



RHI MAGNESITA

RHI MAGNESITA INDIA LTD.

(Formerly Orient Refractories Ltd.)

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29 May 2024

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/ Ma'am,

Sub: Presentation of Earning Conference Call – 4Q FY2023-24

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 23 May 2024, the presentation of the conference call to be held on 29 May 2024, is enclosed herewith and the same is 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

Company Secretary

(ICSI Membership No. -A17021)





RHI MAGNESITA

Investor Presentation

RHI Magnesita India Limited

May 2024



Safety is our core value

LTIF (Lost Time Injury Frequency)

Actual : 0.06

Strengthening our practices



To review **incident and accident reporting standards**, followed by training for better reporting



To make and establish **machine safety standard** to reduce accidents



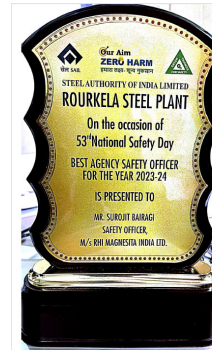
To introduce **automation** in the process to reduce direct exposure of employees to hazards

TRIF (Total Recordable Injury Frequency)

Actual : 0.06

Awards & Accolades – 2023-24

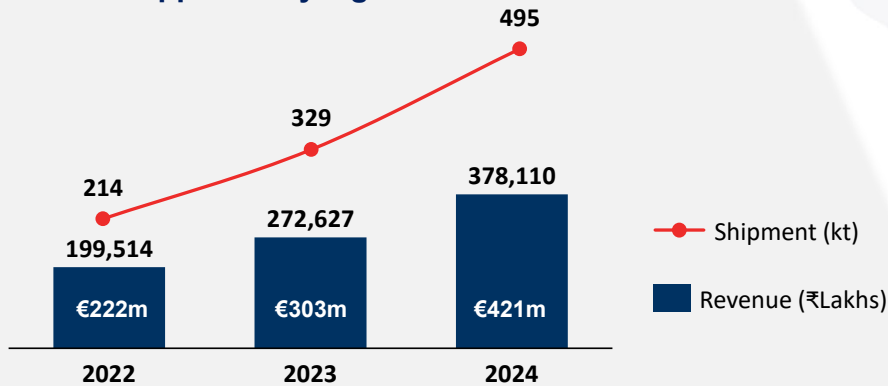
- First refractory vendor in TATA Steel unit with **5 Star rating**
- Best Agency Safety Officer Award by **SAIL Rourkela**
- Safe Contractor of the Year 2024 by **JSPL Raigarh**
- Best Safety Performance Contractor Award for Calendar Year 2023 by **AM/NS**
- World Refractory Association Safety Recognition Scheme Year 2023 for outstanding contributions in the past years by **SAIL DSP, JSW Salem, TSLPL, TSM** in 2023.



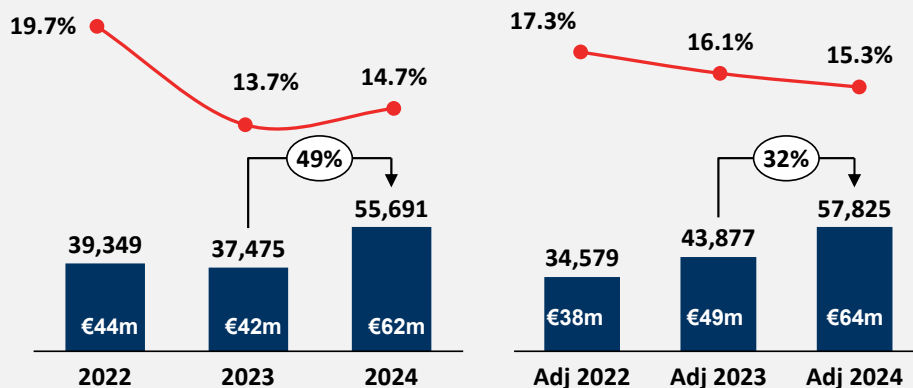
Yearly Highlights

Strategic initiatives enable growth and resilient profitability post integration

Revenue supported by significant volume increase



EBITDA (€Lakhs)



Successful integration of acquisitions to fully capture synergies and growth opportunities



Impressive margin expansion in acquired business RHIM-IR



Preparing the business for growth with detailed operational improvement plans and investment strategy



Strategic initiatives to enable above market growth

- Strengthening in previously underpenetrated Iron making/Pellet/DRI segment
- Complement production footprint in steel and cement belts
- Wider product offering across all segments and industries enables cross-sell opportunities

Financial Highlights

Attractive growth and resilient returns

Revenue

₹3,78,110 L

↑ 39%

Adj. EBITDA

₹57,825 L

↑ 32%

Adj. EBITDA margin

15.3%

↓ 0.8%

Operating cash flow

₹27,060 L

↑ 14%

Working Capital Intensity

37%

↑ 3%

Capex

₹8,004 L

↑ 89%

Adj. Earnings per share

₹11.8

↓ 19%

Dividend Per Share
(Proposed)

₹2.5

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Profit and Loss Summary

Q4 Adjusted EBITDA margins increased from 13.4% to 17.2% YoY

	FY24	FY23	Change	Q4 FY24	Q3 FY24	Change	Q4 FY23	₹ Lakhs Change
Revenue from Operations	378,110	272,627	39%	94,329	92,294	2%	87,478	8%
EBITDA	55,691	37,475	49%	15,249	11,817	29%	5,350	185%
EBITDA (%)	14.7%	13.7%	98 bps	16.2%	12.8%	336 bps	6.1%	1005 bps
Finance Charges	6,415	3,947	63%	1,346	1,613	-17%	3,367	-60%
Profit Before Tax	31,027	26,438	17%	9,476	5,388	76%	-2,256	-520%
Profit before Tax (%)	8.2%	9.7%	-149 bps	10.0%	5.8%	421 bps	-2.6%	1263 bps
Profit after Tax	-10,011	-46,565	-79%	-25,790	3,938	-755%	-67,891	-62%
Profit after Tax (%)	-2.6%	-17.1%	1443 bps	-27.3%	4.3%	-3161 bps	-77.6%	5027 bps
One Timers	2,134	6,402	-	944	-	-	6,402	-
Exceptional Items	32,578	66,068	-	32,578	-	-	66,068	-
Adjusted EBITDA	57,825	43,877	32%	16,193	11,817	37%	11,752	38%
Adjusted EBITDA (%)	15.3%	16.1%	-80 bps	17.2%	12.8%	436 bps	13.4%	373 bps
Adjusted Profit before Tax	33,161	32,840	1%	10,420	5,388	93%	4,146	151%
Adjusted Profit before Tax (%)	8.8%	12.0%	-328 bps	11.0%	5.8%	521 bps	4.7%	631 bps

FY 24 Vs FY 23

◆ Non-cash impairment of goodwill of ₹32,578 Lakhs

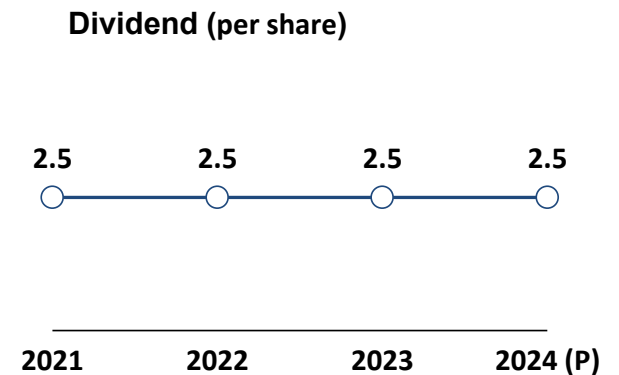
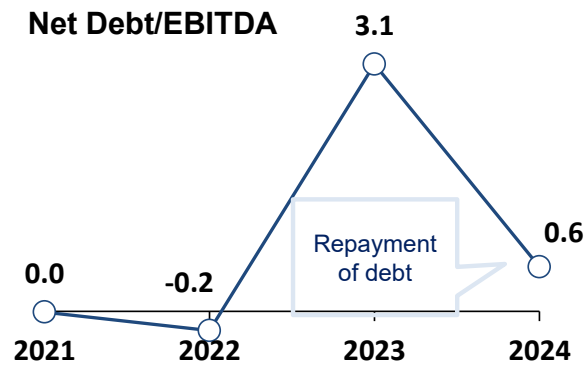
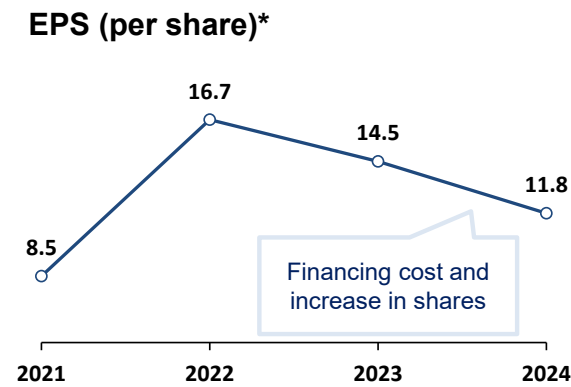
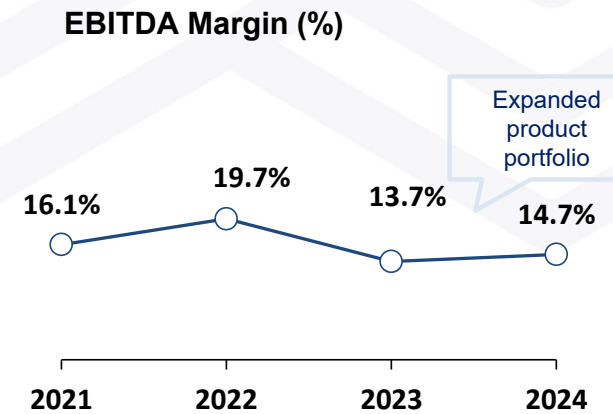
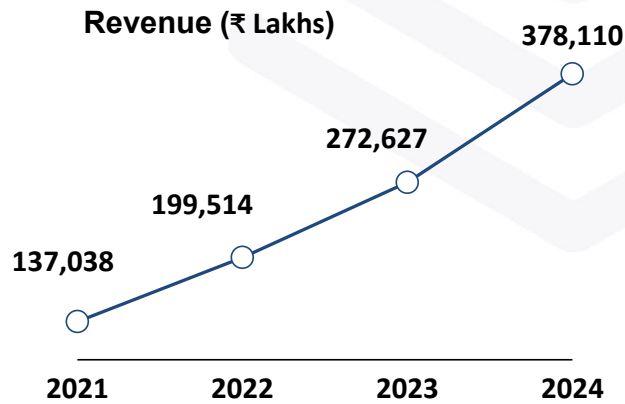
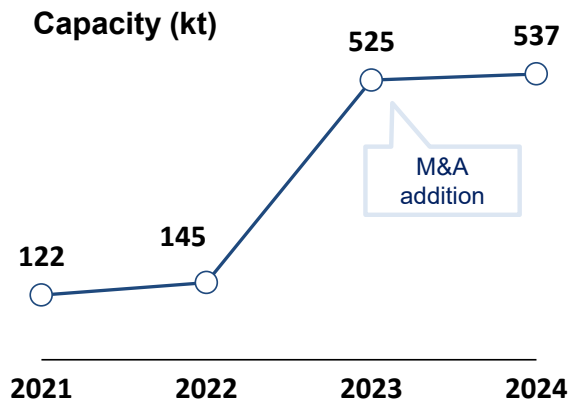
- Weaker market environment persists in export geographies
- Export business undergoing transition to higher value customers and away from sanctioned jurisdictions
- More conservative medium term margin expectations reflecting prevailing market dynamics

◆ One timers (FY24)

- One time cost to implement the safety and operational excellence standards of acquired plants to RHI Magnesita global benchmark

* Amortization of acquired Mines is included in EBITDA

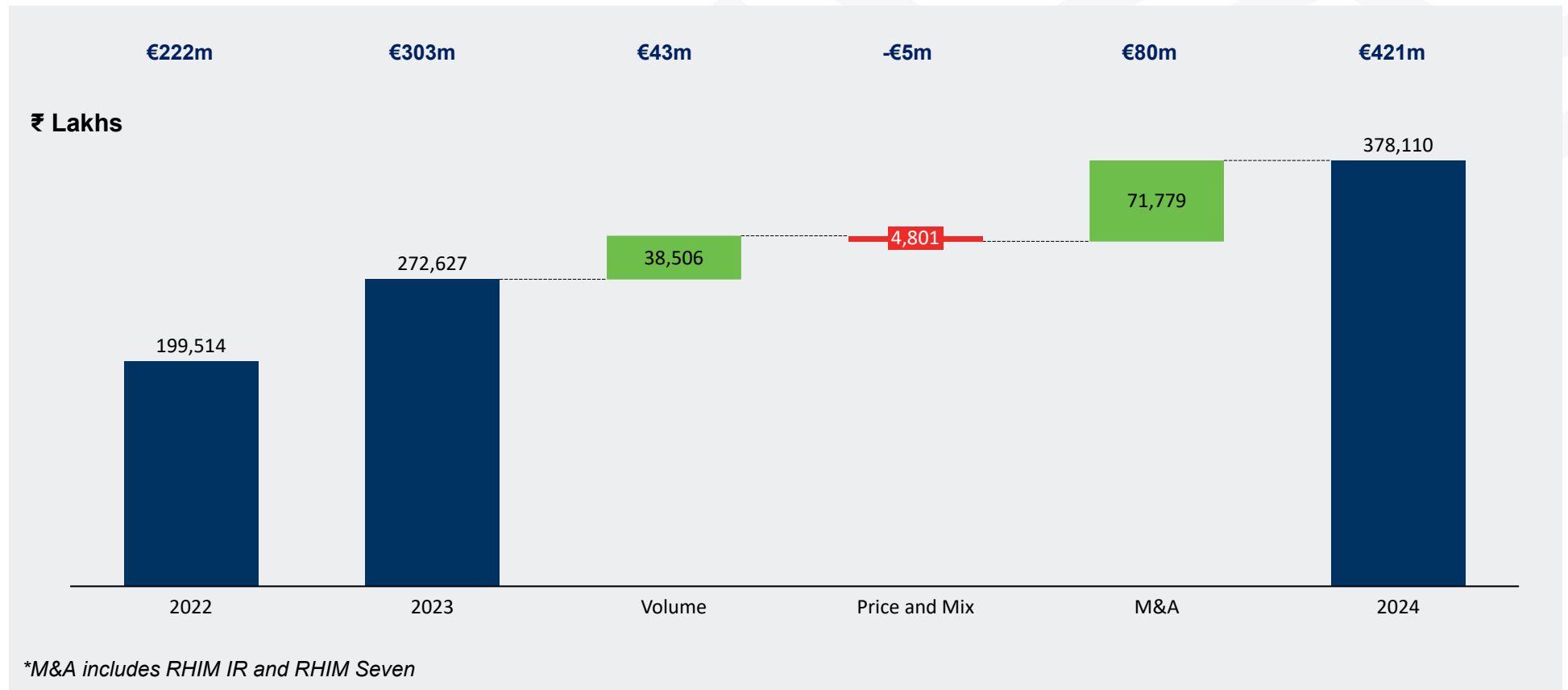
Financial Highlights on Consolidated Levels



* Adjusted for one timers

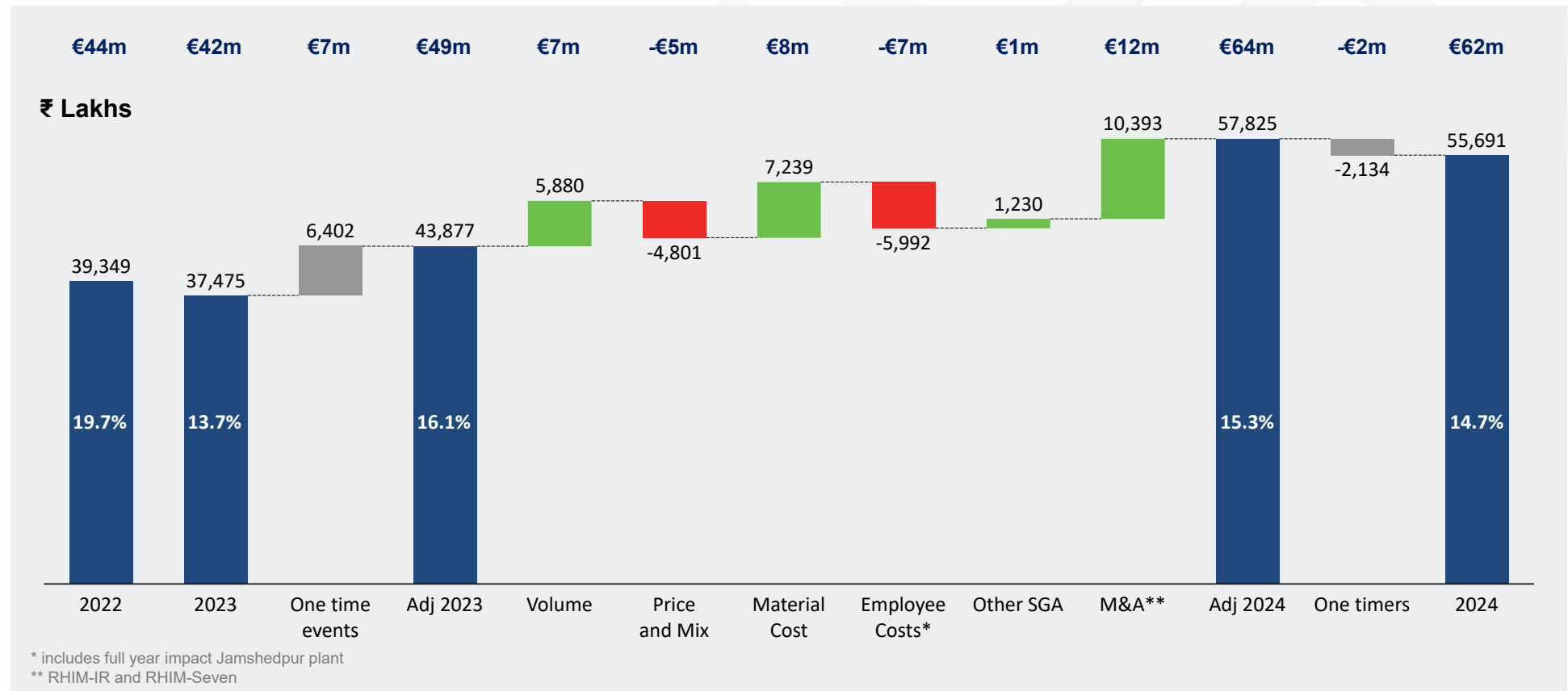
2024 Revenue Bridge

Volume driven revenue growth despite global pricing dynamics



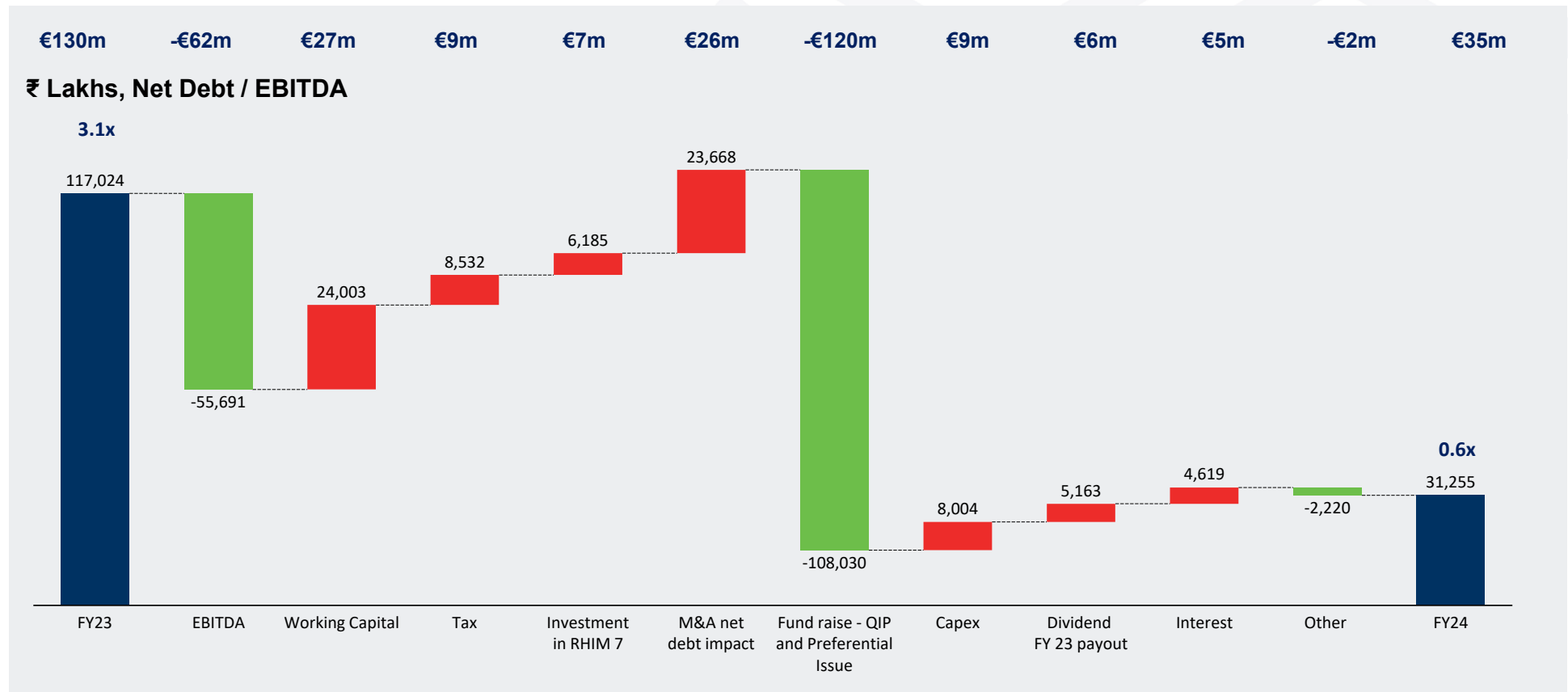
2024 EBITDA Bridge

Increased EBITDA driven by higher volumes with additional contribution from M&A



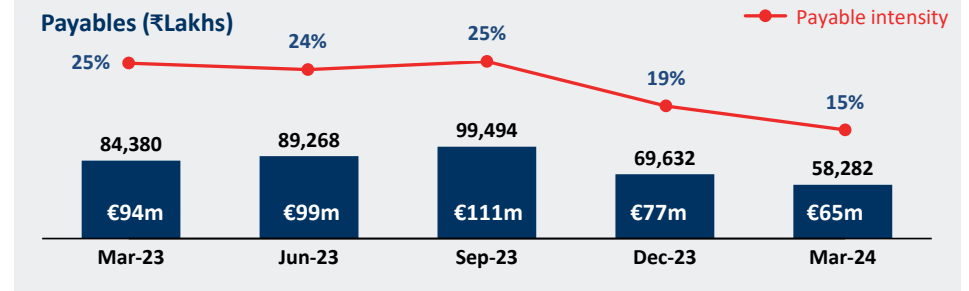
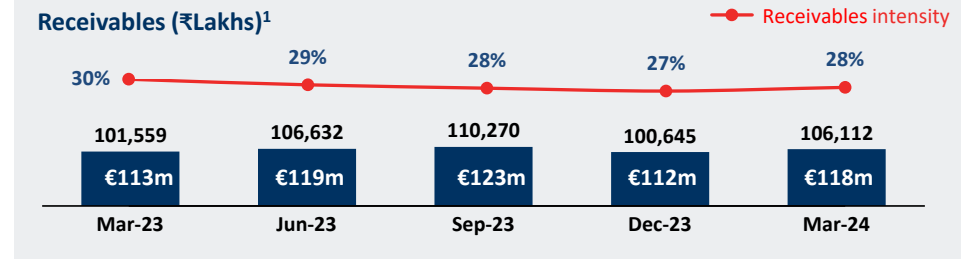
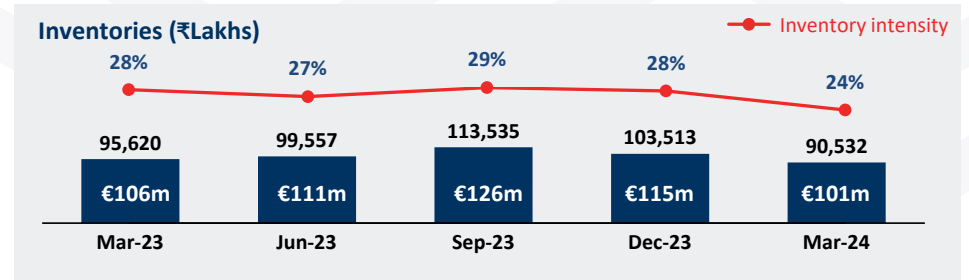
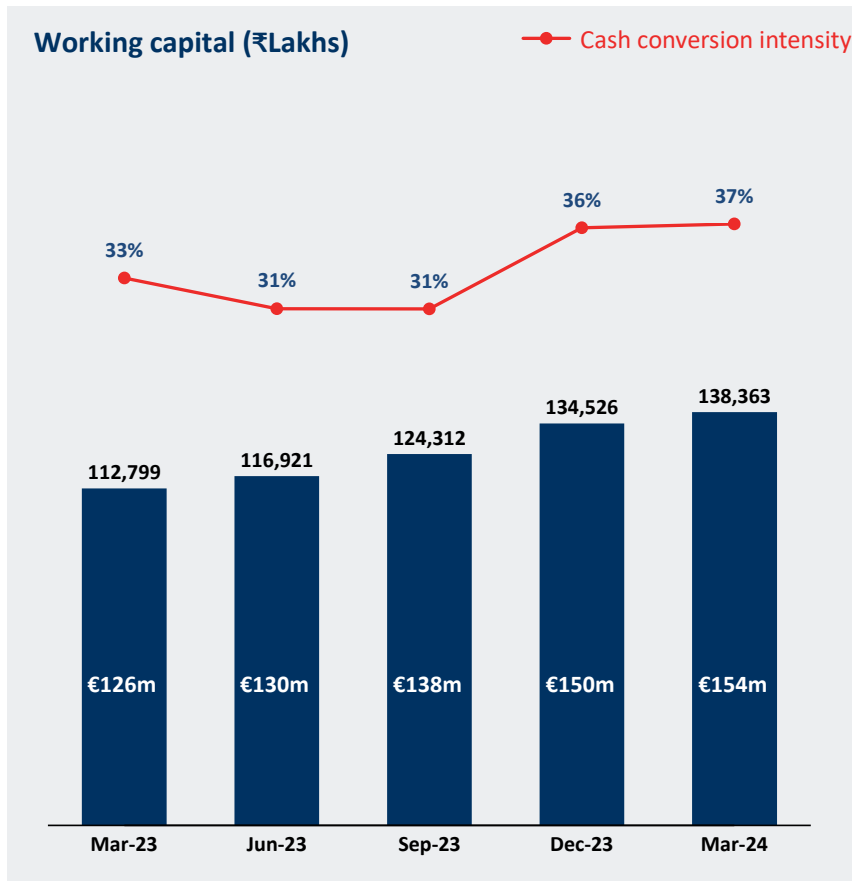
Net Debt Bridge

QIP, preferential issue and internal accruals reduced net debt position



Working Capital

Tight control of inventory; increase in intensity due to reduction in payables



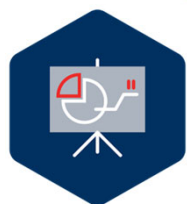
PUBLIC 1. Receivables : Trade receivables + Contract Assets – Contract Liabilities

Penetrating Underrepresented Categories

Room for adjacent growth despite high market share



Medium term growth drivers of Iron, DRI and Pellet market



- India will require additional Blast Furnace capacity to meet stated Steel output targets. There are currently 7 new large Blast Furnace projects at different stages of installation or commissioning.
- India is the global leader in coal based DRI Production and this will continue to grow while alternative technologies ramp up. India's Iron ore grade ensures demand for pellet plants.
- Ageing Coke plant capacity offers upgrade and maintenance driven demand visibility for the next 5-10 years. We also expect commissioning of new batteries

Penetrate under-represented categories of Iron making and blast furnace maintenance



- RHI Magnesita India now has a compelling local offer for local market for blast furnace and coke oven projects
- Vast majority of blast furnace and coke oven projects are facilitated by global OEMs with whom we have established relationships locally and globally
- Share is steadily increasing in DRI and Pellet by leveraging RHI Magnesita's full-service solution package
- Acquired product portfolio can be further enhanced by leveraging group technology from other successful markets which will become a competitive advantage

Summary and Investment Case

- ✓ Market leadership position with 30% market share in India
- ✓ Local for local manufacturing strategy supporting Make in India policies
- ✓ Recent acquisitions create balanced portfolio of refractory products and a strong platform for growth in India and in under-represented product markets
- ✓ India is the highest growth major market for refractories globally, with c. 6% CAGR forecast
- ✓ Attractive and resilient margins
- ✓ Access to capital for further growth and expansion in India
- ✓ Opportunity to increase regional exports from India manufacturing hub
- ✓ Backed by RHI Magnesita group- technology, R&D, global product range and services

Disclaimer



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Empowering our communities



Education

Rejuvenation and maintenance of Five Government Schools to improve the infrastructure and provide a pleasant learning environment to children



Health Care

Essential medical equipment and infrastructure to VRD Trust Hospital, Chikitsa, and South East Asia Institute, 2000+ patients underwent various medical treatments



Skill Development

Professional qualification for young or unemployed people in the local community by offering technical training for the labor market



Rural Transformation

Infrastructure and construction projects in the plant's nearby communities to improve infrastructural facilities, improving accessibility of services, and increase the living standards of people



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