# EAST COAST ROADSHOW

## Strong momentum driving improving performance


April/May 2024

# Disclaimer

## Forward looking statements

This release contains certain forward looking statements and forecasts, including in relation to possible or assumed future performance, costs, dividends, rates, prices, revenue, potential growth of MLG Oz Limited, industry growth or other trend projections.

Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of MLG Oz Limited. Actual results and developments may differ materially from those expressed or implied by these forward looking statements, depending on a variety of factors.

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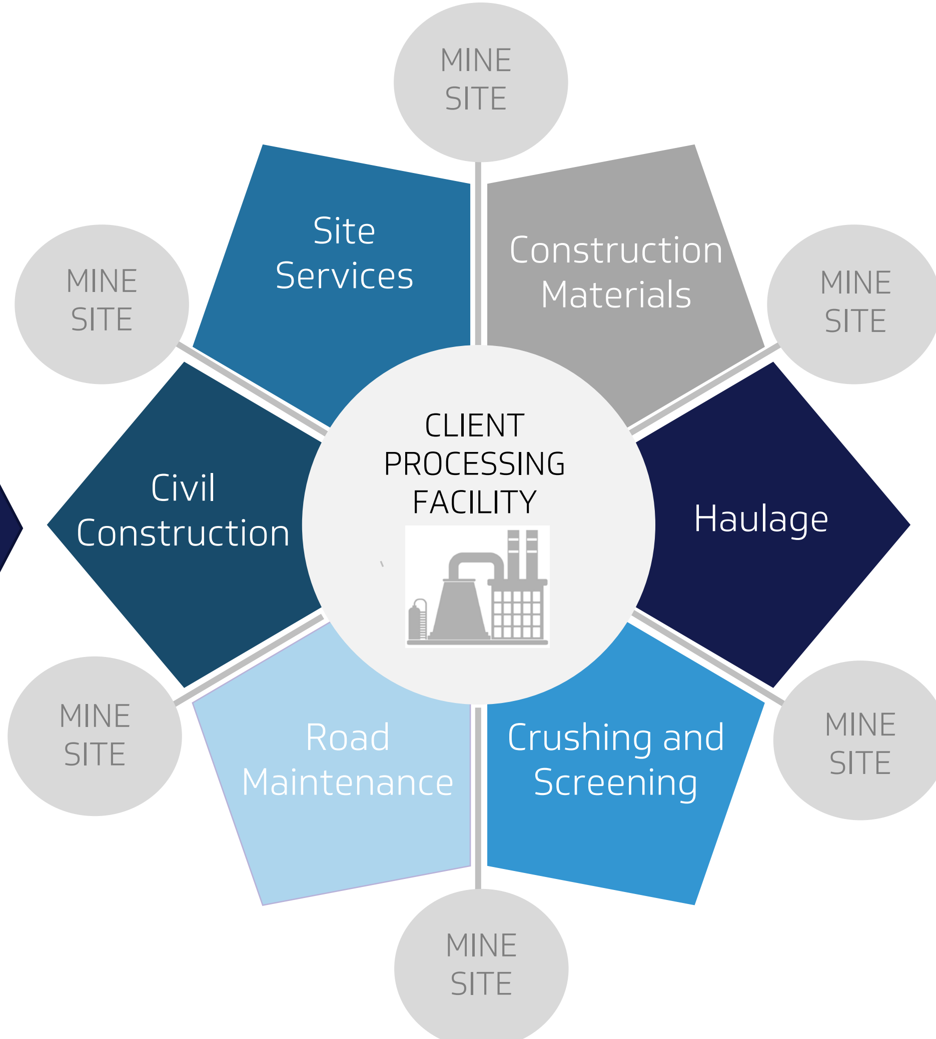
# LARGE OPERATOR DELIVERING A FULL INTEGRATED SERVICE MODEL

QUARRY ASSETS


LARGE FLEET




## BENEFIT OF INTEGRATED MODEL

- Single service provider
- Single contractual management touch point
- Reduced duplication (single workshop, shared equipment)
- Processing facilities typically long life
- Haulage can be adjusted to changing mine plans
- Builds long term client relationship

+ Contractual capital protection clauses negotiated when projects require large capital outlay

# Where We Operate

## CURRENT ACTIVITY

| | |
|---|---|
| Bulk Haulage & Site Services | 20 |
| Crushing & Screening | 9 |
| Mining & Civil | 2 |
| Offices | 2 |
| Quarries | 1 |

**22+**
YEARS OF OPERATION

**32**
SITES IN NT AND WA

**1300+**
WORKFORCE

### PILBARA

1 Christmas Creek
2 Cloudbreak
3 Koolan Island
4 Solomon

### NORTHERN TERRITORY

5 Granites

### MURCHISON

6 Fortnum
7 Meekatharra
8 Cue

### GOLDFIELDS

9 Agnew
10 Barren Lands
11 Bronzewing
12 Cane Grass
13 Davyhurst
14 Eight Mile
15 Gruyere
16 Granny Smith
17 Jonah Bore
18 Jundee
19 Kalgoorlie Bulk
20 Kalgoorlie HQ
21 Kanowna Belle
22 Kundana
23 Leonora
24 Paddington
25 St Ives
26 Tarmoola

### WHEATBELT

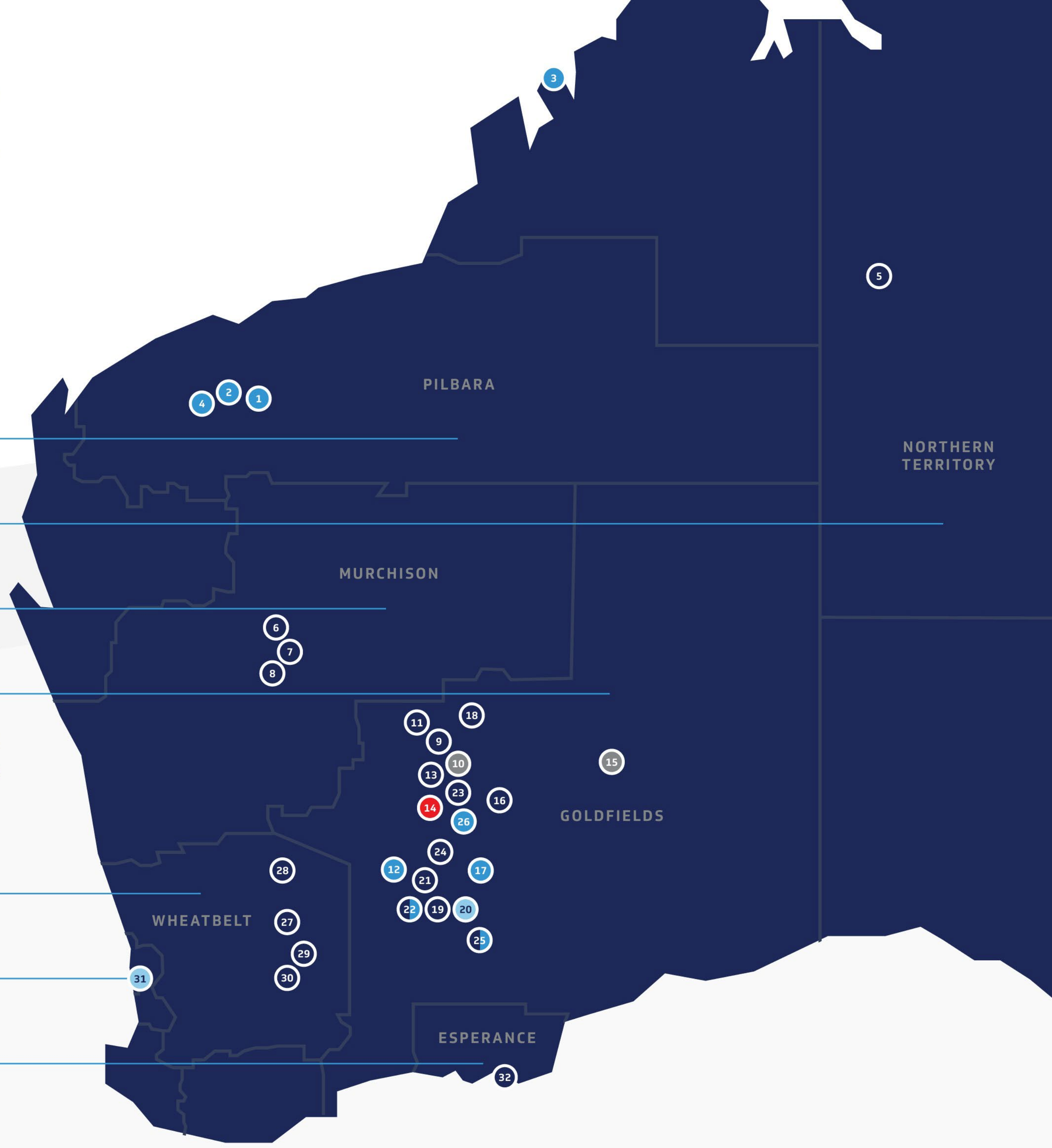
27 Edna May
28 Marda
29 Symes
30 Tampia

### PERTH

31 Perth Corporate

### ESPERANCE

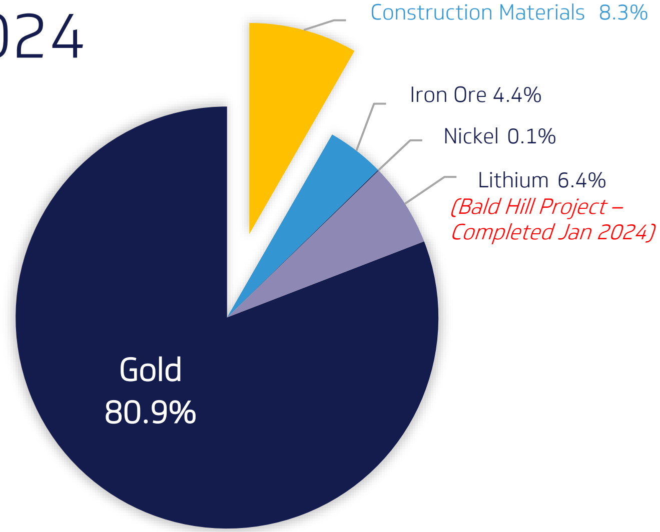
32 Esperance




*Locations as of February 2024

# REVENUE EXPOSURE IS PRIMARILY IN THE GOLD SECTOR

2024




- Strong revenue growth driven by existing customer growth and new contract wins
- Revenue weighted to large, low-cost gold miners
- Significant improvement in crushing and screening

## LONG TERM QUALITY CLIENT BASE

Gold Fields

Gruyere JV

Gold Road Resources

Northern Star Resources Limited

Newmont

Westgold

Ramelius Resources

Mount Gibson Iron

Evolution Mining

Genesis Minerals Limited

Red5

Orabanda Mining

Norton Gold Fields

BHP

Fortescue

# MANGAMENT SYSTEMS MATERIALLY IMPROVE DECISION MAKING

## REPORTING

**Performance**
- Daily revenue across all locations
- Expense transactions by site
- Profit and Loss visibility by site
- Rates portal for invoicing
- Rise and Fall monitoring
- Dashboard metrics (multiple)

**People**
- Headcount and turnover

**Equipment**
- Engine Hours and utilisation
- GPS monitoring (Speed/Distance)

## EXTRACT AND TRANSLATE


- Extract and translate rules
- Data manipulation and coding
- Governance, integrity and security

## SOURCE SYSTEMS

- Transaction data
- Equipment technology (weightometers, seeing machines, GPS monitoring, sensors)
- Financial Ledger
- Health and Safety events
- Automated time recording

Native cloud-based infrastructure

# VERY STRONG HISTORY OF REVENUE GROWTH


*Notes: Pro Forma offsets fuel tax credit revenue and other income against costs of sales*

# FY2024 - Half Year Financial Performance

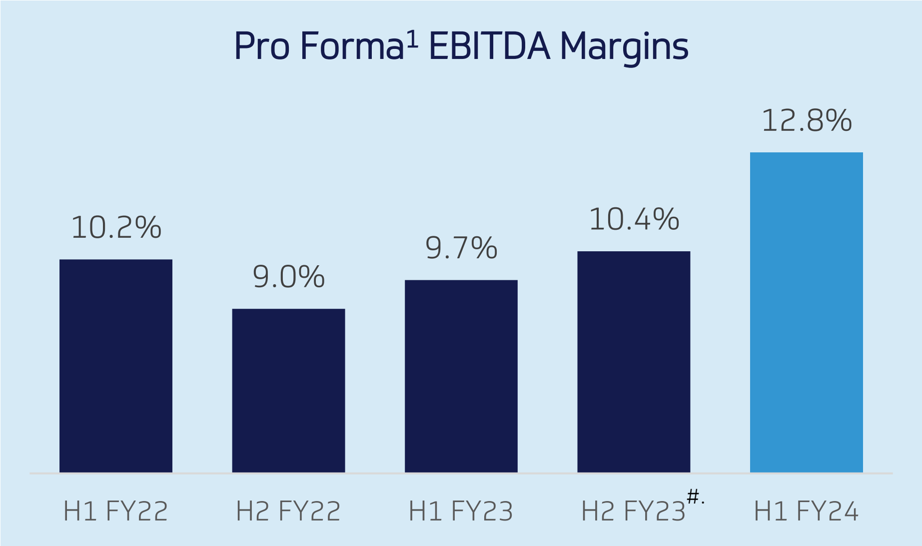
For period ended 31 December 2023

# MOMENTUM DRIVING STRONGER FINANCIAL RETURNS

## HY2024 Financial Performance

| | |
|---|---|
| *REVENUE **$226.4m** ($175.9m HY23) | ↑ 28.7% |
| EBITDA $28.5m ($16.6m HY23) | ↑ 71.8% |
| NPAT $7.1m ($2.6m HY23) | ↑ 174.4% |
| GEARING 1.1x (2.0x HY23) | ↓ 45.0% |

- Industry demand continues to drive revenue growth
- Improving EBITDA margins
- Material growth in overall profitability
- Significant reduction in financial gearing




*Notes:*
1. *Pro Forma offsets fuel tax credit revenue and other income against Costs of sales*
2. *# H2 FY23 Underlying EBITDA - adjusts for impact of sale of high-capacity crushing plants ($3.1m write-off of inventory/ancillary)*

# HIGHLIGHTS – STRONG GROWTH IN REVENUE AND MARGIN

- **Strong revenue growth with existing clients and new contract wins**
  - Gold focused revenue underpinned by large, low-cost producers
  - Continued growth with existing customer base a strong endorsement of MLG business model

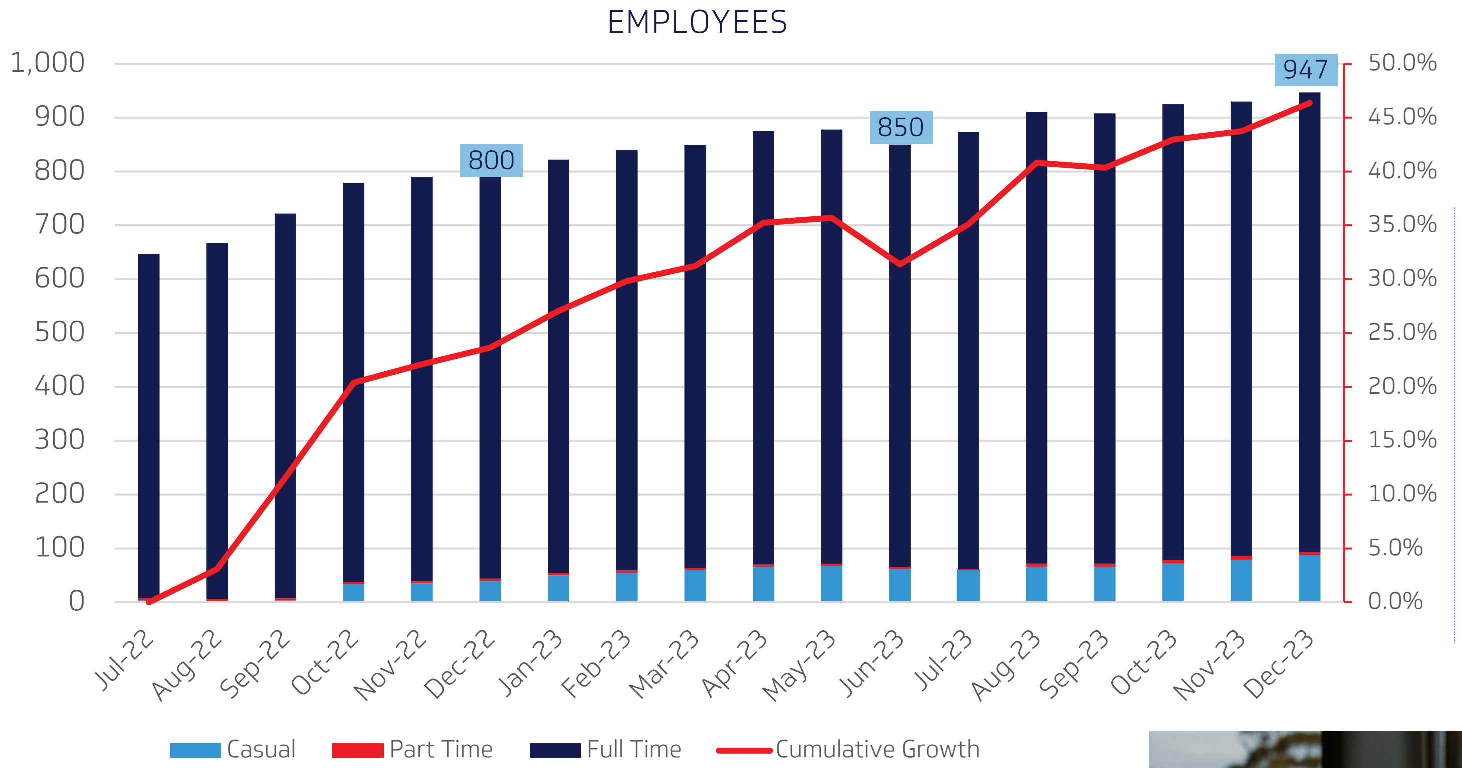
- **EBITDA margin increases to 12.8%**
  - After challenging period, margins improved off the back of a number of commercial and operational improvements

- **Continued focus on margin improvement back to 15%+ EBITDA margin required to drive sustainable returns**
  - Further room for margin improvement, with additional optimisation of portfolio contracts and underperforming sites
  - Increased exposure to integrated site services work leveraging scale at additional sites
  - Continued focus on cost control and procurement benefits
  - Increased productivity as staff turnover reduces from historical industry high levels

- **Balance sheet strengthened with leverage further reducing down to 1.1x from 2.0x trailing EBITDA**
  - MLG strongly positioned to fund continued investment subject to adequate return hurdles, or dividends going forward

- **MLG well positioned as competitive landscape remains constrained after challenging period**

# HEADCOUNT REMAINS A KEY FOCUS TO SUSTAIN GROWTH

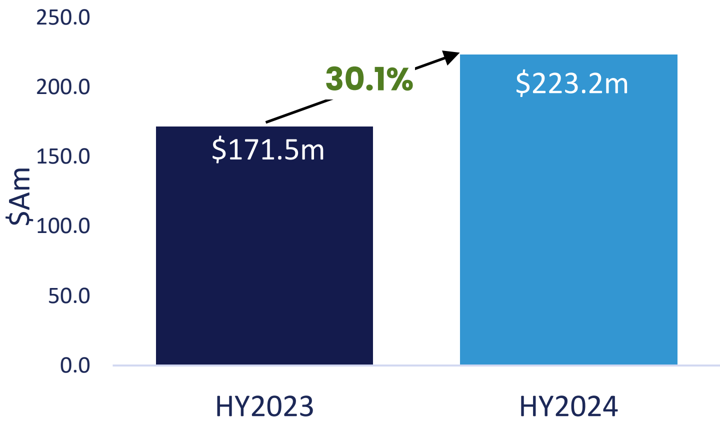



Higher number of operators and road train drivers increases utilisation of equipment and therefore production volumes which in turn increases revenue

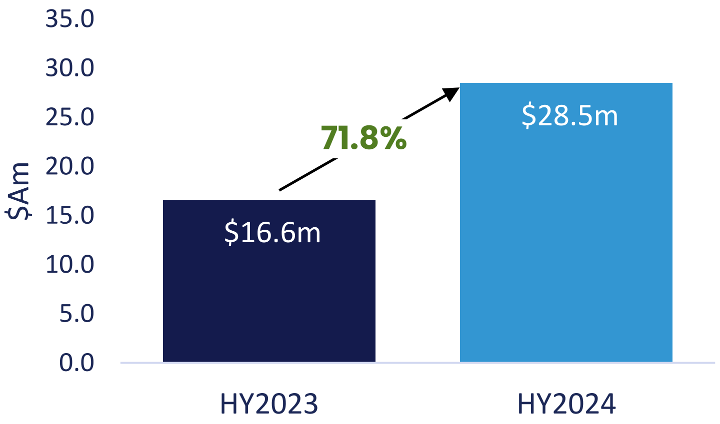
- Turnover in industry continues to remain high
- 46.4% increase in headcount over last 18 months

# FINANCIAL PERFORMANCE – HY 2024 for period ended 31 December 2023

## Pro forma[1] revenue




## Pro forma[1] EBITDA

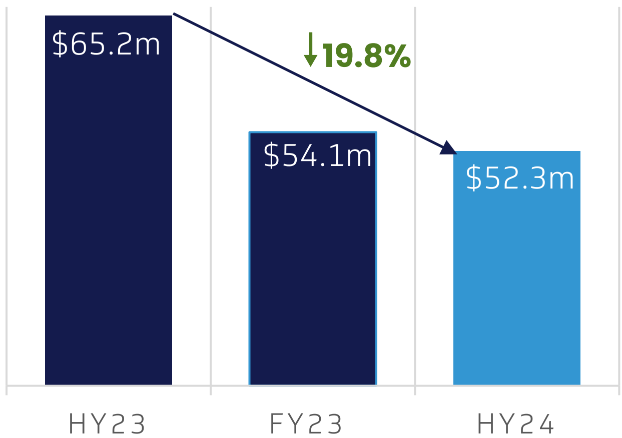



| $000's | Notes | | Pro Forma Statutory HY24 | Pro Forma Statutory HY23 |
|---|---|---|---|---|
| **Revenue** | | | | |
| Mine Site Services and Bulk Haulage | | ↑ 23.5% | 185,927 | 150,557 |
| Crushing and Screening | | ↑ 131.2% | 37,180 | 16,080 |
| Export Logistics | | ↓ 97.6% | 116 | 4,896 |
| **Total revenue** | 1 | ↑ 30.1% | **223,223** | **171,532** |
| Costs of sales | 1 | | (184,147) | (145,503) |
| **Gross profit** | | ↑ 50.1% | **39,076** | **26,028** |
| General and administration | | ↑ 12.0% | (10,551) | (9,422) |
| **EBITDA** | | ↑ 71.8% | **28,525** | **16,606** |
| Depreciation | | | (15,268) | (10,915) |
| Loss on Sale of Assets | | | (765) | (73) |
| **EBIT** | | ↑ 122.4% | **12,492** | **5,618** |
| Margins | | | | |
| EBITDA | | ↑ 32.0% | 12.8% | 9.7% |
| EBIT | | ↑ 69.7% | 5.6% | 3.3% |

*Notes:*
*1. Pro Forma offsets fuel tax credit revenue and other income against Costs of sales*

# STRONGER BALANCE SHEET POSITION TO SUPPORT GROWTH

FINANCIAL LIABILITIES
(INCLUDING OPERATING LEASES)




- **$12.9m** reduction in financial debt vs HY2023
- Materially reduced gearing ratio **1.1x**

  (Financial Debt (including operating leases)/Last 12 months EBITDA)

  2.0x at 31 December 2022
- Financial liabilities primarily equipment finance (fixed rate single asset contracts)
- NTA/share up 6.5% to 94.2c

| $000's | Consolidated 31 Dec 2023 | Consolidated 30 June 2023 |
|---|---|---|
| Cash and cash equivalents | 384 | 144 |
| Trade and other receivables | 53,295 | 47,381 |
| Inventories | 16,895 | 14,551 |
| Total current assets | 70,574 | 62,075 |
| Property, plant and equipment | 181,358 | 177,538 |
| Other non-current assets | 8,673 | 6,541 |
| Total non-current assets | 190,031 | 184,079 |
| Total assets | 260,605 | 246,154 |
| Trade and other payables | 49,847 | 47,852 |
| Financial liabilities | 26,491 | 28,633 |
| Lease liabilities | 3,240 | 2,040 |
| Provisions | 2,916 | 600 |
| Total current liabilities | 82,494 | 79,125 |
| Financial liabilities | 24,074 | 25,463 |
| Lease liabilities | 5,536 | 4,753 |
| Other non-current liabilities | 22,362 | 18,694 |
| Total non-current liabilities | 51,972 | 48,910 |
| Total liabilities | 134,466 | 128,036 |
| Net assets | 126,139 | 118,118 |

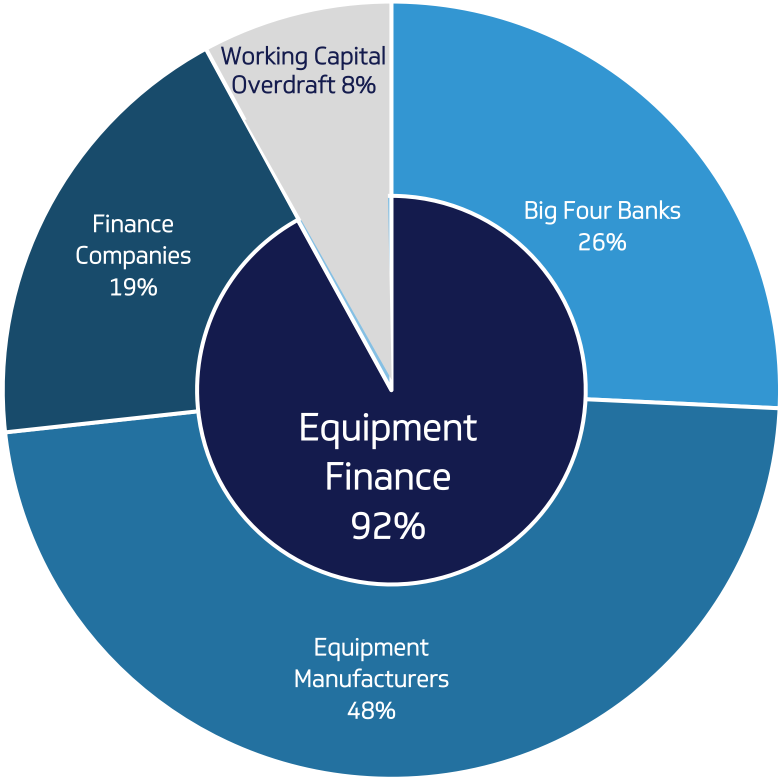
# DEBT FUNDED THROUGH EQUIPMENT FINANCE – ASSET BACKED

## HY2024 Financial Position

| | |
|---|---|
| GEARING<br>**1.1x**<br>(2.0x HY23) | **45.0%** |
| FINANCIAL DEBT<br>$53.2m<br>($65.2m HY23) | **19.8%** |
| NTA/SHARE<br>$0.94c<br>($0.89c HY23) | **6.5%** |

## Capital Structure – Financial Debt

Multi tenor equipment finance contracts
(3, 4 and 5 years)



# COMPETITOR LANDSCAPE ALSO FAVOURING MLG

MLG does not currently have any direct competitors who provide a fully integrated service but do have competition within each service line e.g. Haulage

**MLG's financial position and service offering is strategically well positioned**

LAST 18 MONTHS

- Rivet Mining Services entered administration in March 2023 and has ceased operating

MORE RECENTLY

- Private Bulk Haulage & Earthmoving business based in Kalgoorlie was reportedly placed into administration by the ATO
- Large-scale private equity owned logistics provider has been withdrawing from surface operations to focus on their underground (East coast coal based) business
- Large publicly listed Logistics business has not been regularly tendering on off-road transport as it repositions its operations toward on-road port and logistics activities

# OUTLOOK STRONG WITH A FOCUS ON SUSTAINABILITY

- Demand outlook with existing clients remains significant

- Margin expansion still a priority but expectation is to maintain similar margin through  H2
  - Timing of new project mobilisation and setup (New Granny Smith project and ramp up of Genesis volumes)
  - Transition of crushing equipment from Bald Hill project to new operations (Gold and Iron ore clients)
  - portfolio still retains underperforming client sites – to be addressed in H2

- EBITDA margins expected to grow further in FY2025

- Well positioned to optimise performance and maintain revenue and profitability growth

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April/May 2024