acquisition of subsidiary	-19.1	-26.4	0.6	0.0	0.0
Capital contribution in subsidiary	0.0	-43.6	-18.4	0.0	0.0
Acquisition of PP&E for own use and intangible assets	-11.8	-17.3	-23.2	-16.8	-9.7
<b>Net cash generated by (used in) investing activities</b>	<b>-29,1</b>	<b>-82,3</b>	<b>-41,0</b>	<b>-16,8</b>	<b>-9,7</b>
<b>Cash flow from financing activities</b>					
Leasing (IFRS 16)	-6.1	-8.0	-9.3	-10.0	-10.2
Capital increase	0.8	44.1	18.4	0.0	0.0
Restricted bank deposits	-6.7	-0.5	3.2	7.3	-0.3
Funding (costs) of borrowing and debentures	0.2	5.0	425.0	0.0	100.0
Amortization of borrowing and debentures	-11.6	-15.7	-20.6	-17.9	-14.3
Acquisition of treasury shares	-26.8	4.5	-17.3	0.0	0.0
Interest on equity paid	-19.8	-12.4	-14.0	0.0	-16.8
Dividends paid	-12.8	0.0	0.0	0.0	-1.2
<b>Net cash generated by (used in) financing activities</b>	<b>-82.8</b>	<b>16.9</b>	<b>385.3</b>	<b>-20.5</b>	<b>57.2</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-65.8</b>	<b>-52.7</b>	<b>382.5</b>	<b>-249.2</b>	<b>-17.0</b>
Cash and cash equivalents at the beginning of the period	516.8	450.9	397.6	780.1	530.9
Cash and cash equivalents at the end of the period	450.9	397.6	780.1	530.9	514.0
Net increase/(decrease) in cash and cash equivalents	-67.3	-53.7	382.5	-249.2	-17.0
<b>Operating cash flow</b>	<b>46.1</b>	<b>12.7</b>	<b>38.2</b>	<b>-211.8</b>	<b>-64.5</b>
Interest paid	14.0	17.7	17.8	18.1	47.7
Acquisition of rental equipment (Gross of PIS COFINS)	39.9	91.1	210.0	317.6	71.4
Interest and monetary exchange net gains and losses (cash)	-15.5	-15.6	-13.9	-24.4	-16.5
Leasing (IFRS 16)	-6.1	-8.0	-9.3	-10.0	-10.2
<b>Adjusted Operating Cash Flow</b>	<b>78.3</b>	<b>97.9</b>	<b>242.7</b>	<b>89.5</b>	<b>27.9</b>



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