RHI MAGNESITA

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19 November 2026

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: Transcript of Conference Call for the quarter and half year ended 30 September 2026

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, and further to our earlier intimation dated 4 November 2026, the transcript of the conference call held on 14 November 2026, for discussing the earning performance for the quarter and half year ended 30 September 2026, is annexed herewith.

The same will also be uploaded on the Company's website at the below link:

https://www.rhimagnesitaindia.com/investors/investor-meet

Kindly take the same on record.

Thanking you,

Yours faithfully

For **RHI Magnesita India Limited**

Sanjay Kumar
Company Secretary
ICSI Membership No. -17021

RHI Magnesita India Limited
RHI MAGNESITA

"RHI Magnesita India Limited

Q2 & H1 FY27 Conference Call"

November 14, 2026

MANAGEMENT: **MR. PANKAJ MALHAN – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**
MR. AZIM SYED – CHIEF FINANCIAL OFFICER & CHIEF INVESTOR RELATIONS OFFICER
MR. ABHISHEK BAJAJ – HEAD OF FINANCE

Sensitivity: Internal

Moderator: Ladies and gentlemen, good day and welcome to the RHI Magnesita India Limited Q2 and H1 FY27 Conference Call. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

Before we get started, I would like to point out that some statements made or discussed on today's call may be forward-looking in nature and must be viewed in conjunction with the risks and uncertainties that we face. The company does not undertake to update these forward-looking statements publicly.

I now hand the conference over to Mr. Pankaj Malhan, Managing Director and CEO from RHI Magnesita. Thank you, and over to you, sir.

Pankaj Malhan: Thank you very much. Good morning, everyone, and thank you for joining us for the earning call on Saturday morning. Happy to share the progress that we made in quarter two and H1 FY27. Safety remains our highest priority at RHI Magnesita.

We continue to invest in our safety programs and make safety progress towards goal of zero harm and the well-being of our people. During the quarter, RHI Magnesita achieved a five-star contractor safety management rating at SAIL ISP, with the highest audit score of 950 on a scale of 1,000, reinforcing our commitment to safety excellence and responsible operations.

Despite a challenging operating environment, we delivered our second consecutive quarter with revenue exceeding INR1,000 crores and EBITDA margin of 14%, outperforming our guidance.

H1 FY27 reflects the strength and effectiveness of our strategy, focused on value creation for a sustainable, profitable growth. Despite an environment of elevated supply chain costs, energy prices, and volatility in currency, we continue to improve our margins through operational efficiencies, pricing discipline, and an enhanced product mix. Furthermore, we remain disciplined in our business decisions of improving the product portfolio along with the structural changes in the operating model.

This approach has supported sustainable profitability and long-term shareholder value creation. Our 4PRO model continues to differentiate us in the market by moving beyond product supply to integrated refractory solutions. Increasing adoption across steel customers is driving higher value realizations and strengthening customer partnerships. Looking ahead, we will remain mindful of external uncertainties. Our strategic priorities are clear and delivering results.

First and foremost, we want to outgrow the market, and here we are happy to report that subsequent to the quarter end, we received our largest coke oven order in our history to cover our silica production lines for the next 18 months.

Second, scaling strategic 4PRO partnerships, we have added another strategic 4PRO contract in this quarter, increasing our contribution across customers' operating value chains.

Third, strengthening cost competitiveness through backward integration, that is the quartzite mine. Happy to share with all of you that we have initiated our operations at one of our quartzite mines towards the close of this quarter. This milestone is anticipated to enhance our cost competitiveness while strengthening the resilience of our supply chain.

Finally, our journey for strengthening our sustainability advantage through MINPRO and circular economy initiatives continues to go stronger, expanding our portfolio of sustainable refractory solutions. First invoicing has been raised from MINPRO and volumes are expected to scale up in the upcoming quarters.

Overall, our focus remains on delivering consistent, profitable, and sustainable growth while strengthening our competitive position. We remain confident in our strategic direction, execution capabilities, and long-term opportunities in the Indian market.

With that, I hand over to Azim to take you through our financial performance for the quarter and first half of FY27.

Azim Syed: Thank you, Pankaj, and good morning, everyone. Let me take you through our financial performance for Q2 and HY FY27. I am pleased to share that we have delivered another great quarter of strong performance, supported by continuous value creation, pricing discipline, and operational excellence. Our shift towards higher-value business, improved product mix, and differentiated solutions continues to strengthen earnings quality and profitability, even in a very challenging operating environment.

As guided to the market, revenue from operations in Q2 FY27 stood at INR1,030 crores, broadly stable versus the previous quarter and above the INR1,000 crores mark for the consecutive quarter. The progress we are witnessing is a direct outcome of our initiatives like 4PRO, cost competitiveness, delivering product transfers, and business models, which enables deeper customer engagement, greater solution-led selling, and reduced exposure to commoditized business segments.

Our conscious choice of prioritizing value-generating orders leading to margin resilience and improvement in realization rates. Despite continued inflationary pressures in energy, freight, logistics, and material costs, we maintained healthy profitability during the quarter. Our disciplined execution towards our commercial strategies, product mix optimization and cost competitiveness initiatives has supported these results.

Our EBITDA for the quarter stood at INR144 crores with an EBITDA margin of 14%, improved by 332 basis points year-on-year, beating the guidance. Profit after tax also increased by 62% year-on-year to INR62 crores, reflecting a strong, resilient business performance. The ability to sustain margins in a lower volume environment demonstrates the strength of our value over volume strategy and disciplined execution across the organization.

We chose this strategy because of the external market environment and the competitive pressure leading to quite a bit of stress in the way we are conducting our business. Hence, we chose value-generating orders, which is sustainable and most importantly, strengthen solutions-based selling to our customers.

Moving to the first half performance, revenue from operations increased to INR2,044 crores in H1, representing growth of 2% year-on-year. Although from a material cost percentage perspective, it looks lower on both a quarter-on-quarter basis or year-on-year basis, this is primarily driven by product mix, better realization rates and our choice of making specific commercial decisions.

EBITDA for H1 increased by 36% to INR291 crores, while EBITDA margin expanded by 353 basis points to 14.2%.Profit after tax increased by 72% to INR127 crores, reflecting the benefits of improved product mix, stronger realization, and disciplined cost management. Our balance sheet remains robust and well-positioned to support future growth. Cash and cash equivalents stood at INR456 crores at the end of September 2026. Net cash to EBITDA remained healthy at approximately 0.25x, providing significant financial flexibility.

Working capital intensity increased to 38%, primarily due to inventory build-up to ensure raw material availability and supply chain resilience, and most importantly, to serve our future strong order book as such, and especially in the silica, which Pankaj had mentioned earlier. Despite these factors, operating cash flow remained positive at INR99 crores during H1 FY27, reflecting the underlying strength of our business. Improving cash conversion, optimizing inventory, and enhancing receivables management remain our key focus areas.

From an investment perspective, we remain focused on strengthening our manufacturing capabilities, automation, and operational efficiencies to support long-term competitiveness and to support our 4PRO business model. Coming to the business environment, the operating landscape continues to remain challenging with heightened geopolitical uncertainty, inflation, volatility in FX, and costs around ocean freight and logistics as such.

However, the structural growth drivers of the Indian steel, cement, and industrial sector remains positive, supported by infrastructure investment, urbanization, capacity expansion, and PLI schemes rolled out by the government. Our resilient business model, long-term supply capabilities, customer retention and healthy margins are supported by deep customer relationship and strong execution. I'll continue to focus on operational excellence, R&D capabilities, and target operating model.

We are poised to grow in Q3 with a very strong order book across steel and coke oven orders as such. Before I conclude, I would like to invite Abhishek Bajaj to join me, and I ask you to join me in welcoming him to his new role. Abhishek has been a strong support throughout my tenure as CFO, and I take a great pride in passing on the baton of this responsibility to him.

Many of you have had the opportunity to interact with Abhishek during our roadshows earlier. I am confident that he will continue to drive and support Pankaj, in delivering our strategy, strengthening our partnership with the business, and with you and our other stakeholders, and build on the progress we have made. I wish him every success in the new responsibility.

All the best, Abhishek. I will hand it over to Abhishek for a few words.

Abhishek Bajaj: Thank you, Azim and Pankaj, for your trust and confidence. It has been a privilege to work alongside you and learn from your leadership, and I am really truly honored to take this

responsibility forward. I look forward to work very closely with our businesses and continue to create value for our stakeholders. I also look forward to continue engagement and partnership with all of you.

With that, we conclude our remarks, and we will be happy to take your questions.

Moderator: Thank you. We will now begin the question-and-answer session. The first question comes from the line of Sahil Sanghvi with Monarch Networth Capital. Please go ahead.

Sahil Sanghvi: Yes. Hi, good morning, team. Congratulations to Pankaj sir. Welcome to RHI, and congratulations to Azim and Abhishek for the promotions. First of all, my first question is to Pankaj sir. Sir, you have already given a few details on the strength of the company with respect to our operations and few other details.

I just wanted to understand, what are the key focus points for you as you take up this role, beyond what you have already said in your opening remarks? Any kind of major concerns that you would want to resolve? What are the key focus points for you?

Pankaj Malhan: Thanks, Sahil. I think that's a great question. I think when I look at the business, there is a huge amount of opportunity which lies in front of us. The core driver of the business will be always steel for us. Within steel, what we see, there are a couple of good opportunities that we are actively pursuing. To give you one small example, it is going to be the thin slab casters, where, of course, we have just taken some trials with one of the large accounts in India.

Going forward, this is going to be one of the stronger areas for us. Second, where we are focusing in steel is going to be our reheating furnace markets, where we do not have any foothold as of now. So those are the opportunities where we see straightaway which are quite high-margin businesses for us. Going into, on the internal side, I think there are structural changes that we are trying to bring in the business.

The structural changes, while we have seen that our supply chain has been quite resilient during the testing times over the last six months, there is an opportunity also existing in front of us. The opportunity comes from shifting some of the imported raw materials to domestic suppliers, and that is a structural change that makes the supply chain more resilient.

Second, definitely, is going to be our recycling business. That is a strong opportunity which I see.

The third would be, how can we improve our operating efficiencies through some better optimizations and controls I always keep saying that technology forms the key to any offerings to the customers. We are also strengthening our digital portfolio in terms of our reach to the customers, that will be rolled out in subsequent quarters. We have our plans laid out, and we are very hopeful that our structural changes, coupled with some new product introductions in the country and our relationship with the customers, would be the cornerstones of improving our sustainable profitable growth in the country.

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Sahil Sanghvi: Understood, sir. Thank you. My second question is with respect to the quartzite mines. While we have initiated some operations, it would be helpful if we can understand some bit on the cost savings or how much sourcing will come from there, and what kind of benefits are we looking at from it?

Pankaj Malhan: Going forward, our plans would be run our own mines. And structurally, this should be able to give us close to 3%-3.5% delta in terms of EBITDA going forward for the entire year.

Sahil Sanghvi: Sorry, can you repeat the number? 3%? 2%-3%?

Pankaj Malhan: Yes, 3%-3.5%. This is what we are looking at.

Sahil Sanghvi: This is 3% of the RM cost? Sorry, I did not understand exactly.

Pankaj Malhan: Overall EBITDA numbers, that is the improvement that we are talking about.

Sahil Sanghvi: Okay. And what proportion of our consumption will be now driven from these mines, or will it be gradually fully captive?

Pankaj Malhan: Gradually, it will be fully captive. This is what we are working on right now.

Sahil Sanghvi: Got it. This will transition over a year or two? I mean, this transition will take a year or two?

Pankaj Malhan: Yes, we are planning by the next financial year, we should be fully on our own resources.

Sahil Sanghvi: Understood. My third question would be, we've announced that we've got some very large coke oven orders. Would you like to quantify the order amount, and in what duration will this be executed?

Azim Syed: Sahil, let me take this up. We will not go into the commercial specifics of the volume. All we can say is that these large coke oven orders will take more than a year to be executed. Most importantly, what is to be noted is that this will improve the capacity utilization of our Rajgangpur plant. Let's say that the silica line is completely booked for more than a year.

Sahil Sanghvi: Got it. Margins should be in line with our current margins, company margins, or should be better?

Azim Syed: As Pankaj mentioned, the quartzite mine is a very big driver to ensure that our silica production happens. Yes, this will correspond to those or a better improved margins in future that we have the mining operations, comparing to our historical performance.

Sahil Sanghvi: Understood. While we have explained enough on the kind of restructuring we have done on the product mix and how that has helped us this quarter, has there been a meaningful change in the proportion of flow control revenue this quarter versus previous quarters?

Azim Syed: You hit the nail on the head, Sahil. Yes, we had an improved flow control product mix. I am sure this question is going to come up in the future, so let me address that as well. If you look at our quarter, we also mentioned that there is an increase in raw material cost, but you do not see

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this in our P&L. It is primarily because of a change in products mix, and as you know that in flow control, you normally do not measure in tons, you measure it in pieces. So, we have seen increased performance in our flow control business.

Hence, the volume is not showing up in our reported volumes, but you can see this very clearly in our realization rate. Unfortunately, it kind of masks the increased material cost in our material cost percentage. So yes, your hypothesis is absolutely right. We have increased revenue quarter-on-quarter and year-on-year as well.

Sahil Sanghvi: Understood. No, that is commendable. Would you like to give a number as to what is it as a percent of total revenue right now versus previously?

Azim Syed: Let's say that from historical perspective, we have improved by 3 basis points on a quarter-on-quarter.

Pankaj Malhan: Yes, it's a quarter-on-quarter basis more than that, I would say. Sahil, this would be one of the key pillars for our future growth even.

Sahil Sanghvi: Got it. Fine. Thank you so much. Congratulations, and I'll come back in the queue.

Moderator: The next question comes from the line of Varun Jain with Dolat Capital. Please go ahead.

Varun Jain: Yes. Hi, good morning. A couple of questions. Firstly, on this previous point only. Since you are saying that the increase in realization was more due to product mix, assuming it is structural, should we expect that INR87,000 per ton to be the realization for H2 and going forward for 2028 and 2029 also?

Azim Syed: As you know, Varun, we have a diverse product portfolio. It gets contributed by three important factors. One, on the steel side, our order book usually remains stable, and we gain market share based on our customer order cycle, primarily driven by, let's say, the public sector units who do a six-month tender or a 12-month tender. What you can basically see here is that, in this quarter, we gained market share in flow control even from a year-on-year perspective in the public sector unit. That's the first contributing factor.

The second contributing factor is on the cement side, and that's where our realization rate goes away. Yes, that will also play a role. We also get a tailwind if we have an industrial order, which is very hard to foresee or forecast per se. These are three reasons, we basically don't give out any guidance on the realization rate, but from a modelling perspective, this is what I would use. There is always a historical trend that we follow on the realization rate.

This quarter is slight bit of an anomaly, if I must say so, because we chose to step away from some of the low-margin orders. When I say low margin, it's not because of our operational excellence. It's purely because of the external market conditions where we chose to step away from the business.

Varun Jain: Sure, sir. Since the growth was a lot driven by flow control, which is measured in pieces and not volume, earlier in the last call, we had guided for a 7%-9% volume growth for 2027. But now,

do you think we'll be flat year-on-year, or there will be some decline, like a 5%-7% kind of a decline year-on-year on overall volumes?

Pankaj Malhan: Varun, that's a great question, first of all. I would say the thought of the management is to have a very cautious balance between volume and value. So, if you look at our performance for this quarter, it's a solid balance between volume and value. Going forward, we are very mindful of both the volume growth as well as the value growth. So, we'll continue to focus on balancing both the portfolios in the right mix.

Varun Jain: Sure, but, Pankaj, previously…

Moderator: Sorry for the interruption, Varun. I would request you to rejoin the queue for any more questions. The next question comes from the line of Kunal Mehta with InCred Equities. Please go ahead.

Kunal Mehta: Yes. Hi. Very, very good morning, sir. Thanks for the opportunity. Some of the questions have been answered, so I will move ahead. Inventory and cash conversion in the first half, the operating cash was about INR98 crores, and we had an EBITDA of about INR274 crores.

Inventory is actually up, working capital intensity is up, but we had previously guided that we will work on bringing the intensity down. Is this inventory built up against the 4PRO contracts or firm customer orders, or are we pre-empting maybe some raw material fluctuations, so we are kind of storing up raw material beforehand? If you can give some sense on that.

Azim Syed: Absolutely. There are four factors that are contributing to our inventory build-up. First, we actually have a raw material cost increase. Even if I had similar tonnage of inventory on a quarter-on-quarter basis, purely because of the increase in raw material costs, we had an increase in the absolute inventory value.

The second part is because of the large silica orders that we have received. So, we had to buy moulds, and we had to start producing in anticipation of fulfilling those orders.

The third part basically comes to some of the industrial other project orders.

The fourth part is, and you are absolutely right, we have picked up in special places, purely from a resilience perspective, we started to build some of the inventory so that we can fulfill the orders. These are the primarily four factors, in order of severity.

Kunal Mehta: Any specific raw material or mineral that is having the highest fluctuation? If you can mention that. Is it fused magnesia or is it alumina?

Azim Syed: Yes, it's unfortunately bauxite, fused magnesia and DBM. These are the three places. Let me put it like this. Everywhere there is an increase, but these are the three that have sharply shot up. Even from last month to this month, we see a sharp increase in the DBM and FM prices. Bauxite, we saw two months back. For Resins and other alumina-based products, it started during the Middle East war crisis. That's kind of a little bit of a chronology. But everywhere there is an increase.

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Pankaj Malhan: I'll just add something here. One of the things, Kunal, what has gone up is freight as well. The landed-basis costs have gone up apart from the base material costs. The energy prices across the globe have gone up. That has also impacted the base prices. Compounding the increase in the base cost was ocean freight. That is what I just stated a while back. There was a strategic structural change that we were trying to shift from imports to the domestic market.

Moderator: The next question comes from the line of Nitish Rege with Chrys Capital. Please go ahead.

Nitish Rege: Hi. Thank you for the opportunity. My question is mainly on the growth side. What would it take for us to deliver, let us say, a 15% revenue CAGR over the next three to five years while maintaining our EBITDA margins at this 14%, 15% level?

What all would be our key drivers? Secondly, on the segmental side, beyond the core steel business, our other segments like non-ferrous, petro-chem, glass, can they be our meaningful growth engines? Can you see industrials increasing from, let us say, the 13% mix to 20%, 25% of our revenue going ahead?

Pankaj Malhan: Nitish, that is a great question. Structurally, we are also contemplating as management in terms of making sure there is a solid balance between steel and industrial. Some of the key focus areas for the management in coming quarters are going to be establishing a strong foothold in coal gasifiers, which is a big opportunity in India. We have a product which can be used in this application. We are building up our teams and synergies with our global parent company to make sure that we make inroads over there.

The second one is definitely glass. Glass remains a very high-margin, accretive business for us. We really want to have a very strong foothold in this market.

The third one, which we really want to benefit, is going to be aluminum sector right now. Aluminum sector, our foothold is weak, but definitely there is a great headroom that we really want to get into.

The fourth one, which I would say, if we really want to create a balance between these two larger or the broad categories, is the product technology transfers to India. That is also going great for us like one of the technology transfers that is now ramping up in India is going to be MGG bricks. It's the technology that we're doing a transfer from Dalian plant to our Rajgangpur plant. We think this is going to be one of the ways forward for us.

There are a couple of things that we're also working in terms of our product portfolio shift from our global parent to the domestic market. These technology and product shifts in the Indian market would remain the cornerstone of our strategy in the coming quarters.

Azim Syed: Just to kind of complement what Pankaj has said, industrial is definitely a long-term focus, purely because we believe that there is a lot of value to be gained when you start transferring this technology under the Make in India concept.

We are excited also about the early work that we have put into creating a glass centre of competency in India. As you know, in glass, we have quite a bit of capacity that has come into

Sensitivity: Internal

the Indian market and also in non-ferrous, especially on the aluminium side, our intention is to start building.

Let me also tell those people who are asking for numbers that we are at a very early stage to do the product transfers first. We understand the market potential, but there is quite a bit of technical element in terms of expanding, and the idea is that we become very competitive in our offering, not only for the project business where we are very good at, but also on the maintenance side of the business.

Nitish Rege: Got it, sir. From FY28 onwards, are we comfortable doing the 15%, 18% kind of growth in terms of revenue?

Pankaj Malhan: Our management would really love to go to that level, and our efforts are there, but there is no forward guidance that we would like to provide right now.

Azim Syed: Yes. For FY 28 atleast, We still remain committed, we still confirm our guidance of around 7% or outgrowing the market growth in volumes, and we still stand at 13% EBITDA. Despite the current inflationary pressures and other factors, we are very confident to deliver that for the next year.

Moderator: The next question comes from the line of Rajesh Majumdar with 360 ONE Capital. Please go ahead.

Rajesh Majumdar: Yes. Good morning, everyone. Welcome, Pankaj, Sir Abhishek. I had a few questions. My first question was that have we seen any impact of project orders in this quarter? Because last two or three quarters, I do not think there is any impact of project orders. If there is anything in the second half lined up?

Azim Syed: This quarter, we did not have any project orders, Rajesh. Next quarter, I mean the current quarter, let us say for about a month, we may have one of those coke oven orders going, but other than that, we do not have anything in the pipeline. As you rightly said, it was in previous quarter that we had an industrial order.

Rajesh Majumdar: So we can expect some industrial orders in the second half?

Pankaj Malhan: Yes, Rajesh. Second half would see some of the project orders kicking in.

Rajesh Majumdar: And typically, project orders are of much higher margin than these steel orders, right? Steel or cement orders?

Pankaj Malhan: I don't want to place any guidance on that personally, but yes, the pipeline that we're building up for project orders is soundingly healthy right now.

Rajesh Majumdar: Right, sir. My second question is, while your performance is laudable on the margin front, it seems that there is a loss of market share given the fact that our turnover is stuck at somewhere around INR1,000 crores for the last many quarters, whereas the industry definitely has grown in that period.

Sensitivity: Internal

So, while it may be a concerted effort to increase flow control business, the overall revenues seem to be flattish, particularly on the standalone side, and standalone has not delivered in terms of margins as well. So, if you could just guide me as to how we can reach 7%-8% revenue growth with this strategy, I would be happy to listen to that answer.

Azim Syed: So let me take this, Rajesh. First of all, we don't give guidance on revenue, but you're absolutely right in your observation. As we rightly said that we want to do a sustainable growth, and we should be very clear about what is happening, not only within our company, but also in our competition as well. I'm sure you're well aware of the capacity that would be introduced in the future quarters.

So, we had to be super conscious that we go back and understand and further strengthen our relationship with long-term contracts with our customers. So this was our priority and ensuring that we are also building a solution-based approach, not just a product provider for our customers. So we focused here, and I will tell you that this is some of the results that you're already seeing in some areas where we have increased market share.

Now, coming back to the future, we strongly have a lot of growth areas. For example, iron making is a very clear growth area for us, and you already saw improved market share, and you will continue to see quite a bit of top line coming from this because of the coke oven orders.

The second part basically is that we have a very strong profile in DRI and pellet applications. You will see some of these orders coming in the upcoming quarter, not in the next quarter, but in the upcoming quarters, you will start to see healthy, sustainable top line coming, and also which is good on profitability per se. The work has been done. We also have converted these orders. It's all about these orders flowing through our P&L during the right contract cycle.

The third part, what remains very challenging for us is the cement market. This is where normally our Q2 is very strong in terms of the cement order book. This time, we chose not to participate in some of the opportunities purely because we believe that that was not value-accretive for our business. So this is where you see a very big gap in year-on-year and half-yearly performance. But having said that, doesn't mean that we did not perform in cement at all. We participated in some of the largest project orders and some of the largest maintenance orders from some of our cement customers.

Now, here we have a very clear plan on how we will improve market share. We are talking to the largest three cement players in the world in terms of how we can provide solutions, in terms of how we can improve their kiln performance, in terms of energy conservation, and most importantly, provide them with a very clear 4PRO solution. We believe that if we were able to replicate this, then we have a sustainable growth in cement area, which is actually value creating for our business and most importantly for our shareholders as well.

Moderator: The next question comes from the line of Yug Patel with R&Y PMS. Please go ahead.

Yug Patel: Thank you for the opportunity. My first question is regarding that you mentioned that lower shipment volume was low due to the higher share of flow control products, which are lighter and higher in value. Could you help us quantify that, excluding the mix effect of flow control

Sensitivity: Internal

products, did the underlying volumes of bricks and monolithic have increased, and how is that for the rest of Q2?

Pankaj Malhan: Your voice was not clear, so we couldn't understand your question.

Yug Patel: Is it audible now?

Pankaj Malhan: Yes, better.

Yug Patel: Yes. My question is regarding that you stated that lower shipment volumes were due to higher share of flow control products, which are lighter and higher in value. Could you help us quantify that, and excluding the effect of that, did the underlying value for bricks and monolithic have improved in terms of volumes?

Pankaj Malhan: I think, let me clarify this first of all. No, that was not the case that was being explained. It was like flow control goes into pieces rather than tons. That is how the value comes from. While we really want to grow our flow control business and we gained our market shares in flow control, which is a high margin, accretive portfolio for us, there was a selective call that management took in terms of dropping some of the low margin, low NSR products in steel sector.

While we are restructuring our strategies for that, the thought was a selective choice between volume and value. That is how we balance these two parameters, and we delivered our product. Going forward, the management remains solidly hopeful about how we are going to improve our volumes into the market. That is going to be the cornerstone of the strategy. Making sure there is enough value to ensure profitable and sustainable growth, that we really want to strike a balance.

Yug Patel: Okay, got it. And sir, regarding our capacity utilization, it has been in our low 60s. If the volume recovers in the future, how much of operating leverage-

Pankaj Malhan: Volumes will come up in the subsequent quarters.

Yug Patel: How much?

Pankaj Malhan: I would not place any forward guidance, but definitely the strategies remain in place for improving the capacity utilization.

Moderator: The next question comes from the line of Nikhil Chandak with Shanghvi Family Office. Please go ahead.

Nikhil Chandak: Yes, hi. My question was on the competitive intensity and pricing pressure. Do you see any signs of improvement in the overcapacity and competitive pressure, or you think it is still two, three years out where we see things from a competition perspective kind of normalizing? When I mean competition, I would mean demand, supply, and pricing pressure.

Pankaj Malhan: Nikhil, that's a great question, and I have my own thoughts to this always. India is one of the brightest spots, and the way the steel sector and the other industrial sectors are growing and

booming in the country, that creates a lot of opportunities for a lot of players to come up in this space.

Fortunately, the National Steel Policy 2017, which states about 300 million tons of steel production capability in the country, I think the refractory industry has already scaled itself up to this level. So this capacity overhang will continue to be there for a while before India starts absorbing that capacity overhang in the refractory industry.

Having said that, the competitive intensity will continue to be there, but it's important for the management to tweak their strategies considering the external environment, the change in the landscape which is happening in the industrial side and see how we can strike a balance in terms of the pricing as well as making sure there is a value which is delivered consistently. So that's where the endeavours of the management are going to be.

Moderator: The next question comes from the line of Chetan Doshi, an Individual Investor. Please go ahead.

Chetan Doshi: Good morning, and congratulations for the good performance.

Moderator: Sorry to interrupt, Chetan, you are not audible.

Chetan Doshi: Am I audible now?

Moderator: No. Please use your phone on the handset mode in case if you are using it on a hands-free mode. Chetan, are you there? We move to the next participant, that is Varun Jain with Dolat Capital. Please go ahead.

Varun Jain: Yes, sir, I have a two-part question. Firstly, sir, on the volume, why you do not guide? There was earlier guidance, it was 7%-9%. Would you like to withdraw that guidance and give a fresh guidance or just withdraw it? Secondly, second part of this is on that mine thing.

Sir, which of the two mines have started and what is the status of the other mine? Also, according to the H1 cash flow statement, the capex is much lower than what was guided, I think INR150 crores or so guided and only INR34 crores or so is there. This is the two-part question.

Pankaj Malhan: Rather, those are three-part questions, Varun. One was the volume growth rate that you really wanted to understand, the growth rate of 7%-9%. That is always the endeavours which the team has been putting into. Yes, that is what I just stated. There was a conscious call in terms of balancing value to volumes. That was the recalibration of some parts of the strategy in the short term, and that is how our results have been shared and announced. Going forward, we are definitely poised to improve our volumes, and we also shared a while back, there is a strong pipeline of the project orders, one of which we have realized, while others we need to go and grab them. But the pipeline looks to be very healthy in terms of project orders. That is how we see the volume growth coming up.

If I really look into the entire story of H1 in the country, while the steel demand grew close to 7.2%, the crude steel production only grew to the rate of 2.8%. If we look at the reflection of that crude steel production growth rate in India, the refractory industry has grown at similar rate,

we have outperformed through our flow control products there. That is where the confidence of the management is coming from.

Now, we are very mindful of the industrial side, and that is how our endeavours are going to be, how we outperform the industrial market, the segment's growth, and that is where our strategies are already there. Some structural changes that we have done internally, the reflections of those structural changes for the industrial segment would be reflecting in subsequent quarters. I am hopeful by Q1 of next year, we will have a stronger story coming up in the industrial segment also.

Second question which you asked was on mines, which are the mines that we have started. The Chiraipani mines with an annual capacity of 40,000 tons, we have already commenced our operations. The other mine, which is Bhikampali in Odisha, we remain on track with respect to the startup of that mine, and very hopeful next quarter we should be able to start that mine. I hope I have not missed any of your questions, sir.

Varun Jain: Thanks, sir.

Pankaj Malhan: Okay, the third one was on capex, right? The capex outflow that you just spoke about, the capex is on two, three areas that we've been working on. One, of course, improving the reliability of the equipments that we have, because upgrades of these equipment's are extremely important.

Second is, the new product offerings that we need to bring to the country, which is the technology transfers from our global parent company to Indian setups.

Third is something that we need to work on from a compliance perspective. While we remain strong on number two and number three and that's how we've been delivering our capex, and we will continue to work on point number two and three, making sure that we are bringing the technologies to India, and of course, making sure our facilities and operations are more compliant. And that's how our thought would be in terms of our spend base of the capex.

Moderator: The next question comes from the line of Kunal Mehta with InCred Equities. Please go ahead.

Kunal Mehta: Yes, hi, sir. I have a two-part question also. How much is the bifurcation of production versus traded in the total shipment for the first half? The second is, have we added any flow control customers in this quarter or the last quarter, because flow control has improved? Any EBITDA margin guidance for FY28 due to the backward integration from the quartzite mines and the recycling?

Pankaj Malhan: Kunal, thanks for your question. I do not think we should be again providing you any details, specific details of the product portfolios. But yes, there are two customers in steel sector that we have added in this quarter, which are new to our account. Our position among our existing base of the customers has also improved. That was the opportunity that came our way, and we were able to take back on that opportunity. The second question was, I am sorry, I missed your second question.

Kunal Mehta: The breakup of shipment in traded versus production volumes?

Sensitivity: Internal

Abhishek Bajaj: Kunal, we generally do not provide breakup, unfortunately. However, as Pankaj and Azim have said regarding our value generation, so we sometimes go order by order. In case we get a higher margin in traded, we prefer to do that. But our endeavor is to first utilize our asset and then go for technology transfer and also use traded products to get the value from it.

Moderator: The next question comes from the line of Kartikeya Pandey with 360 ONE Capital. Please go ahead.

Kartikeya Pandey: Yes, hi, sir. I hope I am audible. Just two quick questions. One is that, what is the, MNC competition in these coke oven and DRI pellet projects? A related question is that, what could be the impact of global events like consolidation in the global refractory market? What would be the impact of that in our domestic market? If you could just give some light on that.

Pankaj Malhan: Great question, Karthik, again, I would say. First one, you wanted to understand the competitive intensity in coke ovens. Unfortunately, there are two major players in this space in India who can manufacture this, and we happen to be the largest one in this space.

Of course, India is expected to add some 30 million tons of coke oven capacities in next six to eight years. We are also working in terms of improving our production capabilities through some internal checks and measures without impacting from a capex side, and that program continues to be on track. While there is a competition from the Chinese players, that would continue to be exist, was there and would continue to be there, I would say. But yes, we are working on our own game plans to see how we can work with the Chinese competition, but that remains a point of concern for us as of now.

The second thing you wanted to understand was in terms of global optimization of the capacities. It is too premature for me to take up this question. We, as an Indian entity, continue to be working on our strategies and offerings to the customers. That is something that we can really take up.

Moderator: The next question comes from the line of Nitish Rege with ChrysCapital. Please go ahead.

Nitish Rege: Hello. Hi. Thank you for the follow-up. Just on the 4PRO, like how large can the robotics automation integrated solution business become…

Pankaj Malhan: I am sorry. Nitish, I think there is a break.

Nitish Rege: Is it better now?

Pankaj Malhan: Yes.

Nitish Rege: Yes, I just wanted to understand on the 4PRO business, how large can the robotics automation integrated solutions business become? Any color you could give on the current revenue contribution, the pipeline, and the medium-term revenue potential?

Azim Syed : We generally don't give any revenue guidance as such, unfortunately.

Pankaj Malhan : But we are continuously improving our offerings on that side. This is what we can put as a thought to you as of now.

Sensitivity: Internal

Moderator: The next question comes from the line of Nikhil Chandak with Shanghvi Family Office. Please go ahead.

Nikhil Chandak: Yes, my question was specifically on the export potential. Anything specific you want to comment on that? How big can the potential be, and any specific action steps we are taking to kind of increase the export side of the business?

Azim Syed: It's a good question. On the export potential, we want to give you a little bit of a market update on where the opportunity could be and what are the challenges.

To North America, exports are not viable. We are doing quite a bit of flow control business, but otherwise, cost-wise, I don't think it's very feasible for any Indian manufacturing plants to ship it out there, including our competitors.

When you talk about Europe, due to the introduction of CBAM, it becomes highly uncompetitive for us to export there, despite we are getting a lot of technology from Europe to India.

If you look at the Southeast Asian market, it's better from China from a cost perspective. Again, it's still not attractive, and this is the continuing trend, what I mentioned here.

The only scope of opportunity that exists is in the Middle East and Africa market. I'm sure you are aware about the Middle East situation, so there could be a further opportunity to improve there. However, there's quite a bit of concrete concentration of Chinese suppliers who are very competitive compared to the Indian market.

Over the years, because of the geopolitical uncertainty and also with the FX, there is a little bit of a challenge in expanding the export market. We are keeping a very close eye on it. Our intention is to grow the export market for sure, and this is a new stance that we are making compared to the earlier statements, purely because with the product transfer that Pankaj was mentioning earlier, suddenly the products which were coming from Europe to Middle East or Africa business became even more competitively priced for us to ship to our Middle East and African markets. Yes, not in the near term, but medium and long term, we can see some improvements there.

Moderator: The next question comes from the line of Chetan Doshi, an Individual Investor. Please go ahead.

Chetan Doshi: You are. In August 2026, we launched this MINPRO joint venture with Khemka Refractories. My question is that, what is the expected timeline for commercial commissioning, and what is the gross margin in this product line? The second question is, we are a net cash positive balance sheet, and capex is around INR80 crores-INR100 crores only. So, higher dividend payouts can be expected?

Azim Syed: Let me answer the question on the dividend perspective, we have a very clear capex and capital allocation program. The dividend is, of course, the board's prerogative to make a recommendation, so we will not be able to comment anything on the dividend payment.

Sensitivity: Internal

We are doing a good profitable job, for sure. We think that in the future, as we progress on the 4PRO, our capex will be better utilized for sure. The cash that we have conserved on the MINPRO, do you want to pick up, Abhishek?

Abhishek Bajaj: Yes, Pankaj. Thank you. On the MINPRO, I am happy to report that it was, finally signed off in August. We have now started our first invoicing from MINPRO, this joint venture, and in the coming quarter, we are looking to expand. We do not provide generally the gross margin percentages. However, the biggest benefit is resilience in terms of availability of the recycled raw material, which will in turn help us use recycled materials more effectively in our captive sites, and also to get some recipe improvement. I hope you will be able to see that in our results in the coming quarters.

Moderator: Ladies and gentlemen, due to time constraints, we would take that as the last question for today. I would now like to hand the conference over to Mr. Pankaj Malhan for the closing remarks.

Pankaj Malhan: Thank you very much, everybody, for taking time out on a Saturday morning. I really appreciate your valuable time and insightful questions that you've asked. I think going forward, the way we have delivered in this quarter, management is hopeful of delivering sustainable and consistent performances going into the next quarters. I must put this on record and thank Azim, who's been a great partner to the growth story of RHI India.

He is taking up a different role within the group company at the global level now. I wish him all the best. And I welcome Abhishek Bajaj, who's been a pillar of the Indian operations and is taking over the role of CFO of the Indian business.

With this new management team, we are very confident of delivering results, consistent results, while creating value for our shareholders and stakeholders on a quarter-on-quarter basis. Thank you very much, guys, for being with us.

Abhishek Bajaj: Thank you.

Azim Syed: Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of RHI Magnesita India Limited, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.