RHI MAGNESITA

RHI MAGNESITA INDIA LTD.
(Formerly Orient Refractories Ltd.)
301, 316-19, 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

February 14, 2024

To,

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G
Bandra Kurla, Complex, Bandra (East)
Mumbai-400098, Maharashtra, India

NSE Symbol: RHIM

BSE Limited
Phiroze Jeeyeebhoy Towers,
Dalal Street, Mumbai-400 001
Maharashtra, India

Scrip Code: 534076

Dear Sir/ Madam,

Sub: Presentation of Conference Call – third quarter and nine months ended 31 December 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 24 January 2024, the presentation of the conference call to be held on 14 February 2024 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: 2024.02.14 14:27:55 +05'30'

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

RHI Magnesita India Limited
RHI MAGNESITA

Investor Presentation

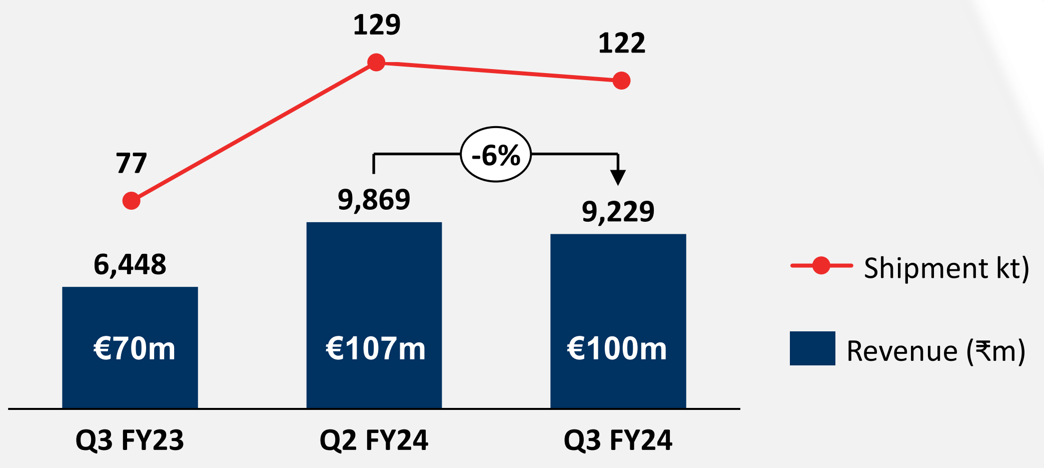
RHI Magnesita India Limited

February 2024

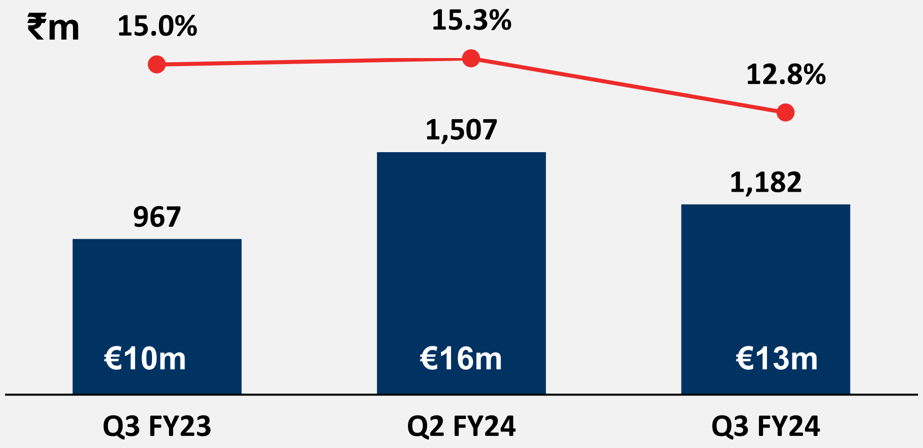
Quarter Highlights

43% YoY growth in top line due to M&A driven sales volume increase

Q3 on Q2 revenue decline due to reduced volumes



EBITDA



Q3 FY24 Vs Q2 FY24

- 6% revenue decline due to
  - 5% lower shipment - Deliberate tightening of customer credit risk criteria
  - 1% lower average realization - Refractory pricing slightly reduced due to lower industry input costs
- EBITDA margins 12.8% :
  - Higher employee costs
  - Lower fixed cost absorption due to reduced production volumes

Q3 FY24 (Consolidated) Vs Q3 FY23 (RHIM only)

- 43% revenue growth driven through
  - 58% shipment increase due to M&A
  - 9% decrease in average price per ton - change in sales mix caused by increasing share of industrial segment and lower refractory pricing in general
- EBITDA margin 12.8% :
  - Consolidation of lower margin acquisitions completed in January 2023
  - Increase in employee related costs
  - Increase in Other expenses
  - Partially offset by decrease in raw material costs

Profit and Loss Snapshot : Consolidated

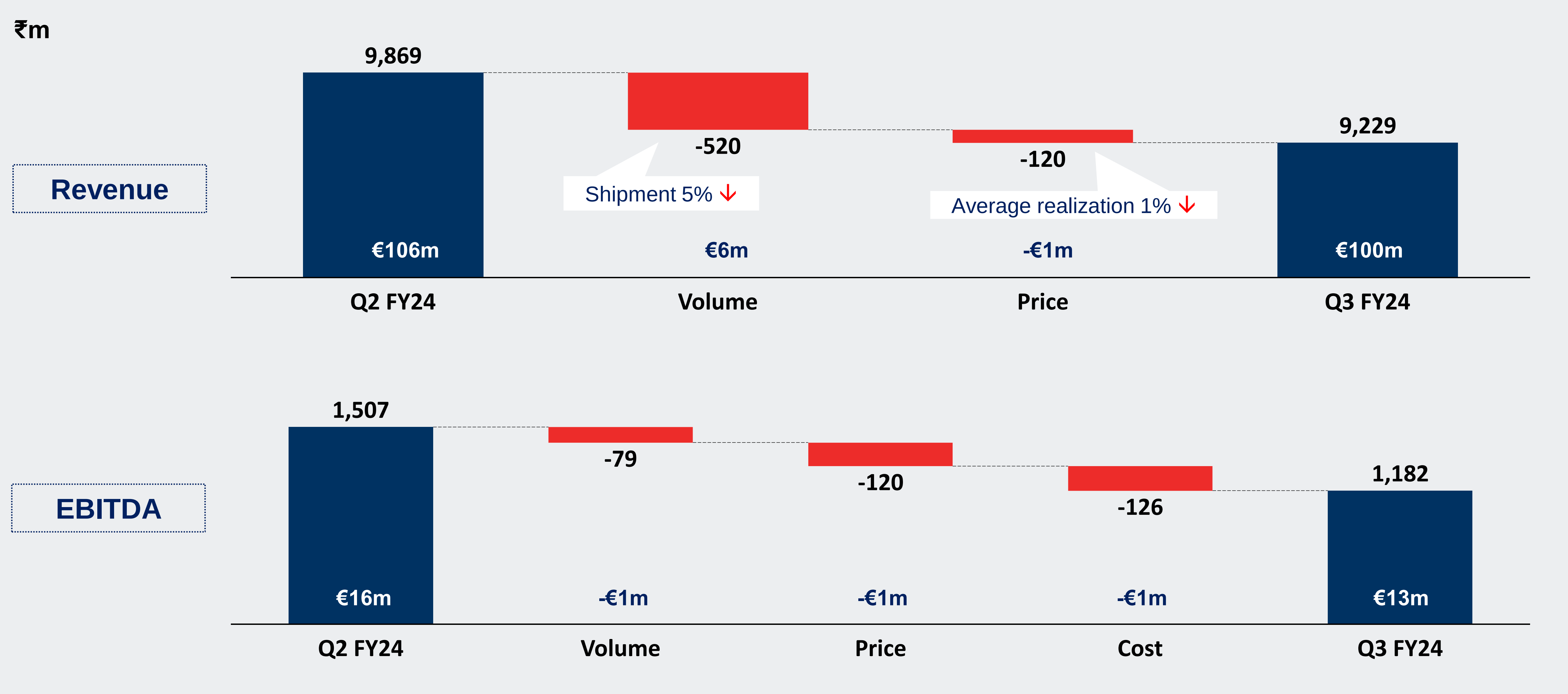
Q3 FY24 Vs Q2 FY24

	₹m					€m			
	Q3 FY24		Q2 FY24		Change	Q3 FY24		Q2 FY24	
Production - MT	**77718**		**89587**		**-13%**	**77718**		**89587**	
Shipment - MT	**122154**		**128943**		**-5%**	**122154**		**128943**	
Avg realisation/MT	**75556**		**76538**		**-1%**	**816**		**827**	
Income	**9243**		**9897**		**-7%**	**99.8**		**106.9**	
Revenue from operations	9229		9869		-6%	99.7		106.6	
Other Income	14		28		-50%	0.1		0.3	
Expenses	**8062**	**87.3%**	**8390**	**85.0%**	**-2.3%**	**87.1**	**87.3%**	**90.6**	**85.0%**
Material Cost	5528	59.9%	5940	60.2%	0.3%	59.7	59.9%	64.2	60.2%
Employee Benefits expense	997	10.8%	879	8.9%	-1.9%	10.8	10.8%	9.5	8.9%
Other expenses	1537	16.7%	1571	15.9%	-0.7%	16.6	16.7%	17.0	15.9%
EBITDA	**1182**	**12.8%**	**1507**	**15.3%**	**-2.5%**	**12.8**	**12.8%**	**16.3**	**15.3%**
Depreciation	266	2.9%	253	2.6%	-0.3%	2.9	2.9%	2.7	2.6%
EBITA	**916**	**9.9%**	**1254**	**12.7%**	**-2.8%**	**9.9**	**9.9%**	**13.5**	**12.7%**
Amortisation	216	2.3%	189	1.9%	-0.4%	2.3	2.3%	2.0	1.9%
EBIT	**700**	**7.6%**	**1065**	**10.8%**	**-3.2%**	**7.6**	**7.6%**	**11.5**	**10.8%**
Finance Cost	161	1.7%	85	0.9%	-0.9%	1.7	1.7%	0.9	0.9%
Profit before Tax	**539**	**5.8%**	**979**	**9.9%**	**-4.1%**	**5.8**	**5.8%**	**10.6**	**9.9%**
Tax	145	1.6%	263	2.7%	1.1%	1.6	1.6%	2.8	2.7%
Profit After Tax	**394**	**4.3%**	**716**	**7.3%**	**-3.0%**	**4.3**	**4.3%**	**7.7**	**7.3%**

- 13% lower production by 12kt
  - inventory reduction by 14kt
  - of which, strike at RGP - 2.3kt
- 6% revenue decline
  - 5% lower shipment
  - 1% lower average realization
- EBITDA margins 12.8% :
  - Higher employee cost
  - Lower absorption of fixed cost
- Finance cost higher mainly due to forex impact on External Commercial Borrowing

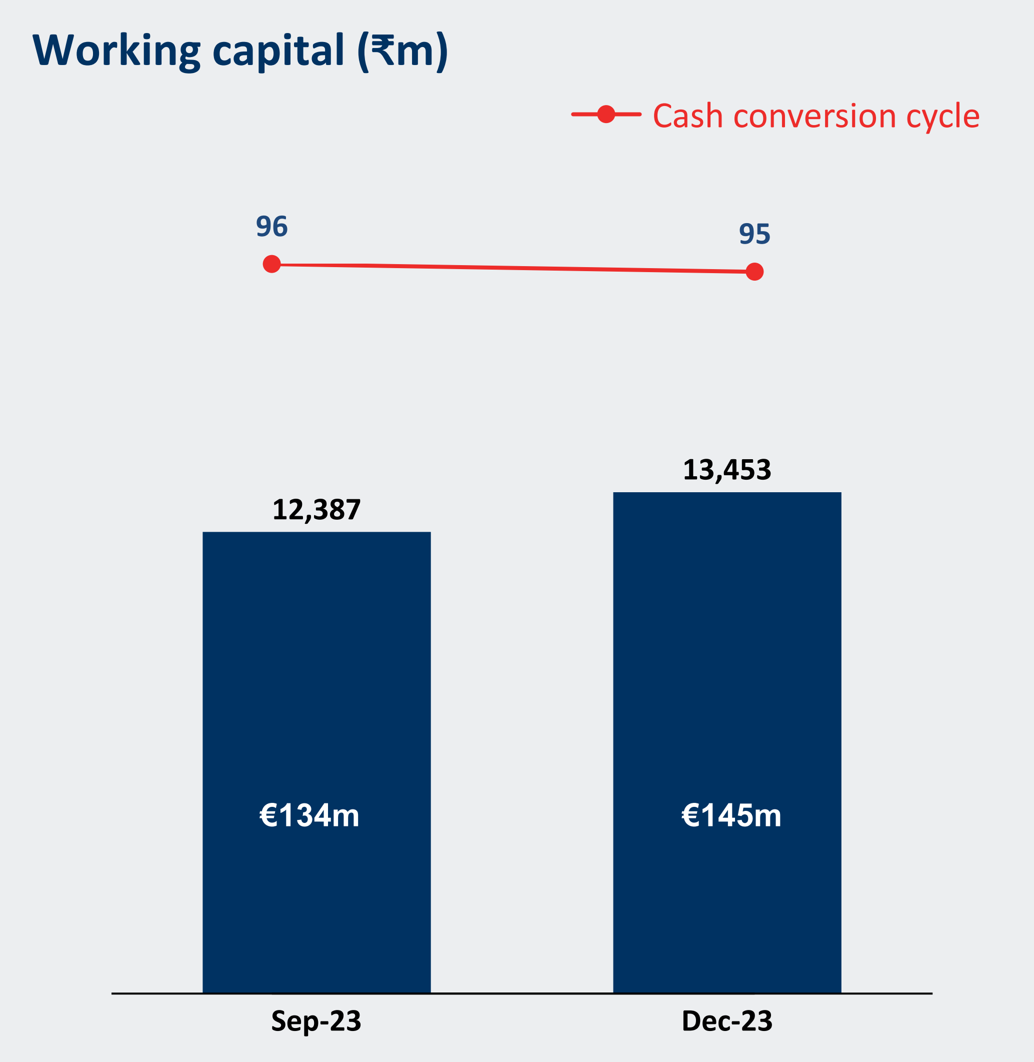
Bridge – Q3 FY24 Vs Q2 FY24

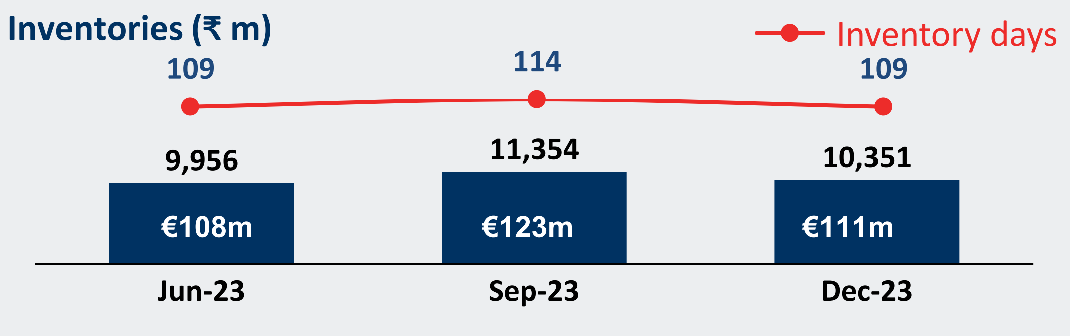
Lower revenue primarily due to decline in shipments

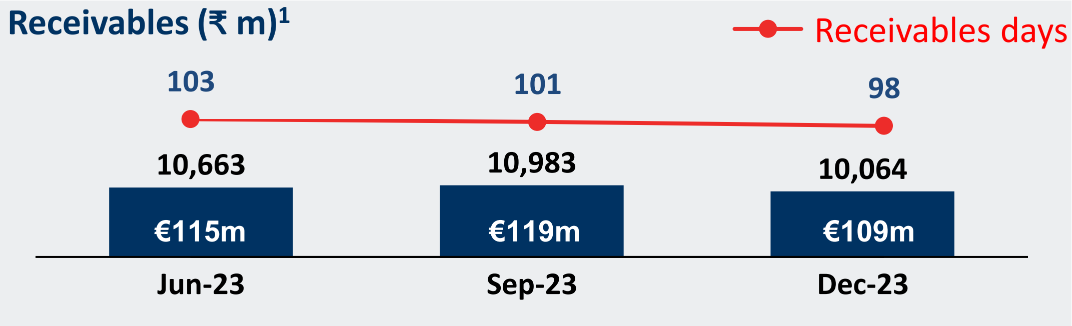


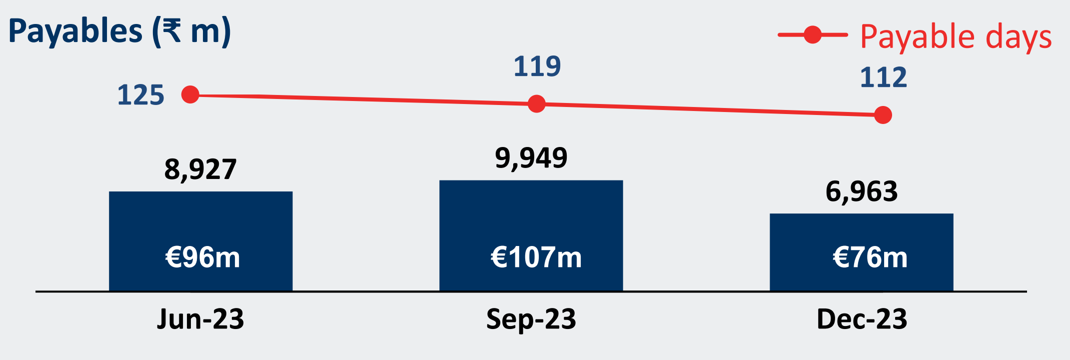
Working Capital

Strategic focus on improving cash conversion cycle





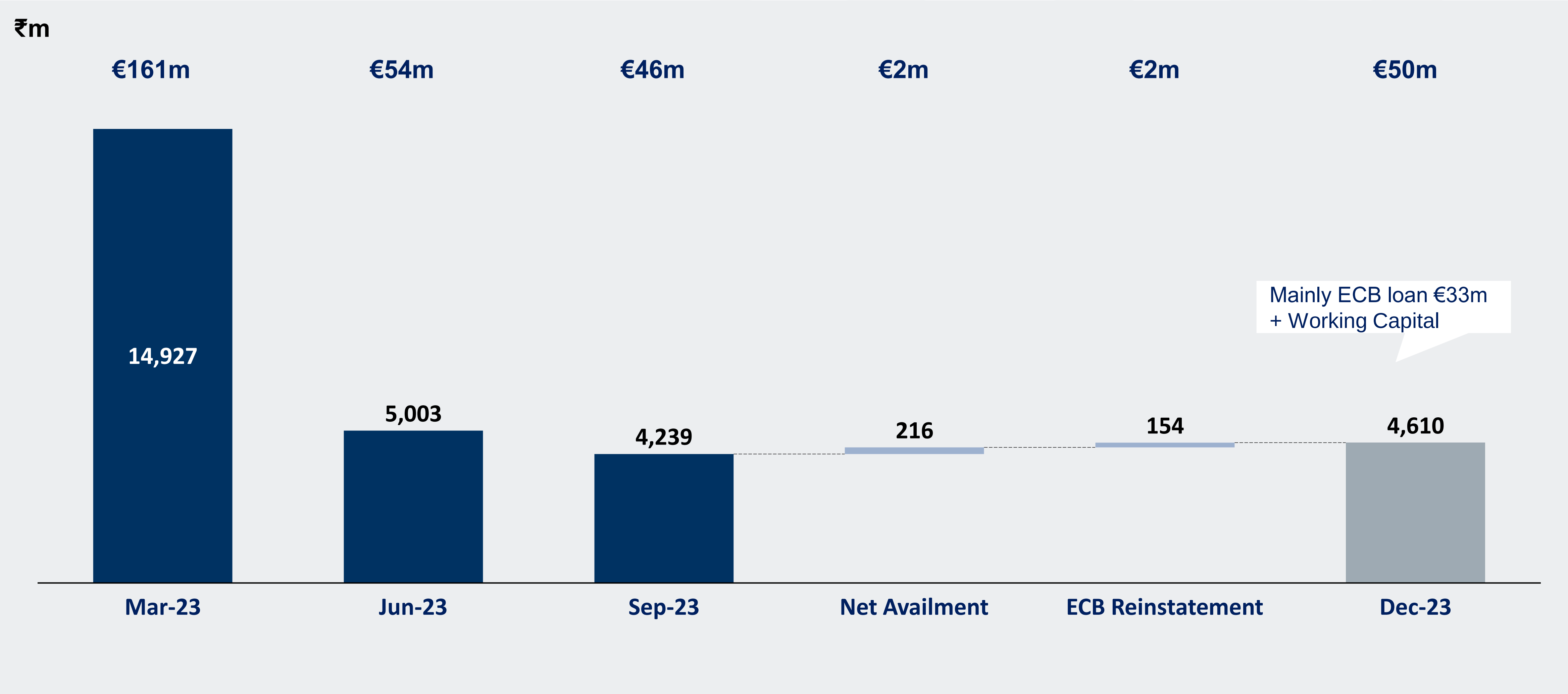




1. Receivables – Trade receivables + Contract Assets – Contract Liabilities

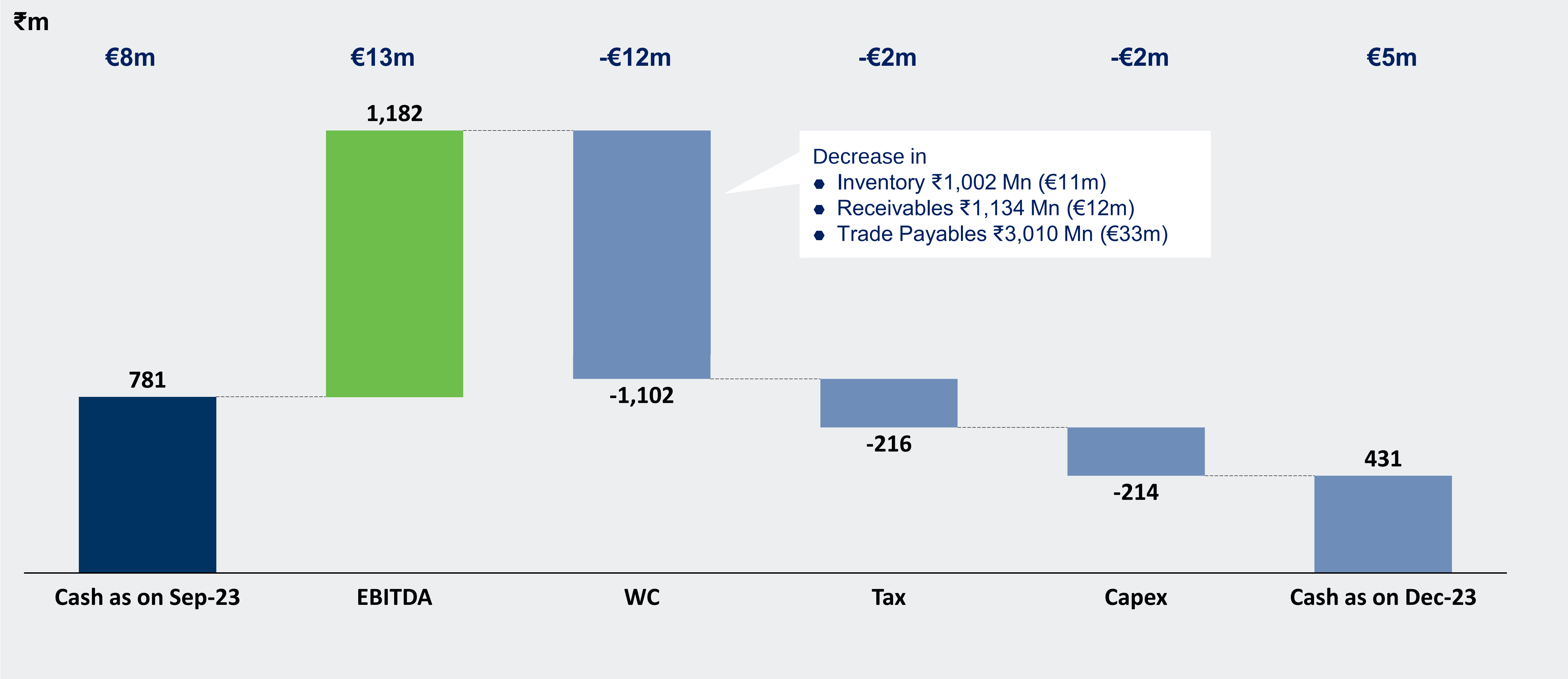
Debt including short term

Comfortable debt position



Cashflow

Reduced payables leads to net working capital absorption



Strategic progress

RHIM India is delivering against its strategic priorities

- The integration of the Dalmia and Hi-Tech acquisitions is proceeding according to plan, with initial synergies evident
  - YTD 2024 Shipment growth @ 63%
  - YTD 2024 EBITDA margin 12.1%

- RHIM India is on track to deliver further value drivers:
  - Increase proportion of domestic production for India customers, shortening supply chain
  - Growth in production volumes led by strong domestic market demand
  - Significant operational leverage opportunity as production capacity utilization increases
  - Longer term export opportunity in Middle East, West Asia and Africa

Key strengths

- ✓ Market leadership position
- ✓ Local for local manufacturing strategy - ‘Make in India’
- ✓ Recent acquisitions create balanced portfolio of refractory products and a strong platform for growth
- ✓ India is the highest growth market globally for refractories
- ✓ Strong cash generation with access to capital for further growth and expansion
- ✓ Opportunity to increase regional exports from India manufacturing hub
- ✓ Backing of RHI Magnesita Group – technology, R&D, global product range, raw material purchasing benefits and security of supply

Disclaimer

Financial information contained herein, as well as other operational information, were not audited by independent auditors and may include forward-looking statements and reflects the current views and perspectives of the management on the evolution of macro-economic environment, conditions of the mining and refractories industries, company performance and financial results. Any statements, projections, expectations, estimates and plans contained in this document that do not describe historical facts, and the factors or trends affecting financial condition, liquidity or results of operations, are forward-looking statements and involve several risks and uncertainties.

This presentation should not be construed as legal, tax, investment or other advice. This presentation does not constitute an offer, or invitation, or solicitation of an offer, to subscribe for or purchase any securities, and neither any part of this presentation nor any information or statement contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. Under no circumstances, neither the Company nor its subsidiaries, directors, officers, agents or employees be liable to third parties (including investors) for any investment decision based on information and statements in this presentation, or for any damages resulting therefrom, corresponding or specific.

The information presented or contained in this presentation is current as of the date hereof and is subject to change without notice.
RHI Magnesita has no obligation to update it or revise it in light of new information and / or in face of future events, safeguard the current regulations which we are submitted to. This presentation and its contents are proprietary information of the Company and may not be reproduced or circulated, partially or completely, without the prior written consent of the Company