RHI MAGNESITA
RHI MAGNESITA INDIA LTD.
(Formerly Orient Refractories Ltd.)
301, 316-17, Tower B, EMAAR
Digital Greens Golf Course
Extension Road, Sector 61,
Gurugram, Haryana-122011, INDIA
T +91 124 4062930
E corporate.india@rhimagnesita.com
www.rhimagnesitaindia.com

Date: 10 August 2023

To,

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001, India
BSE Scrip Code: 534076

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai – 400 051, India
NSE Symbol: RHIM

Dear Sir/ Madam,

Sub: Presentation of Conference Call – first quarter ended 30 June 2023

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and further to our earlier intimation dated 3 August 2023, the presentation of the conference call to be held on 11 August 2023, is enclosed herewith and the same will also be uploaded on website of the Company https://www.rhimagnesitaindia.com/

Kindly take the same on record.

Thanking you,

Yours faithfully

For **RHI Magnesita India Limited**

SANJAY KUMAR
Digitally signed by SANJAY KUMAR
Date: 2023.08.10 21:46:07 +05'30'

Sanjay Kumar
Company Secretary
(ICSI Membership No. -17021)

Investor Presentation

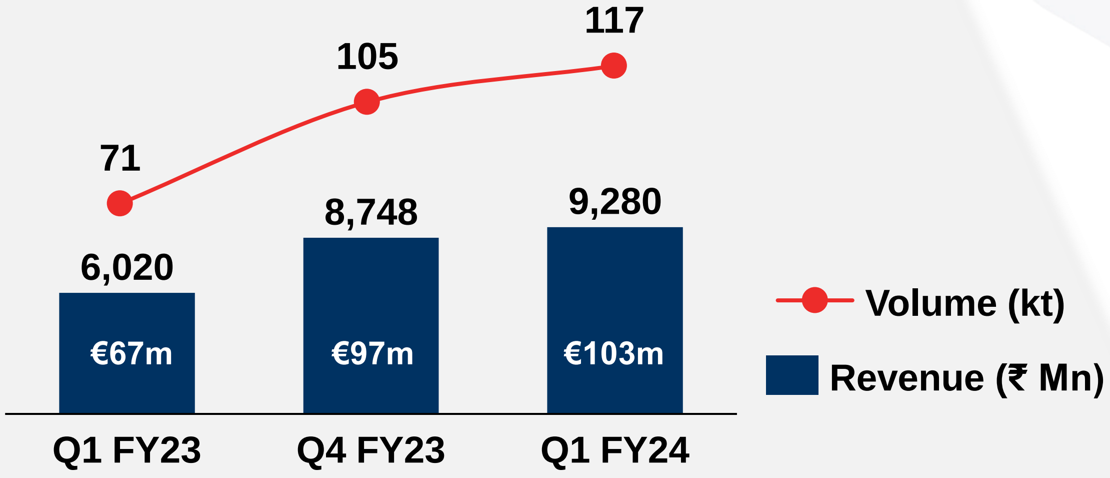
RHI Magnesita India Limited

August 2023

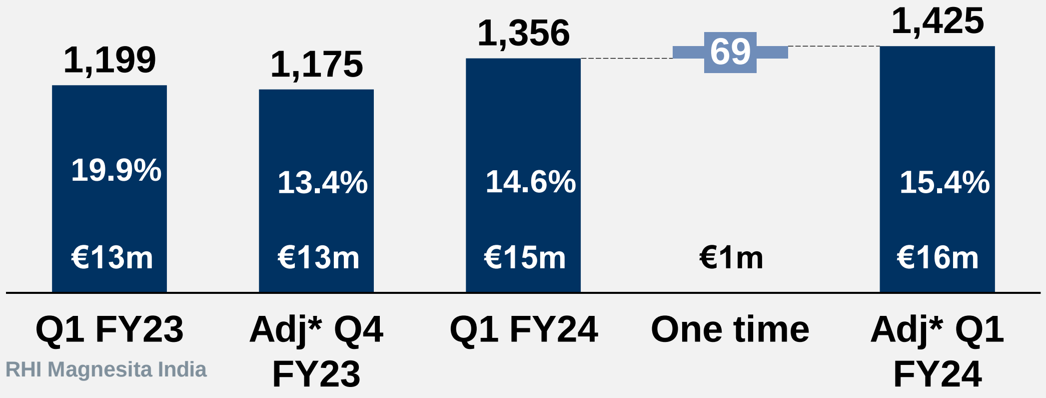
Strong Revenue Growth

M&A drives revenue gain with nominal organic growth

Revenue supported by significant volume increase



EBITDA
₹ mn



Q1 FY24 Vs Q4 FY23

- 6% revenue growth driven through volume +11% offset by price weakening @ 4% and sales mix
- Adjusted EBITDA margins increased by 1.9% to 15.4% primarily due to
  - Material cost improvement 2.8%
  - Increase in other expenses

Q1 FY24 Vs Q1 FY23

- 54% revenue growth driven through
  - Volume +66% (RHIM 3% and M&A 62%)
  - Price weakening @7% due to sales mix, RHIM price maintained
- Adjusted EBITDA margin 15.4% dropped by 4.5% primarily due to
  - Increase in employee related and other expenses
  - offset by decrease in material cost 0.7%

**Adjusted EBITDA includes impact of cost allocation by group for integration and Global Service Center*

Consolidated Financial highlights –Q1 FY24

Upward Revenue and EBITDA trends with M&A

RHI MAGNESITA

Total Revenue

₹9,306m,
€104m

↑ 54%

Adjusted* EBITDA

₹1,425m,
€16m

↑ 19%

Adjusted* EBITDA margin

15.4%

Cashflow from operations

₹1,333m,
€15m

Debt to Adjusted EBITDA

3.5x

Capex

₹184m,
€2m

Debt

₹5,003m,
€56m

Adjusted Earnings per share**

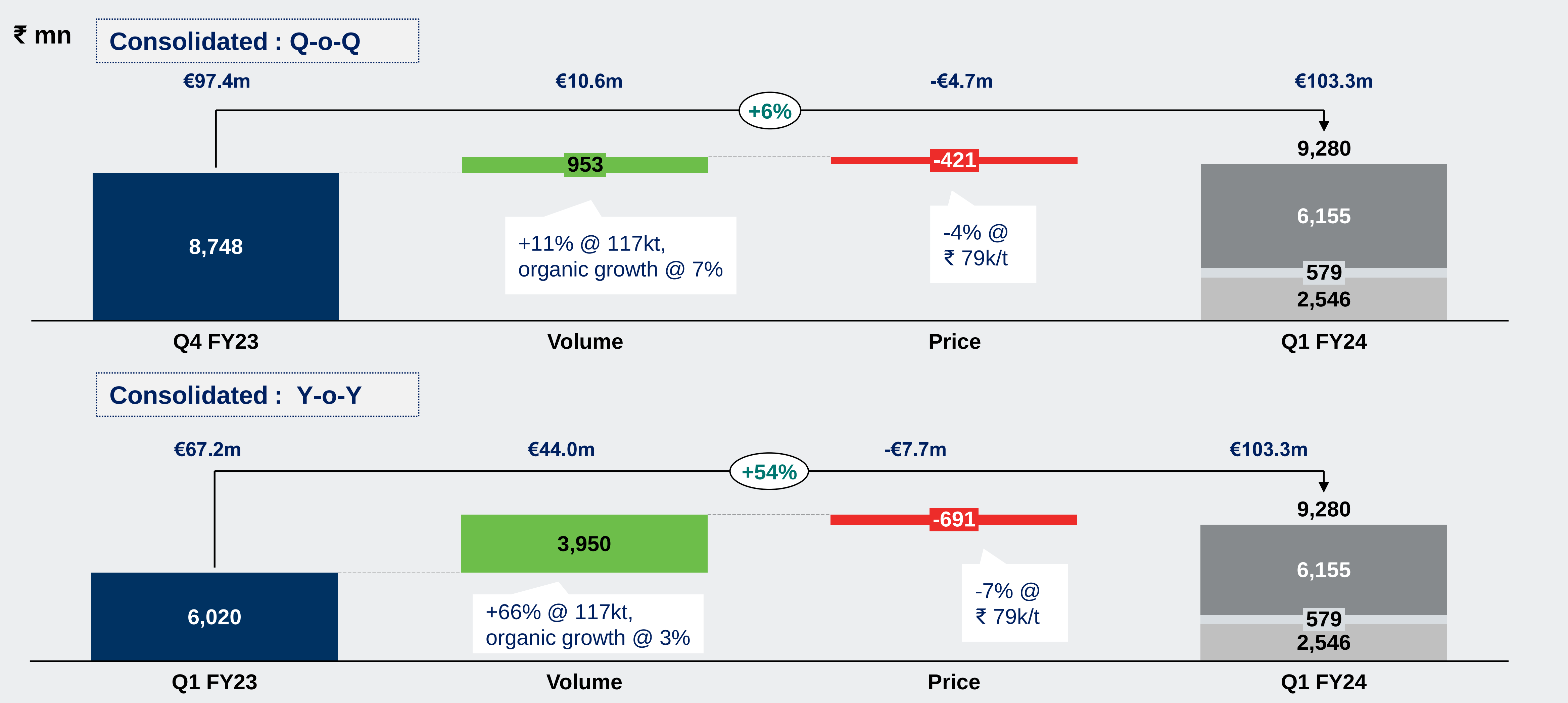
₹9.1ps,
€0.1ps

Comparison with Q1 FY23
** Adjusted EBITDA includes impact of cost allocation by group for integration and Global Service Center*
*** Adjusted EPS calculated on annualized basis*

Revenue Bridge

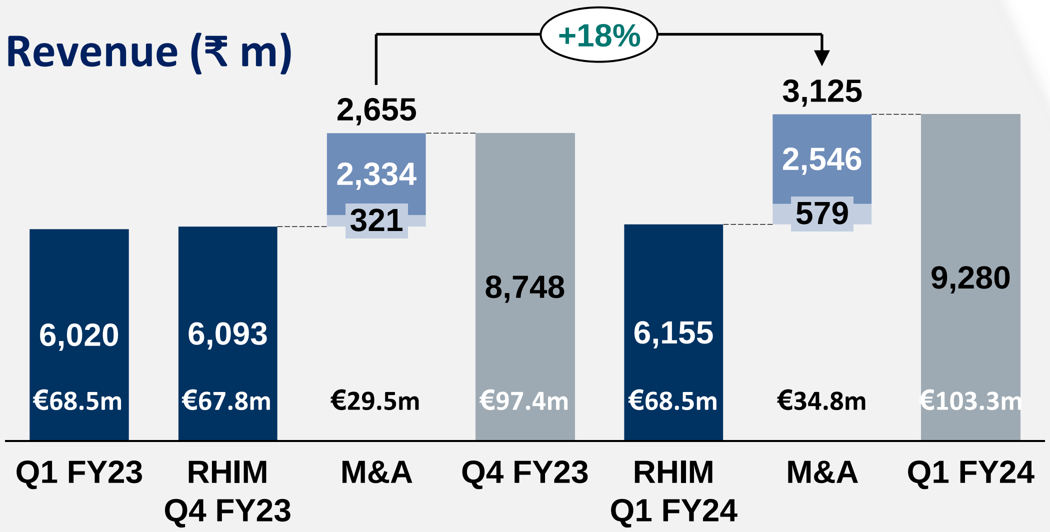
Growth via volumes offset by price softening due to mix change

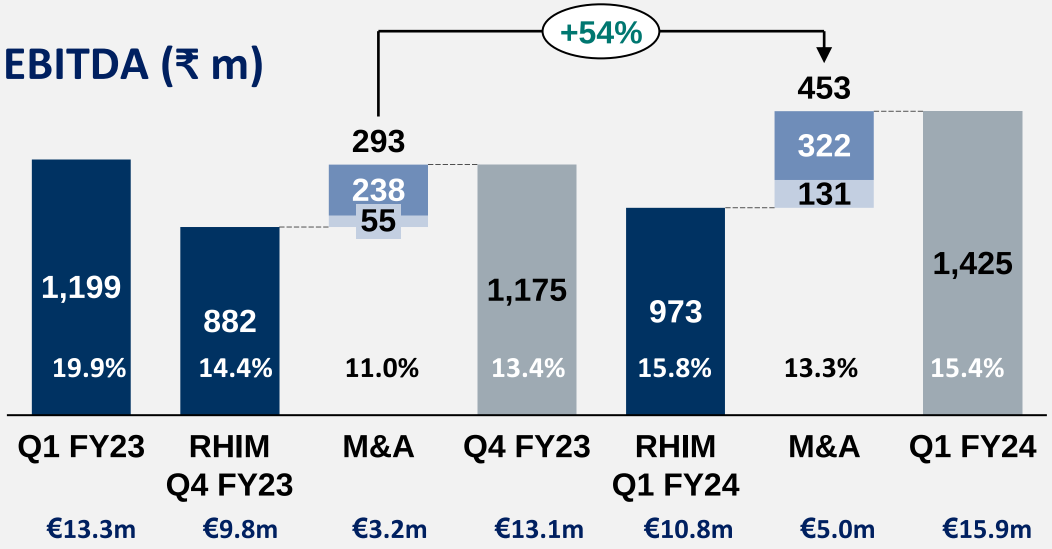
RHI MAGNESITA



M&A Progress

Upward Revenue* and EBITDA trends with M&A



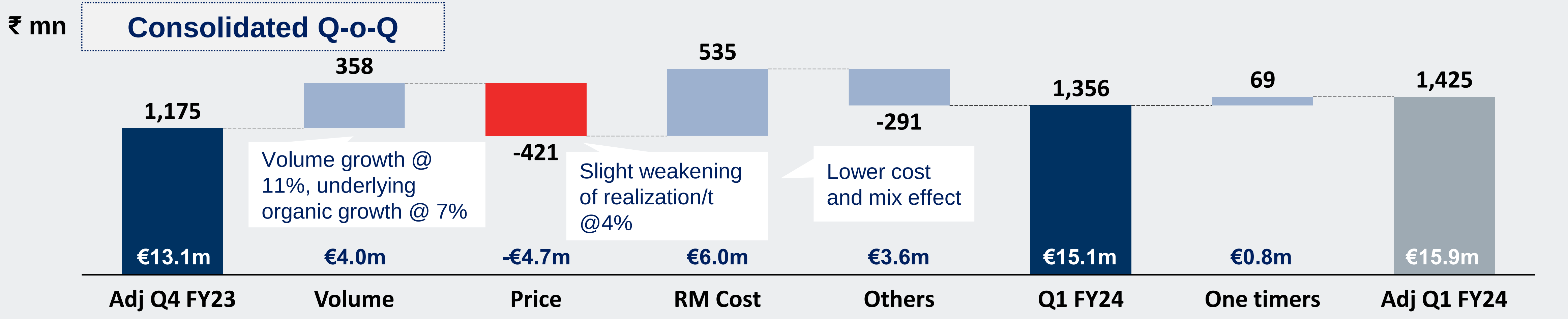


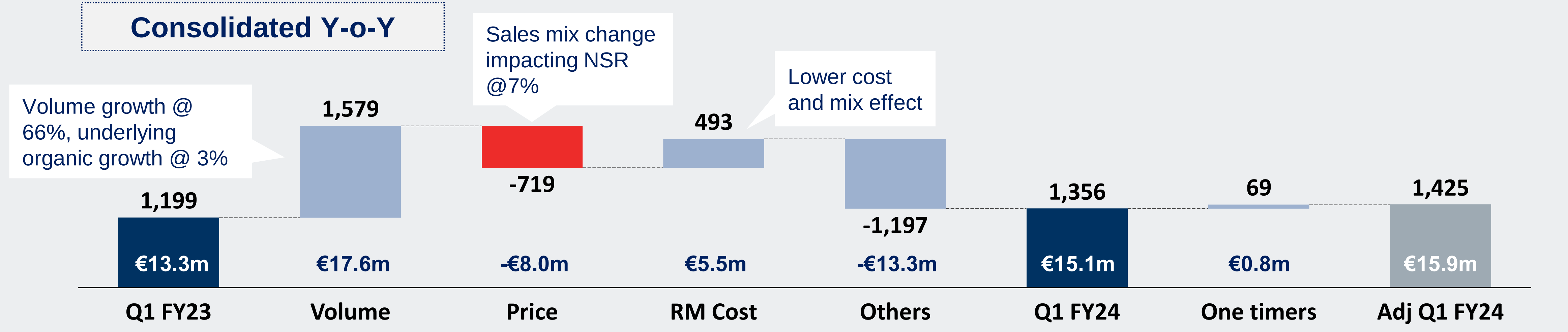
- **M&A Revenue :** In Q1 FY 24, M&A contributed 33% to consolidated revenue and +18% Q-o-Q
  - RHIMIR Revenue : +9%
  - JSP Revenue : +20%
- **M&A EBITDA :** +2.3% to 13.3% in Q1 FY24 reflecting synergies and RHIM's capabilities
  - RHIMIR : 11.7% (Q4 FY23 : 10.2%)
  - Hi-tech : 20.0% (Q4 FY23 : 15.8%)
- Significant cost and revenue synergies, network optimization and product range benefits identified
  - Recipe and raw material harmonization
  - Product transfers
  - Secondary raw material usage

- *Revenue excluding intercompany transactions*
- *JSP – Q4 FY23 from 1st February 2023.*

EBITDA Bridge

Higher volumes and lower material cost impacted by low fixed cost absorption





Consolidated Profit and Loss Snapshot

₹ Mn

Consolidated	Q1 FY24		Q4 FY23		Change	Q1 FY23		Change
Production	85,117		76,744		10.9%	32,794		159.5%
Shipment	117,448		105,911		10.9%	70,915		65.6%
Avg realisation/MT	79,010		82,598		-4.3%	85,128		-7.2%
Income	**9,306**		**8,813**		**5.6%**	**6,062**		**53.5%**
Revenue from operations	9,280		8,748		6.1%	6,037		53.7%
Other Income	27		65		-59.1%	25		6.0%
Expenses	**7,951**	**85.7%**	**8,279**	**94.6%**	**9.0%**	**4,864**	**80.6%**	**-5.1%**
Material Cost	5,519	59.5%	5,459	62.4%	2.9%	3,630	60.1%	0.7%
Employee Benefits expense	934	10.1%	855	9.8%	-0.3%	382	6.3%	-3.7%
Other expenses	1,497	16.1%	1,964	22.5%	6.3%	852	14.1%	-2.0%
EBITDA	**1,356**	**14.6%**	**535**	**6.1%**	**8.5%**	**1,199**	**19.9%**	**-5.2%**
Depreciation	459	4.9%	424	4.8%	-0.1%	92	1.5%	-3.4%
EBIT	**897**	**9.7%**	**111**	**1.3%**	**8.4%**	**1,107**	**18.3%**	**-8.7%**
Finance Cost	260	2.8%	337	3.8%	1.0%	(1)	0.0%	-2.8%
Profit before exceptional	**637**	**6.9%**	**(226)**	**-2.6%**	**9.4%**	**1,108**	**18.4%**	**-11.5%**
Exceptional item	-	0.0%	6,607	75.5%	75.5%	-	0.0%	0.0%
Profit before Tax	**637**	**6.9%**	**(6,833)**	**-78.1%**	**85.0%**	**1,108**	**18.4%**	**-11.5%**
Tax	169	1.8%	(45)	-0.5%	-2.3%	285	4.7%	2.9%
Profit After Tax	**468**	**5.0%**	**(6,788)**	**-77.6%**	**82.6%**	**823**	**13.6%**	**-8.6%**
One timers	69	0.7%	640	7.3%	6.6%	-	0.0%	-0.7%
Adj EBITDA	**1,425**	**15.4%**	**1,175**	**13.4%**	**1.9%**	**1,199**	**19.9%**	**-4.5%**
Adj Profit Before Tax	**706**	**7.6%**	**414**	**4.7%**	**2.9%**	**1,108**	**18.4%**	**-10.7%**

Q1 FY24 Vs Q4 FY23

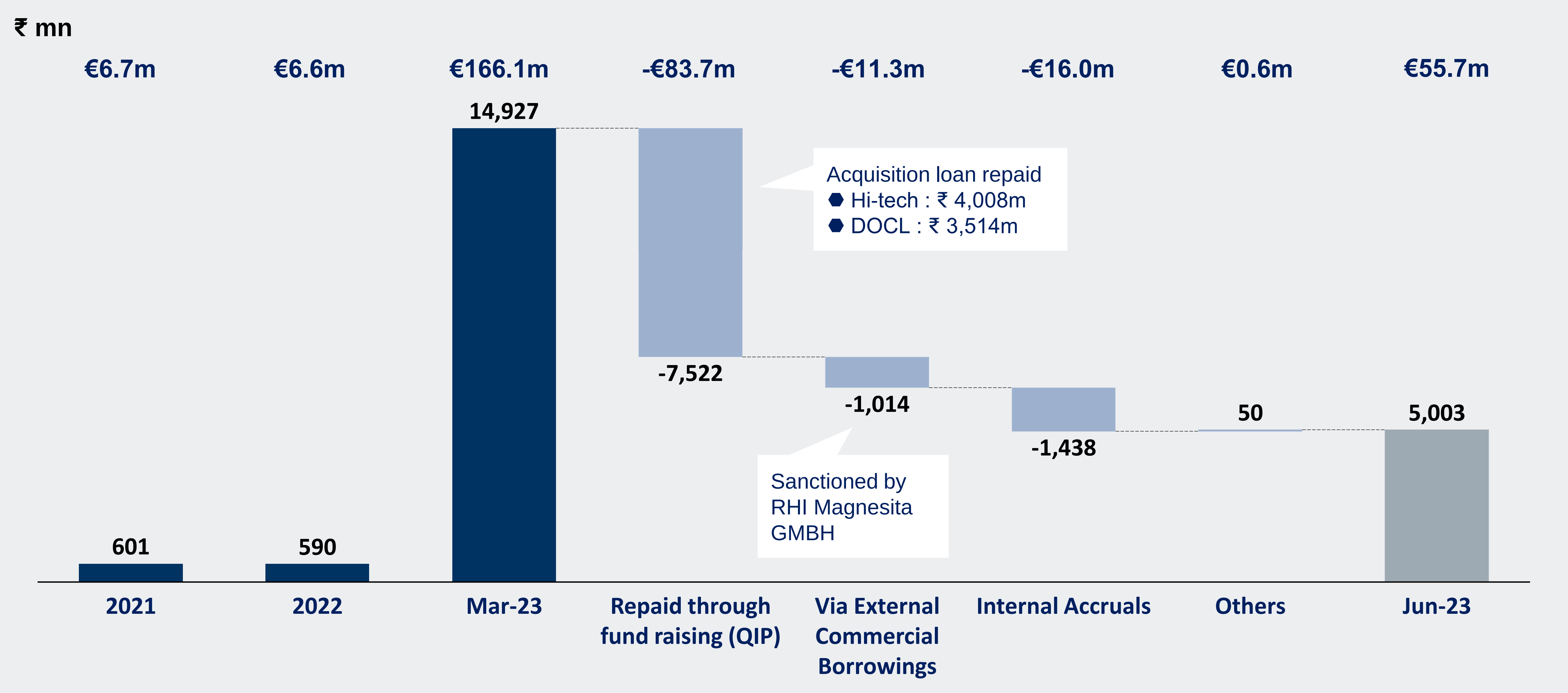
- Adjusted EBITDA (%) increased by 1.9% to 15.4% driven through lower material cost @ 2.9%
- Finance charges decreased by 1% with issue of equity through QIP and repayment of acquisition loans

Q1 FY24 Vs Q1 FY23

- Adjusted EBITDA (%) decreased by 4.5% to 15.4% due to
  - Higher volume @66% and lower material cost @ 2.9%
  - Higher Power and fuel by 0.5%, Processing charges by 0.3%, Provision for doubtful debts 0.6% and employee related expenses

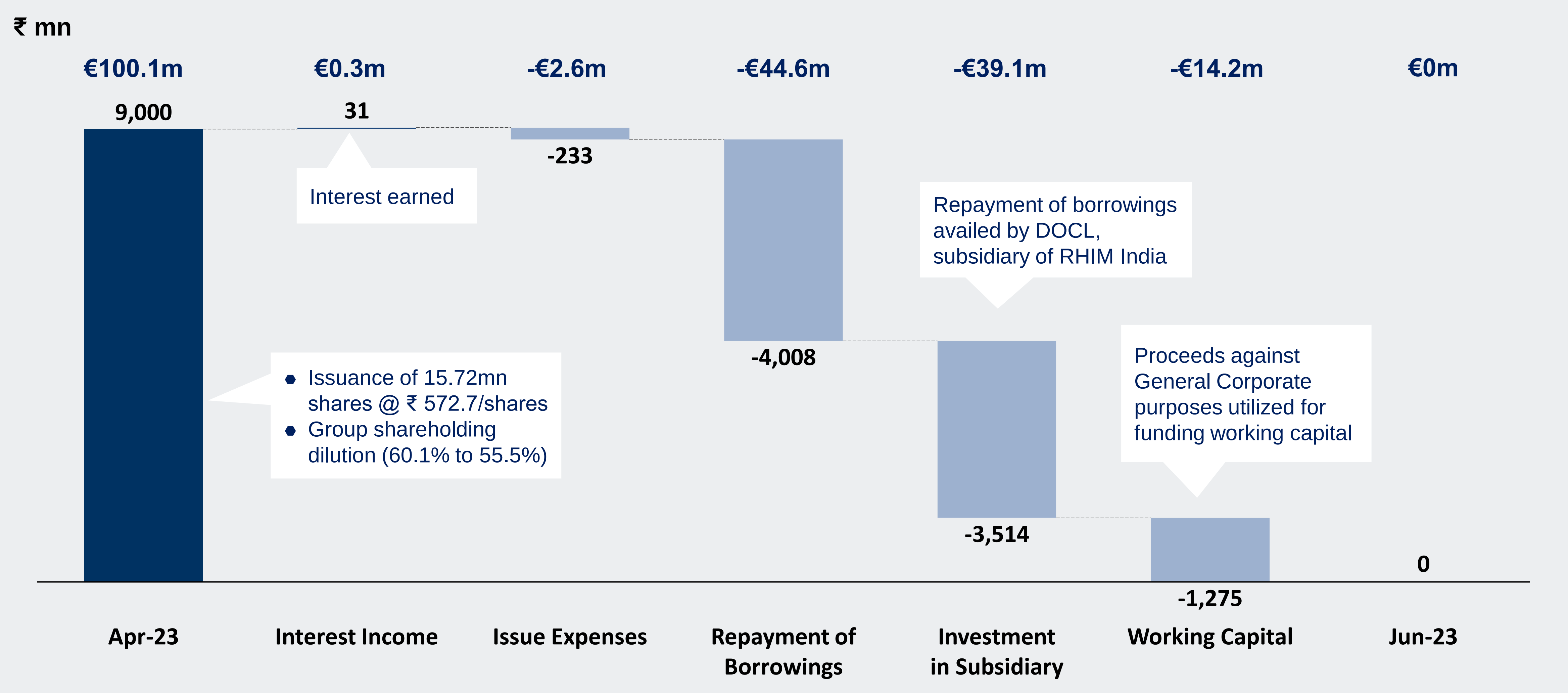
Debt including short term

Comfortable debt position following successful QIP paying majority acquisition debt



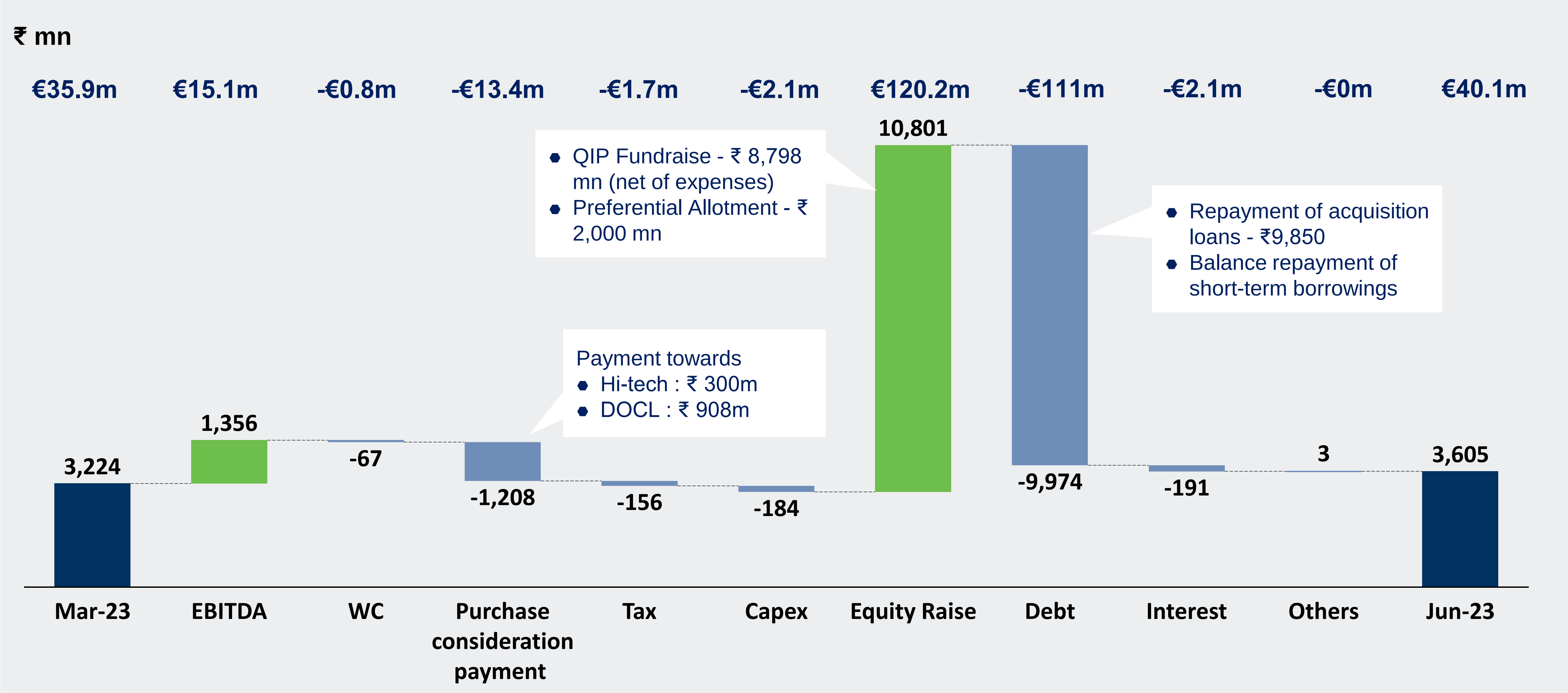
Utilisation of QIP Proceeds

Acquisitions funded by equity raise leading to decline in debt



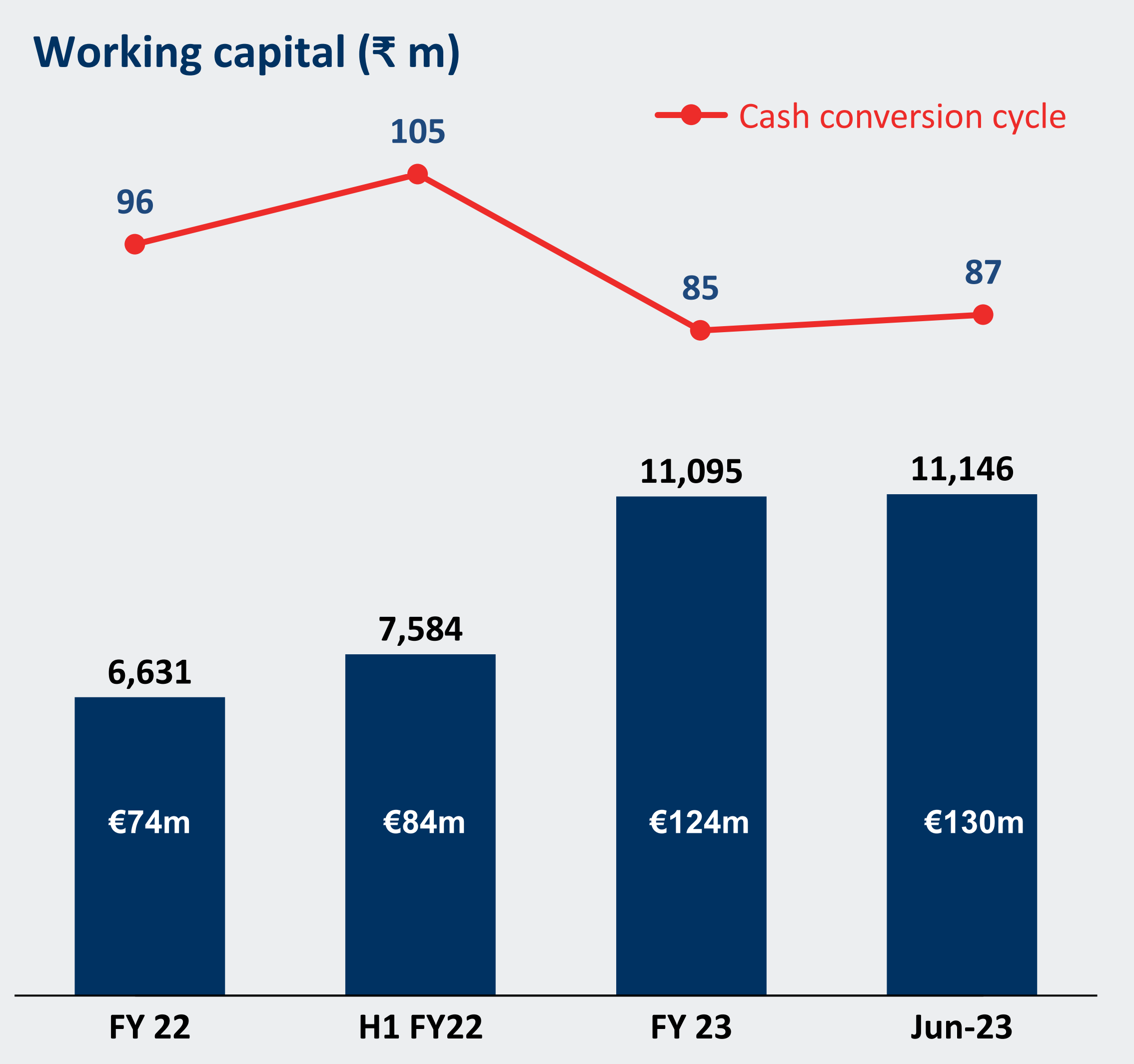
Cashflow

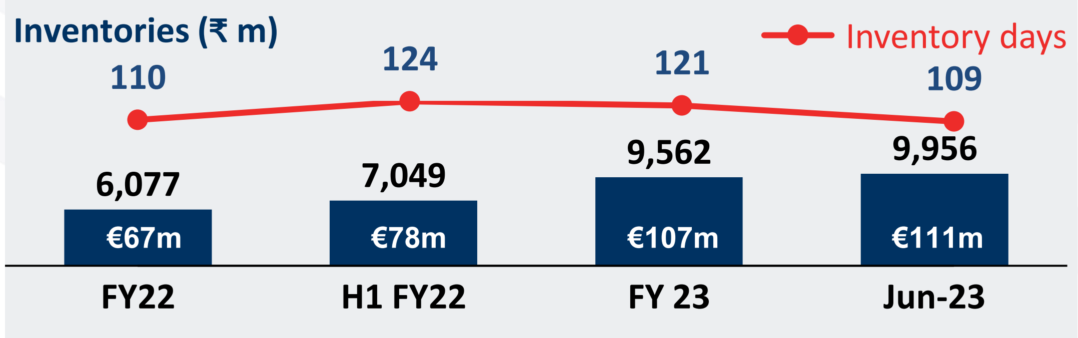
Comfortable cash position post acquisitions

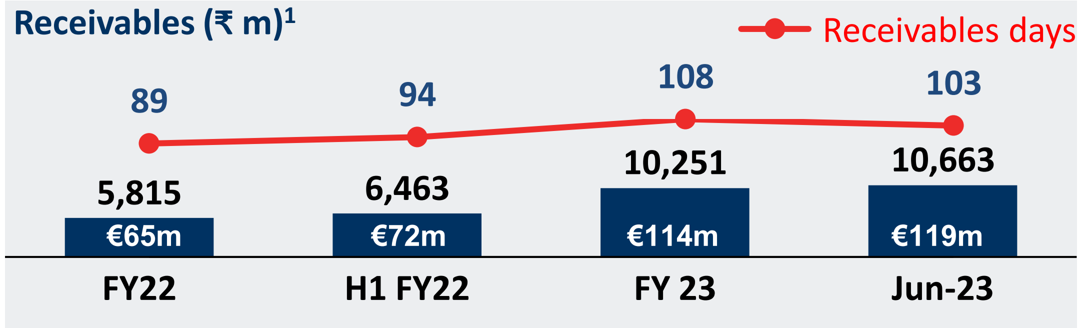


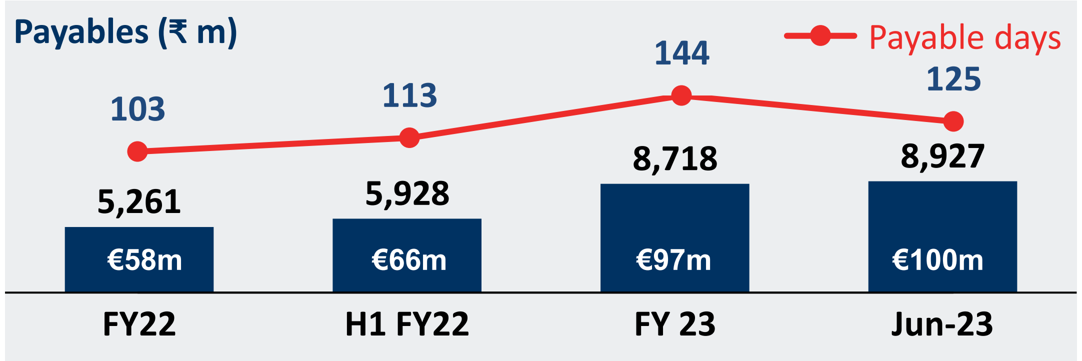
Working Capital

Continuous focus on cash conversion cycle









1. Receivables – Trade receivables + Contract Assets – Contract Liabilities

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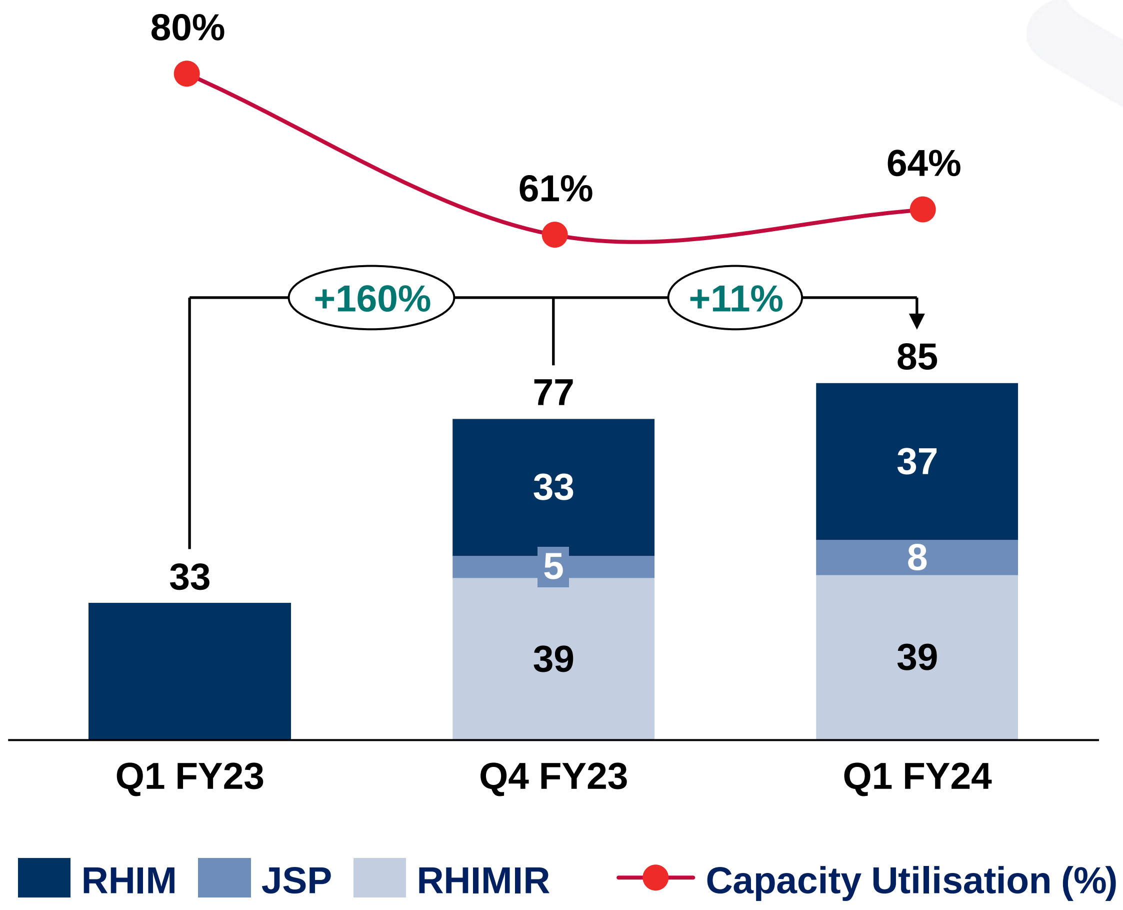
Production (kt)

Focus on continuous improvement and increasing utilization levels



- **Production : +160% from Q1 FY23** to 85kt and
- **+11% from Q4 FY23**
  - RHIM : +15% to 37kt as compared to Q1 & Q4 FY23
  - JSP : +6%* to 8kt
  - RHIMIR**: +1% from 38.8kt to 39.4kt

- **Capacity Utilisation**
  - **Q1 FY23 RHIM @ 80% Vs Consolidated Q1 FY24 @ 64%**
    i.e., (RHIM 85%, DOCL 54%, Hi-tech 54%)
  - **Consolidated Q4 FY23 61% Vs Q1 FY 24 - 64%**
    (Q4 FY 23 : RHIM 80%, DOCL 51%, Hi-tech 51%)

- Expanded capacity at Cuttack, at 30 kt previously at 18kt

- Bhilai lances to be produced in RGP due to cost optimisation

** JSP calculated on pro rata basis*
*** "Dalmia OCL Limited" to **RHI MAGNESITA INDIA REFRACTORIES LIMITED**" (RHIMIR) w.e.f. 09-08-2023.*