

Half Year Results 2025

30 July 2025

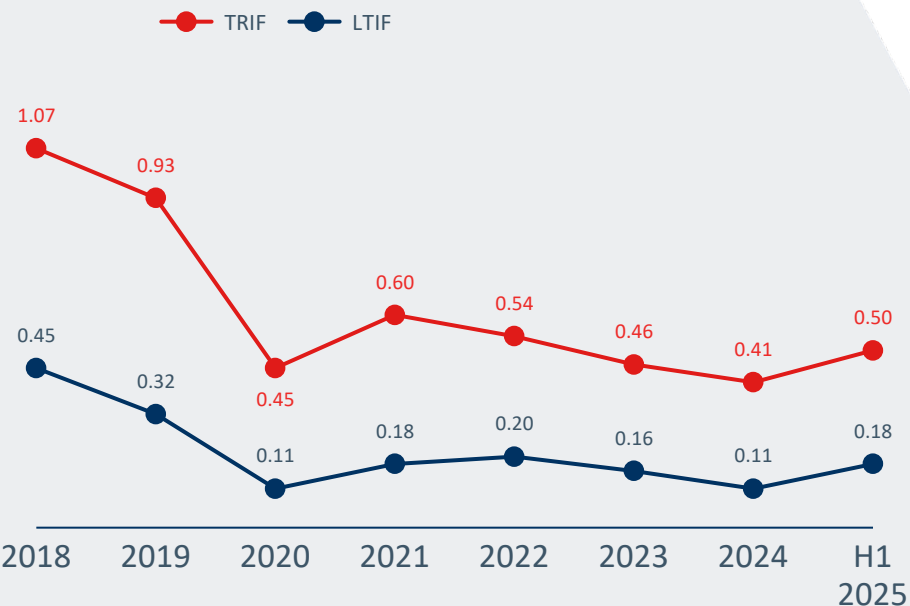
Agenda

- 1 H1 overview
- 2 Strategic update
- 3 Financial review
- 4 Summary and outlook
- 5 Q&A
- 6 Appendix

Health & Safety

A core value at RHI Magnesita

Long term reduction in injury rates since 2018



1. Lost time injury frequency rate per 200,000 hours
 2. Total recordable injury frequency rate per 200,000 hours

- Our safety culture transformation includes initiatives designed to encourage greater reporting of incidents:
 - LTIF increased to 0.18 (H1 2024: 0.11)
 - TRIF increased to 0.50 (H1 2024: 0.41)
- Site level inspections and recommendations were carried out in H1 with support from dss+
- New reporting platform rollout focused on risk assessments and near miss reporting for incidents with risk of serious injury or fatality

Financial highlights

Adverse market environment deteriorates EBITA margin to 8.4%, strong recovery expected in H2

Revenue

€1.7bn

↓ 2% constant currency

Adjusted EBITA

€141m

↓ (26)%

Adjusted EBITA
margin

8.4%

↓ (260)bps

Adjusted operating
cash flow

€175m

↓ (21)%

Cash Conversion

124%

↑ 7.8ppt

Resco Adjusted EBITDA
contribution¹

€14m

Dividend

€0.60ps

→ 0%

Working Capital
intensity²

23.4%

↑ 3.2ppt

Net debt to Pro forma
Adjusted EBITDA³

3.1x

↑ 0.7x

Adjusted EPS

€1.37

↓ 47%

1. Adjusted EBITA equivalent €11 million, consolidated for 5 months of H1

2. Working capital intensity is stated after working capital financing of €302m and is calculated using L3M annualised revenue of €3,420 million.

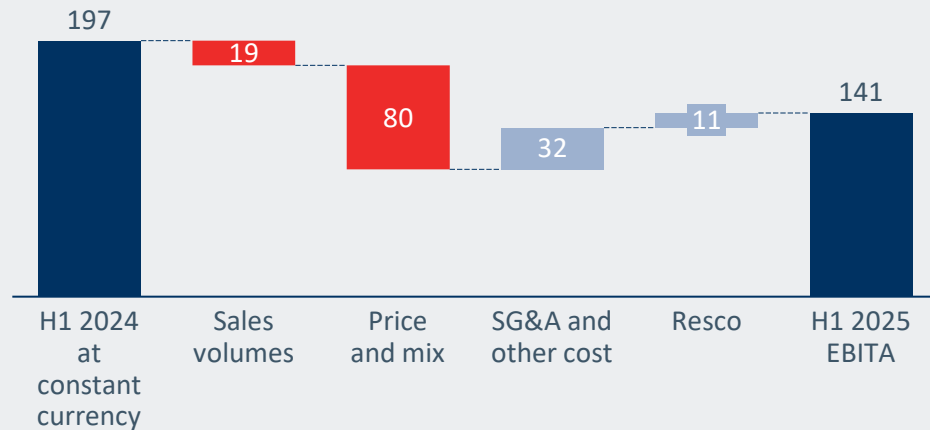
3. Includes IFRS 16 Leases of €69m and pro forma 12-month EBITDA contribution from recently acquired businesses prior to acquisition date.

H1 margins temporarily lower with recovery expected in H2

EBITA uplift in H2 supported by industrial order book, price increases and cost savings

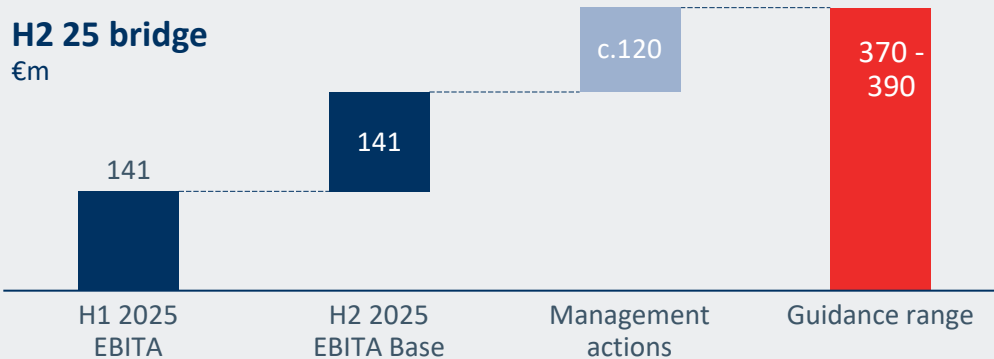
Price and mix drive lower EBITA H1 25 vs H1 24

€m



H2 25 bridge

€m



Record low Adjusted EBITA margin in H1 2024

- Price decline 5%
- Unfavourable mix, lower value product ranges
- Highly competitive pricing environment, especially in commoditised segments
- Industrial business cycle impacts average Group margins with Glass revenue -40%, NFM -22%

Urgent management action initiated in 2024 to restore margins in H2 and deliver up to €120 million EBITA uplift:

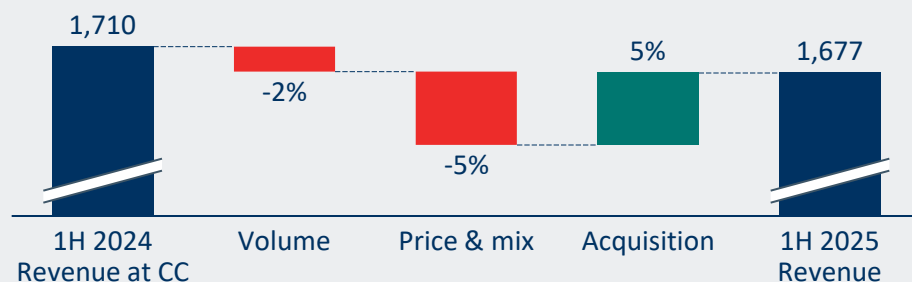
- Industrial projects orders
- Price increases
- Cost reduction initiatives
- M&A synergies from Resco

Price and volume detail

Both volume and price declined in the base business, offsetting the contribution from M&A

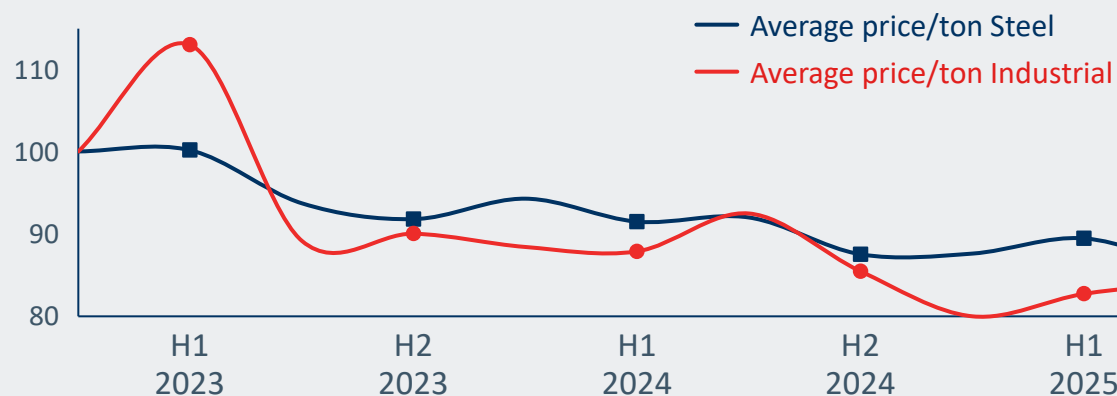
Lower pricing offset by M&A

Revenues, € million



Price weakness in both steel and industrial

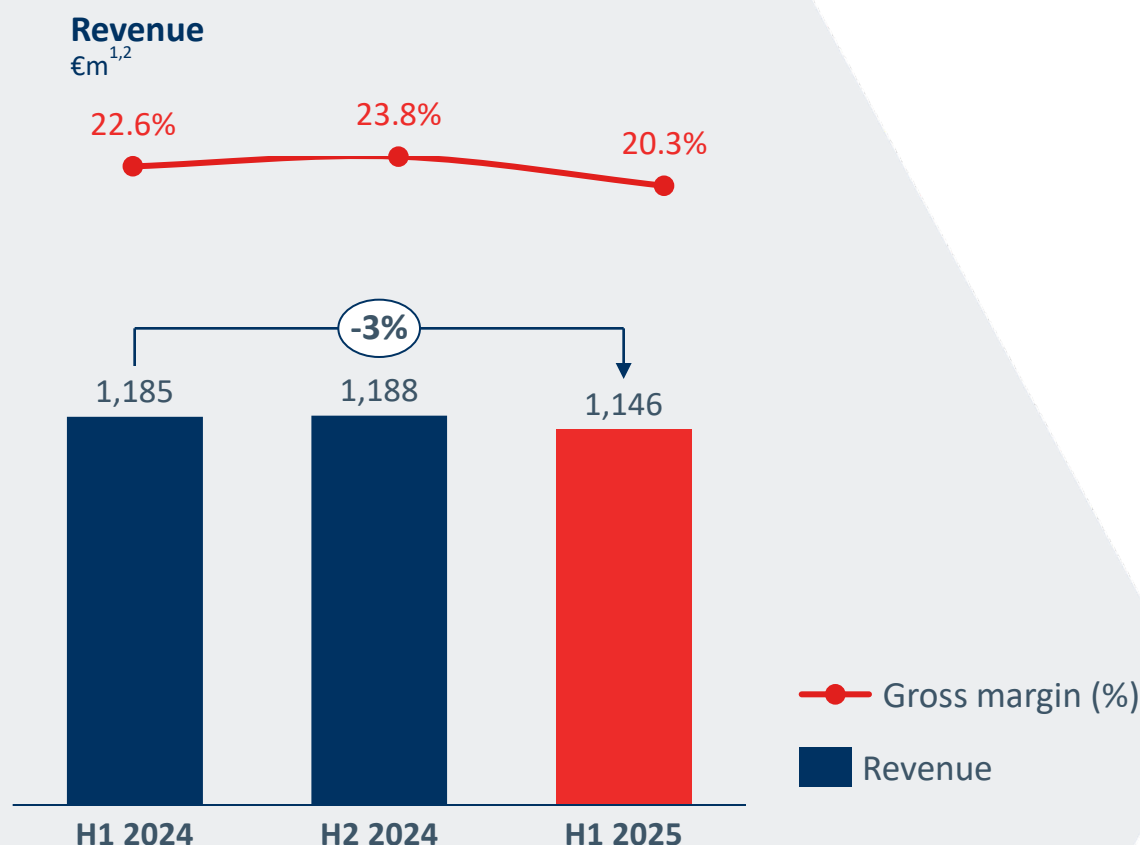
Price index rebased to 100 at 1 Jan 2021



- 5% decline in average prices per tonne on fixed cost base
 - Reflects pricing and mix changes
 - Price competition most intense in India, China, East Asia and META
 - China exporters and local players fighting for market share due to over-supply
- Steel sales volumes -1% in base business, +1% including M&A
- Industrial sales volumes -4% in bases business, +3% including M&A (Resco)

Steel business overview

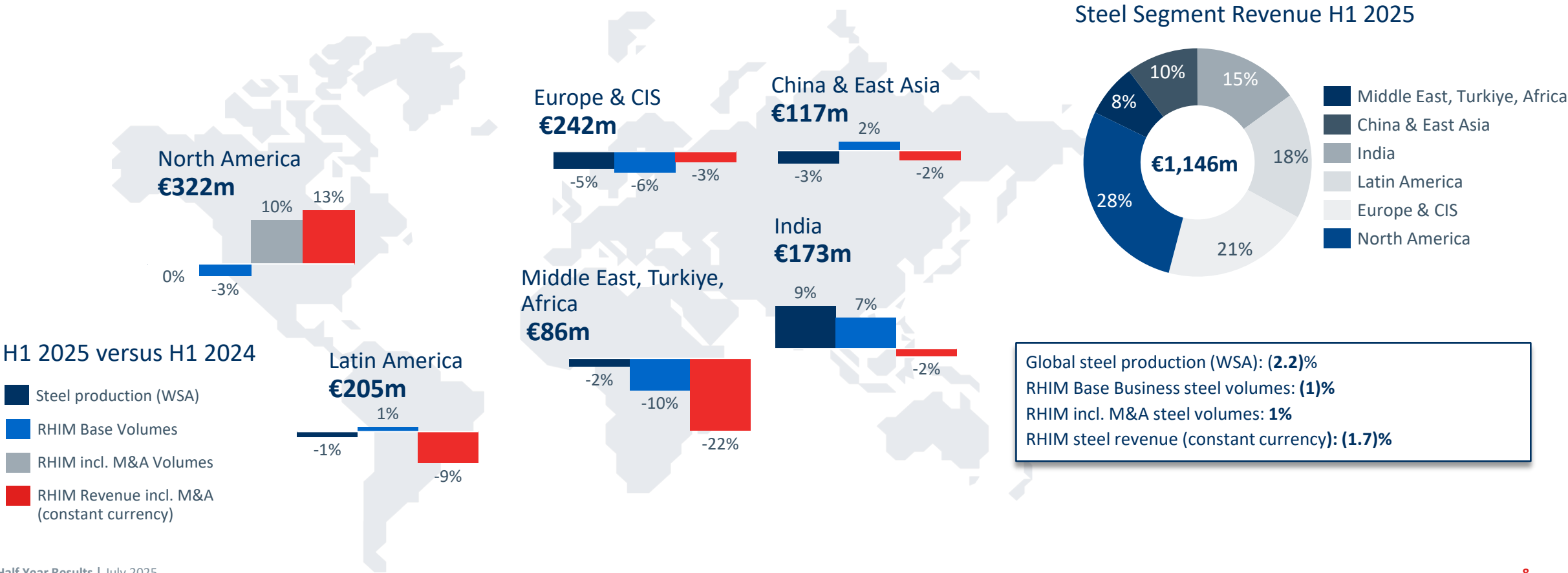
Pricing declined in the base business by 5% on fixed cost base, compressing margins



- Sales volumes decreased by 1% excluding M&A
- Heavy price competition in commoditised segments, particularly in India, China, East Asia and META. Average pricing reduced by 5% excluding M&A
- Mix effect of lower value products as customers favour lower specifications when operating at low utilisation rates led to increased commoditisation
- Wage increases well above inflation, higher natural gas prices and low fixed cost absorption combined with price reductions compressed gross margin to 20.3%

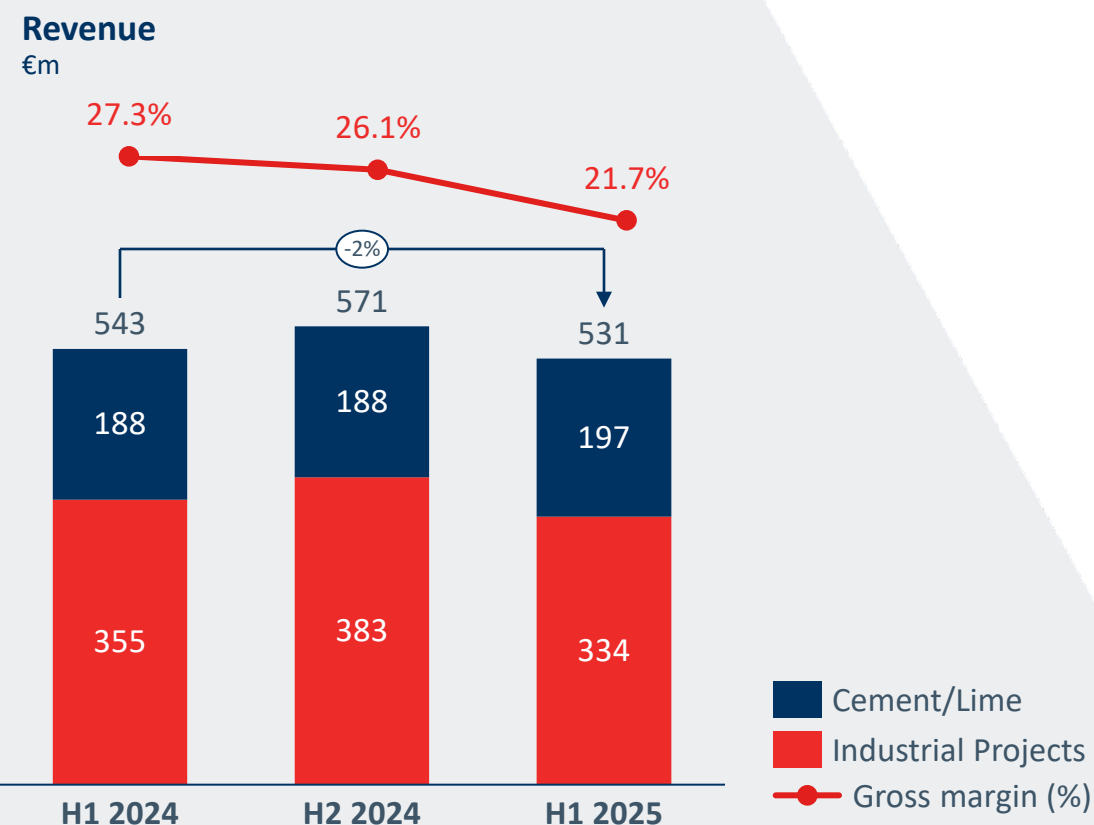
Steel segment performance by region

Strong growth in India but with weak pricing. All other regions saw flat or reduced WSA production volumes



Industrial business overview

Margin reduction due to mix change towards lower value Cement segment as NFM projects move into H2

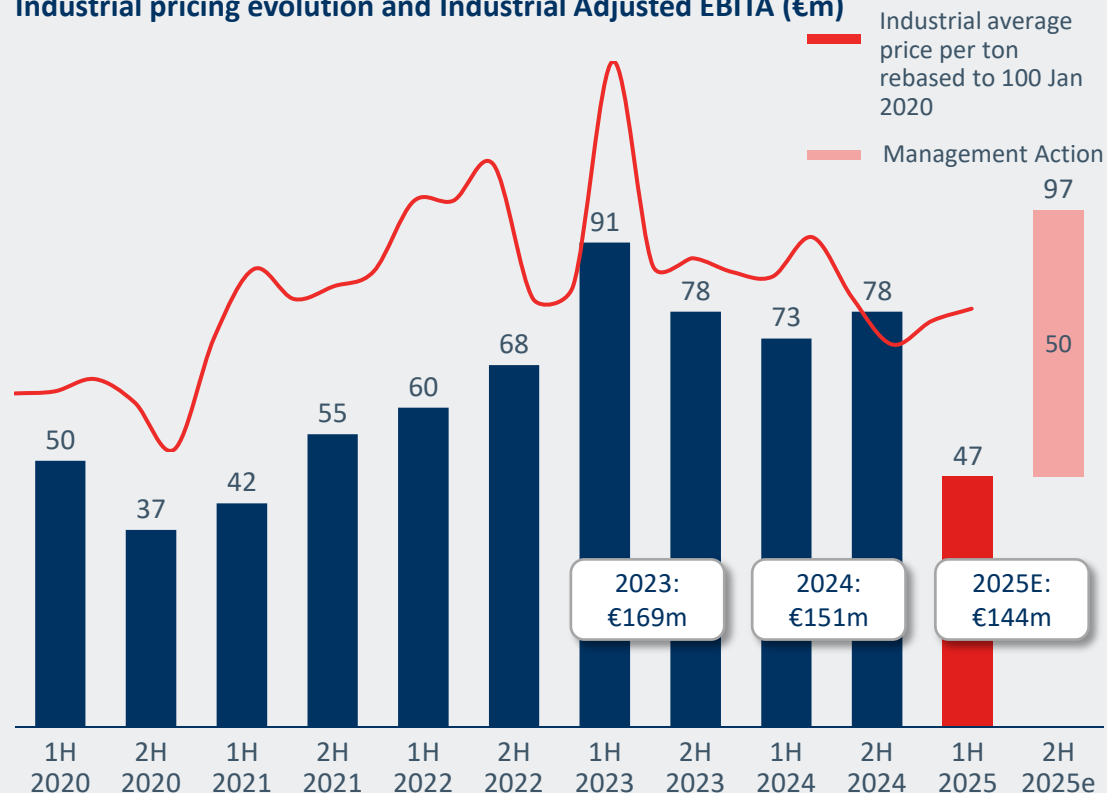


- Decline in Industrial Projects revenue driven by Glass and NFM
 - Low glass demand reflects weak end market conditions
 - NFM end markets are strong. Revenue is deferred to H2 for projects suspended during tariff uncertainty in Q2
 - Increased proportion of lower margin repair business as more profitable project business is deferred to H2
- Cement revenues increased due to growth in India and maintenance cycle catch-up effect – end markets in construction are still weak
- Margin reduction caused by mix effect as volumes skewed towards Cement

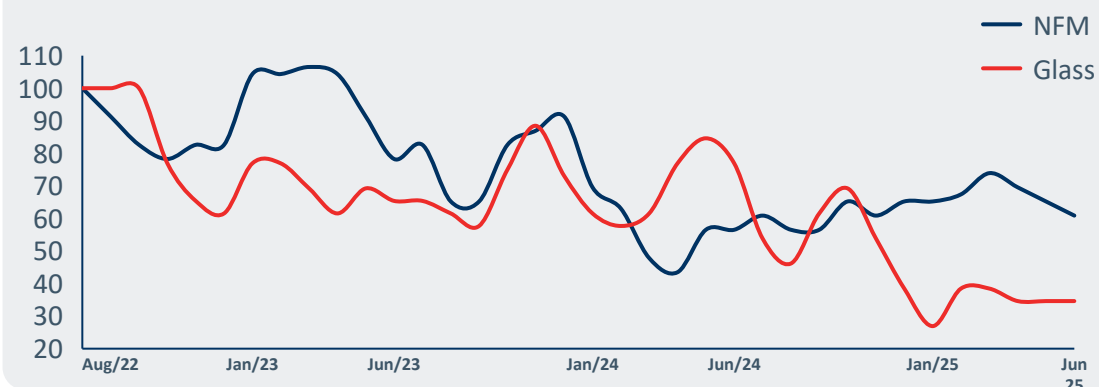
Industrial project deferrals weigh on H1 profitability

Deferral of NFM projects to H2 leads to weakest H1 EBITA and margin for Industrial business since 2021

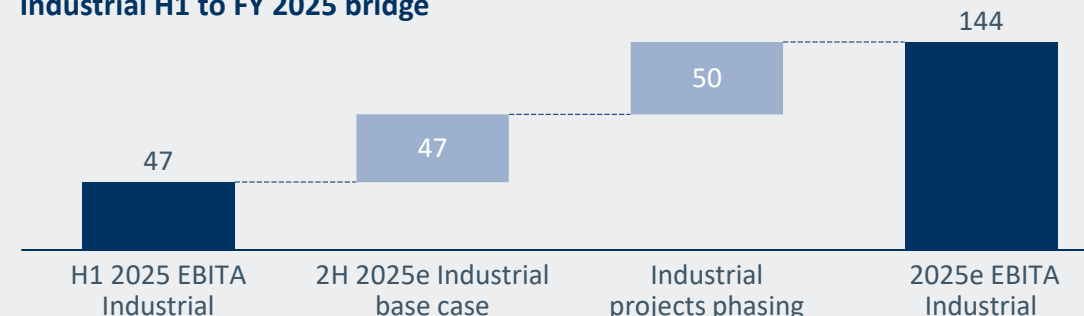
Industrial pricing evolution and Industrial Adjusted EBITA (€m)



NFM and Glass order book rebased to 100



Industrial H1 to FY 2025 bridge



Management action already taken, will take effect in H2

(i) Reduce costs, (ii) fulfil industrial project orders, (iii) increase prices, (iv) grow steel volumes



Strategic update

Stefan Borgas, CEO



Resco integration update

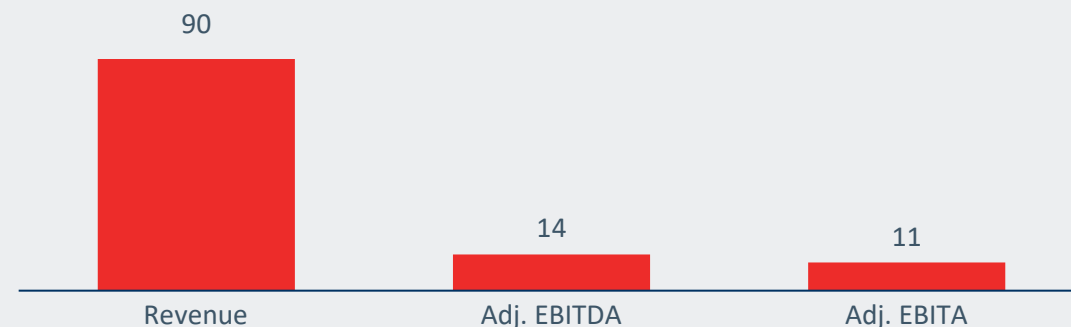
Integration project progressing despite complex market dynamics

- The Resco acquisition is a major step forward for RHI Magnesita's North America business and is fulfilling expectations in 2025 YTD
- Initial integration priorities have included:
 - Operations - Health and safety, inventory management
 - Finance – reporting, demand planning, treasury, credit risk
 - Sales – customer mapping, pricing strategy
 - People & Culture – headcount, retention, onboarding
 - Procurement – buying synergies, own raw materials, recycling
- Major topics for the next phase of integration are product transfers from Europe and Brazil to US production facilities, full synergy delivery and ERP upgrade

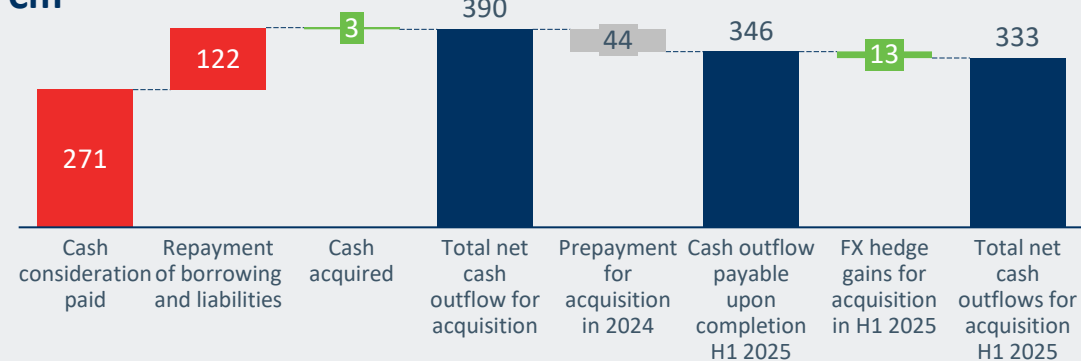
“The first one-hundred days of the Resco integration have been a marked success amidst regional and global challenges”

Craig Powell, Regional President NAM

€m, 5 months to 30 June 2025



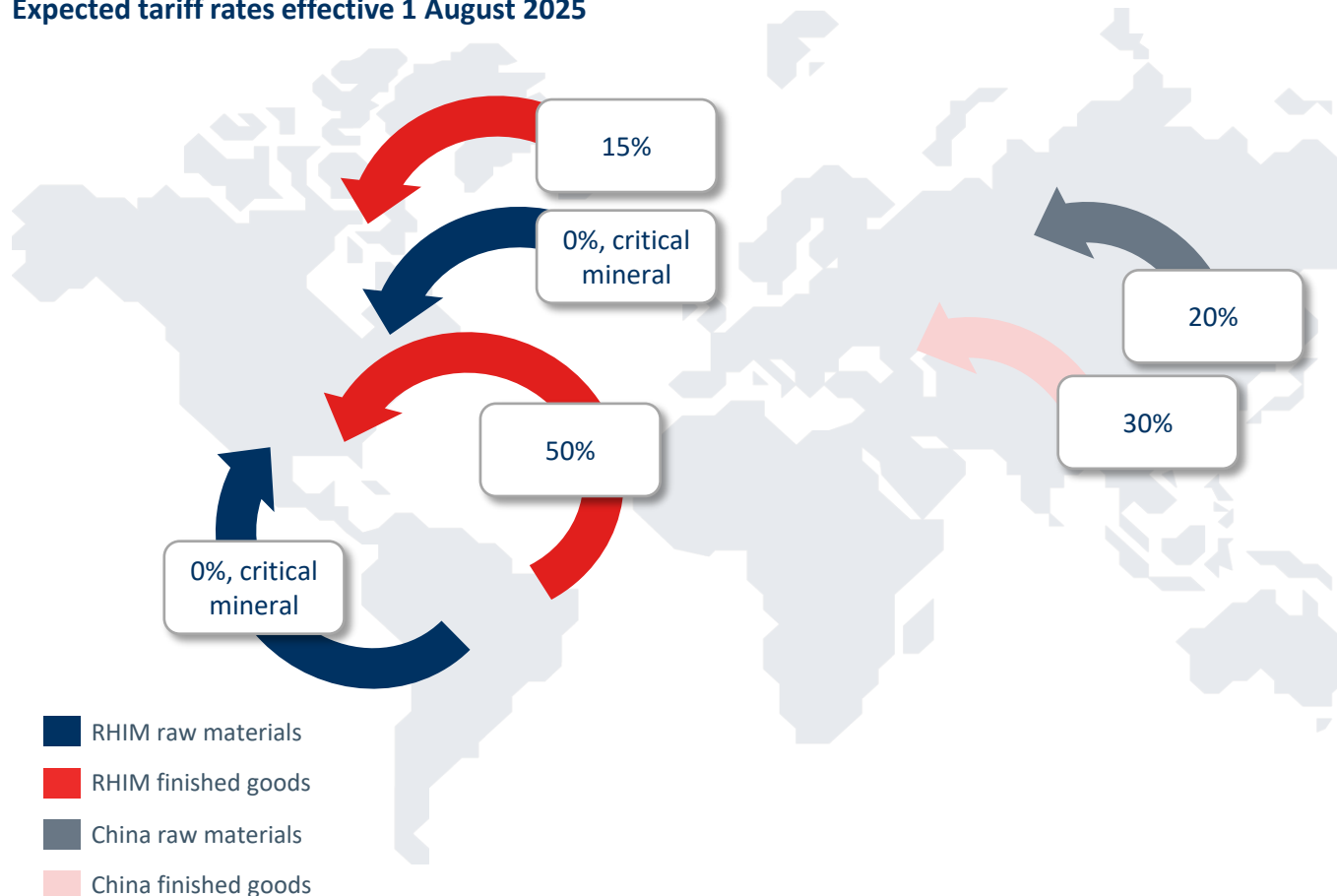
€m



US tariffs

Dynamic outlook on announced tariffs of Europe and Brazil imports

Expected tariff rates effective 1 August 2025

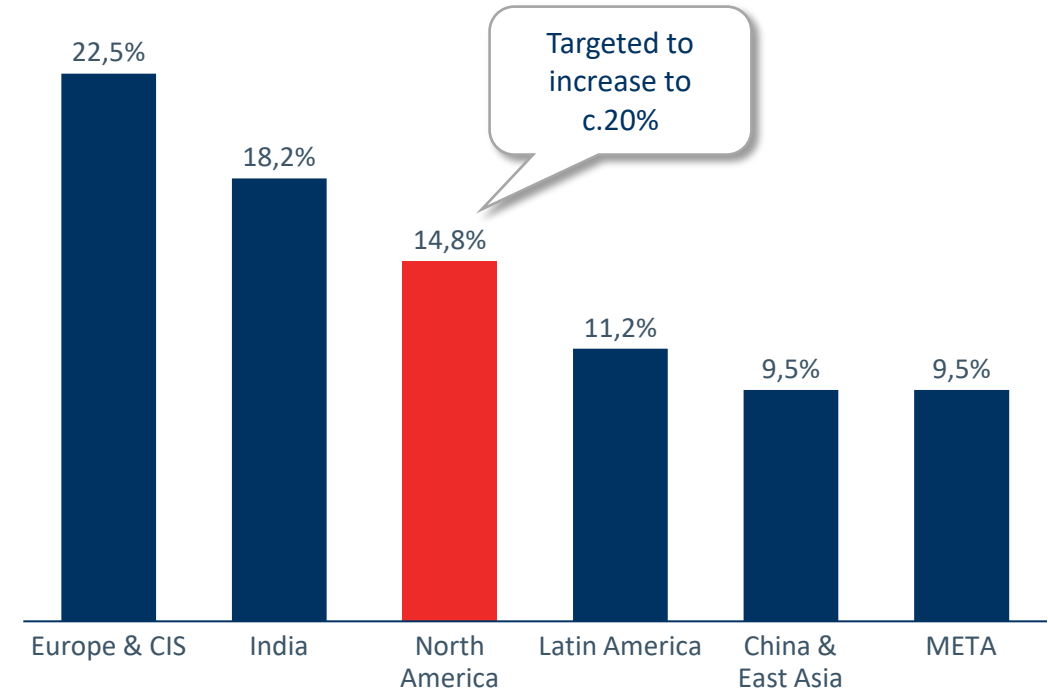


- Current 'reciprocal' tariff rates at 10% on nearly all trading partners
- Announced updated tariff rates on select trading partners take effect in August 2025
 - Almost all exporters of finished goods to the US would face a tariff of at least 15%
 - European goods would face a tariff of 15% following recent trade deal
 - Brazil finished goods would incur a significantly higher tariff of 50% and motivate alternative sourcing (e.g. onshore US, lower tariff European plants), while Brazil raw material is exempt as it is a critical mineral
- Tariff landscape is subject to rapid change as trade negotiations evolve and new policies are implemented

US recycling

BPI Inc. joint venture opportunity to raise US recycled raw material usage rates

- ◆ New recycling joint venture agreed with BPI, Inc. In June 2025, subject to normal closing conditions
- ◆ BPI, Inc. was founded in 1982 and is a well-established industrial minerals recycler and processor
- ◆ Significant cost and sustainability synergies are anticipated, based on the existing proven business model in Europe
- ◆ Recycling of raw materials within US borders is expected to have increased relevance in a high tariff environment for imported raw materials
- ◆ Recycling is the fastest route to reduce CO₂ by avoiding emissions from mining and processing of fresh raw material as well as being increasingly attractive to end-consumers
- ◆ Targeting increase of US recycling rate to 20%, close to Europe benchmark



Financial Review

Ian Botha, CFO



Profit and loss summary

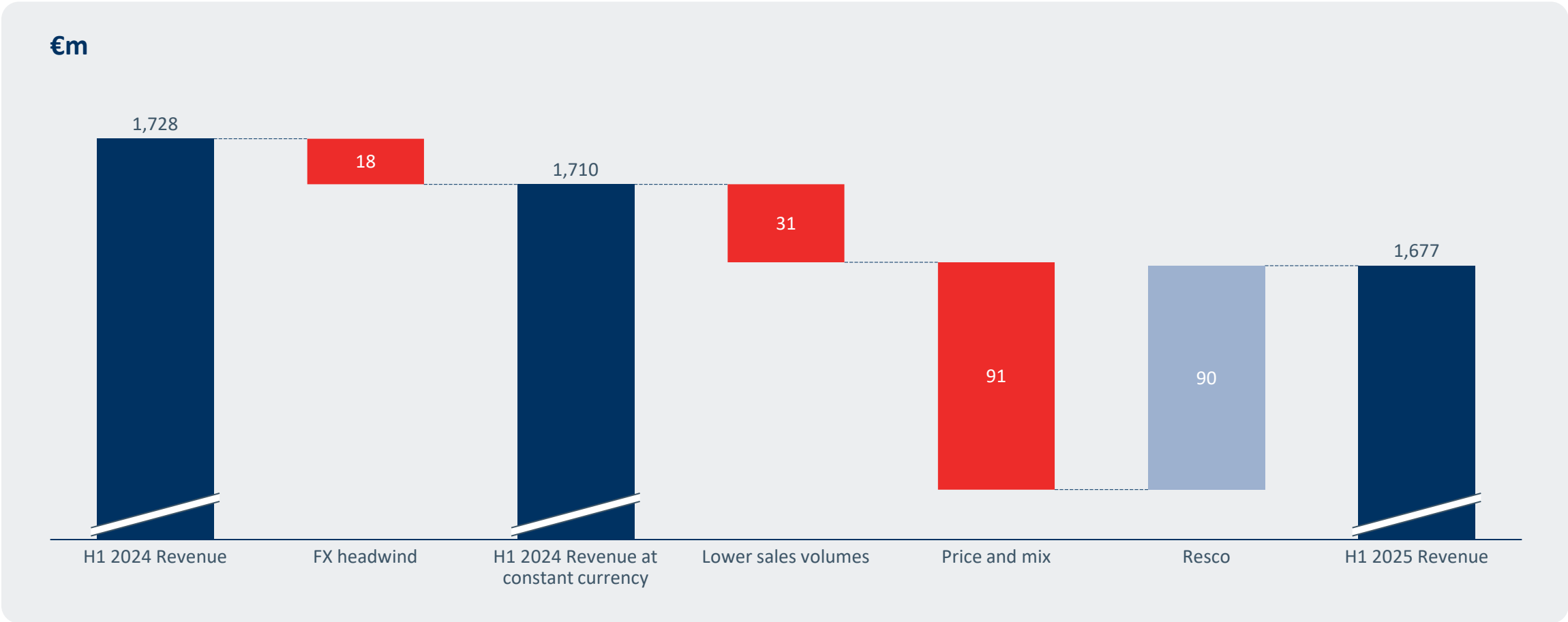
Lower gross margin due to decline in pricing on fixed cost base

€m	H1 2025	H1 2024 ¹	Change
Revenue	1,677	1,728	-2.9%
Gross profit	348	416	-16.2%
Gross margin (%)	20.8%	24.1%	330bps
Adjusted EBITDA	211	258	-18.2%
EBITDA Margin (%)	12.6%	14.9%	-230bps
Adjusted EBITA	141	190	-25.8%
Adjusted EBITA margin (%)	8.4%	11.0%	-260bps
Adjusted finance charges	-51	-17	-399.8%
Adjusted Profit before tax	90	173	-48.0%
Adjusted effective tax rate	23.4%	24.2%	-80bps
Tax	21	42	-49.7%
Adjusted Profit after tax	69	131	-47.5%
Adjusted EPS (€)	1.37	2.59	-46.8%
Dividend per share (€)	0.60	0.60	0%

- Competitive pricing environment and drop in Industrial projects demand are key drivers of weaker P&L performance in the period
- Gross margin reduced by 330 bps, Adjusted EBITDA margin by 230 bps and Adjusted EBITA margin by 260 bps
- Adjusted EBITA reduced by 26% to €141 million (H1 2024: €190 million)
- Higher finance charges (including €22 million of net interest expenses and €13 million FX effects) impacted Adjusted EPS further, leading to a 47% decline to €1.37 per share (H1 2024: €2.59)
- Interim dividend of €0.60 declared in line with policy to pay 1/3 of previous year
 - Forecast EPS for 2025 restores dividend cover

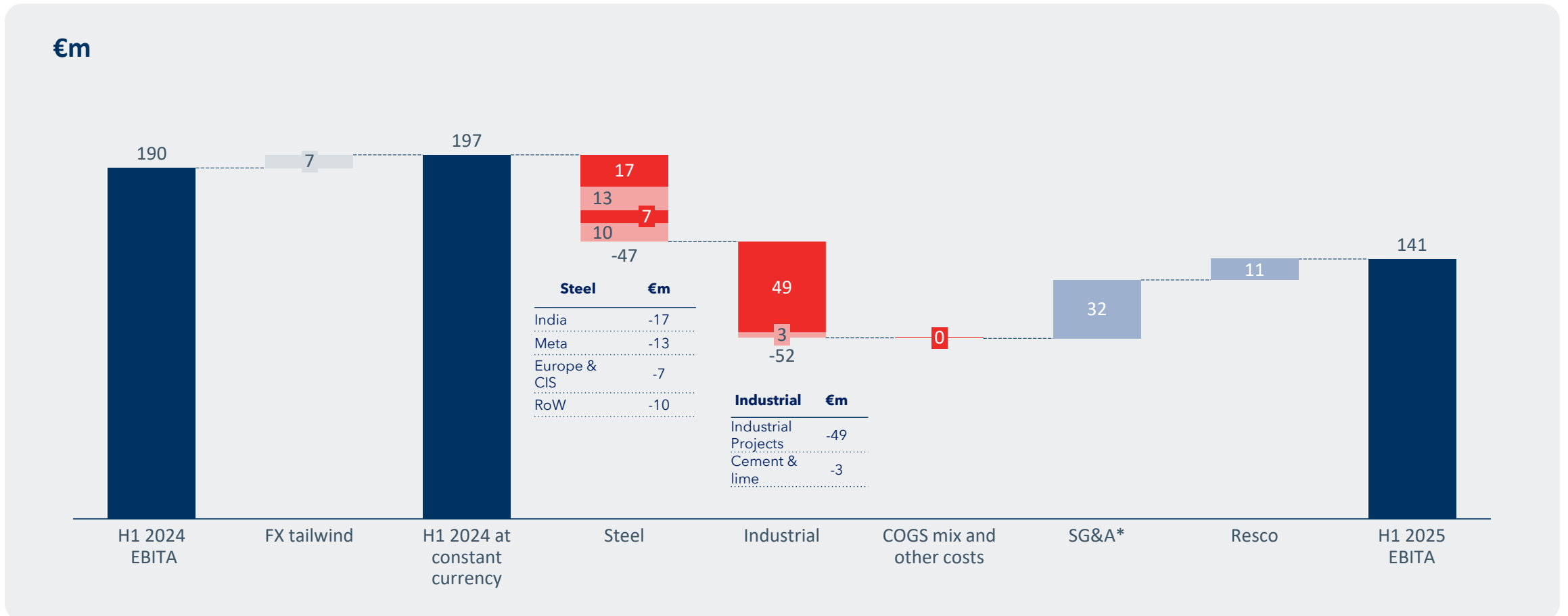
H1 2025 revenue bridge

Base business revenue declined by 2% excluding Resco contribution and adjusting for FX



H1 2025 EBITA bridge

Competitive price environment and drop in Industrial Projects demand key drivers of decline in EBITA

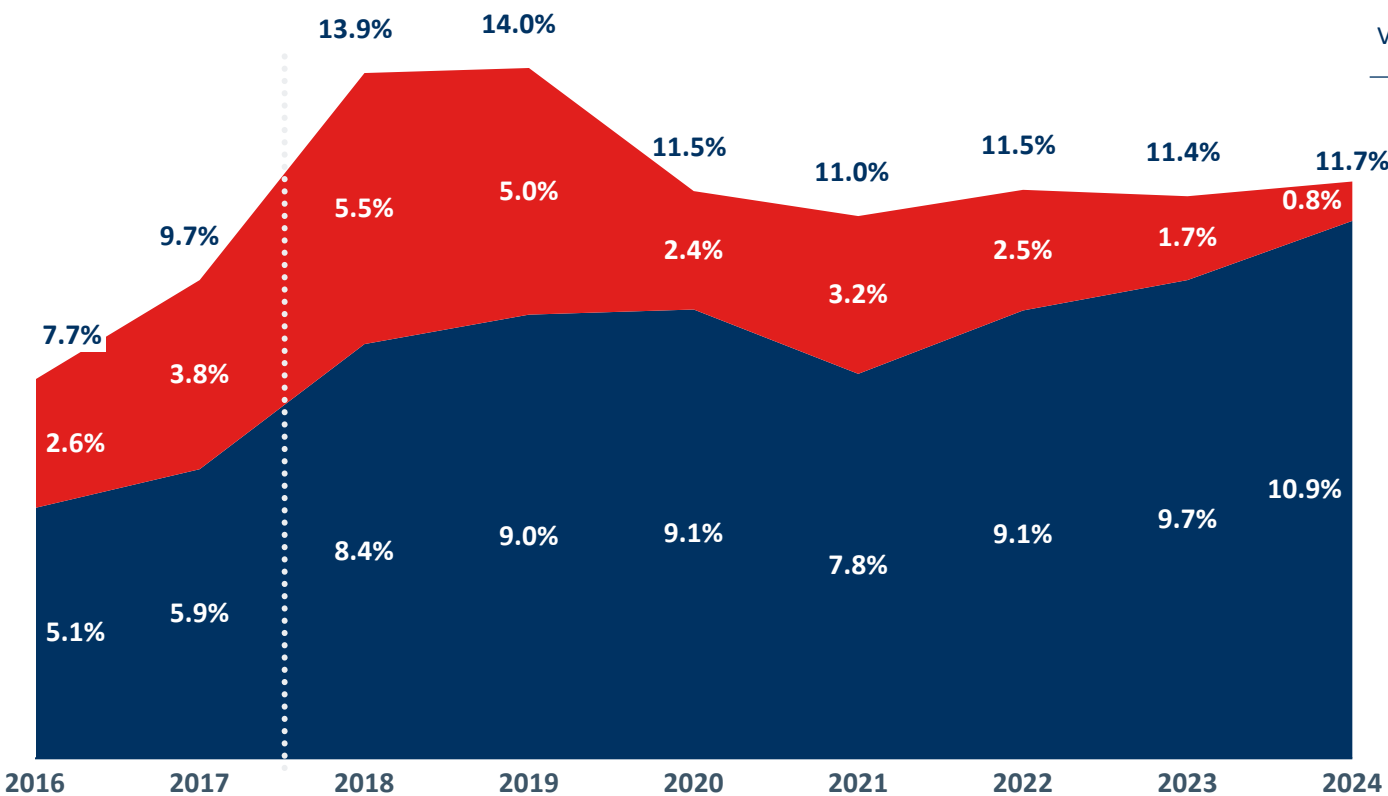


Low refractory margin of 7.3ppts in H1 2025

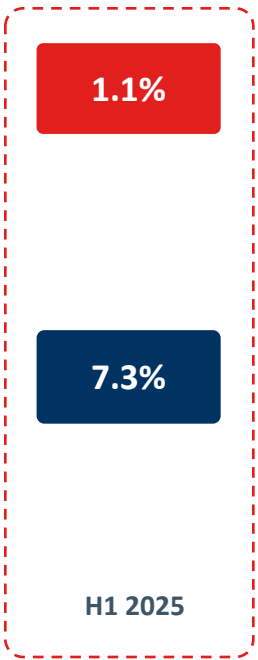
Full year Group margin guidance reduced to 10.5 – 11.0%, from 11.5% original guidance

RHI standalone

RHI Magnesita

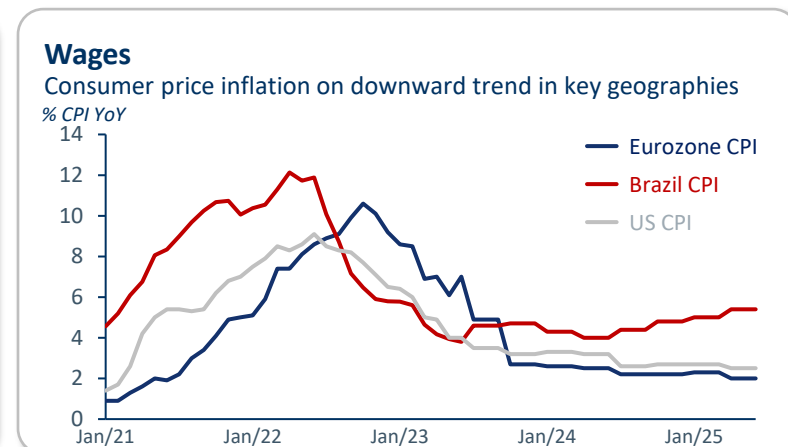
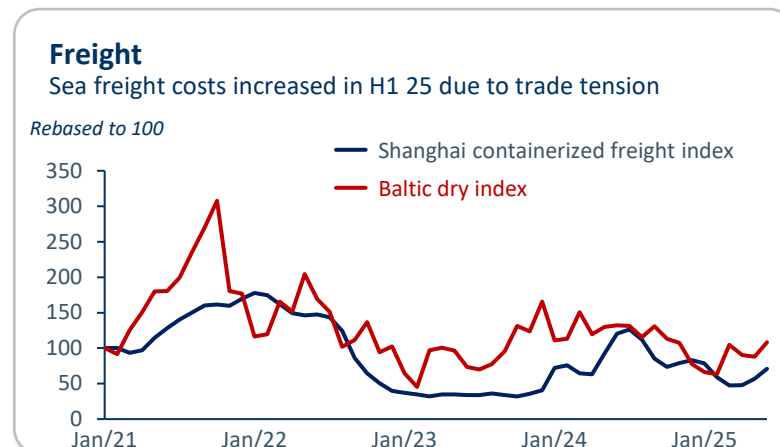
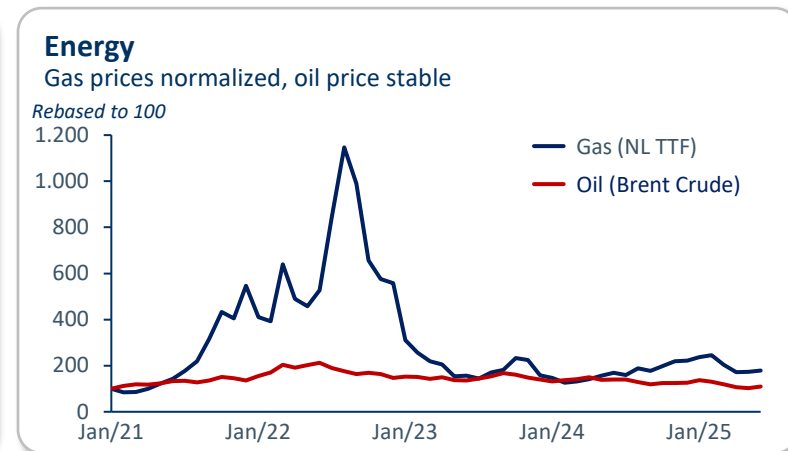
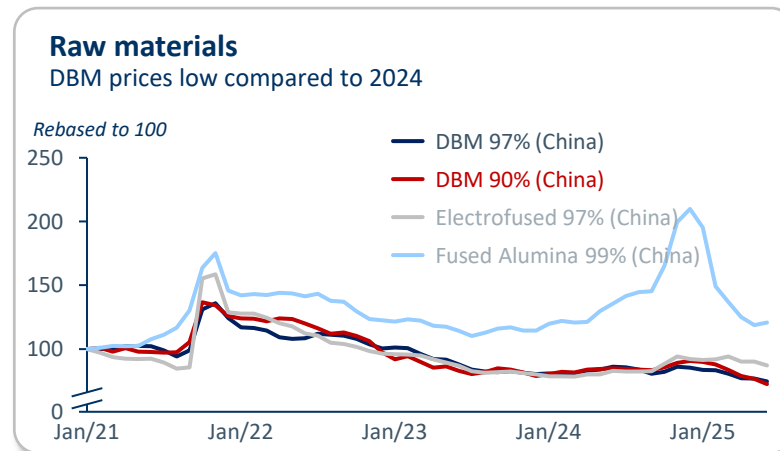
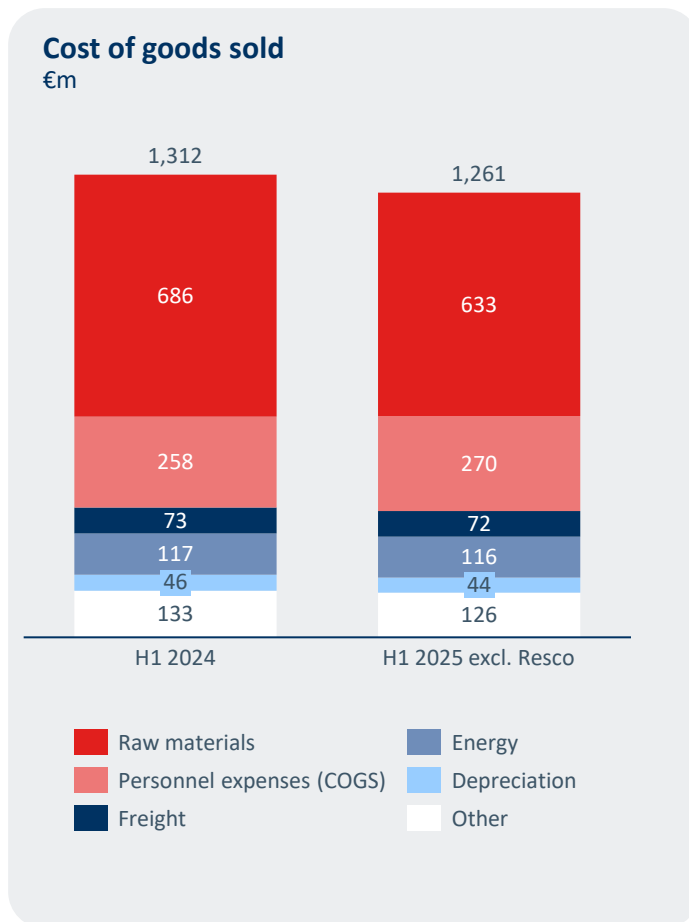


	FY 2022	FY 2023	H1 2024	H2 2024	FY 2024	H1 2025
Refractory EBITA (€m)	298	348	176	203	379	122
Vertical integrated EBITA (€m)	84	61	14	14	28	19



Cost detail

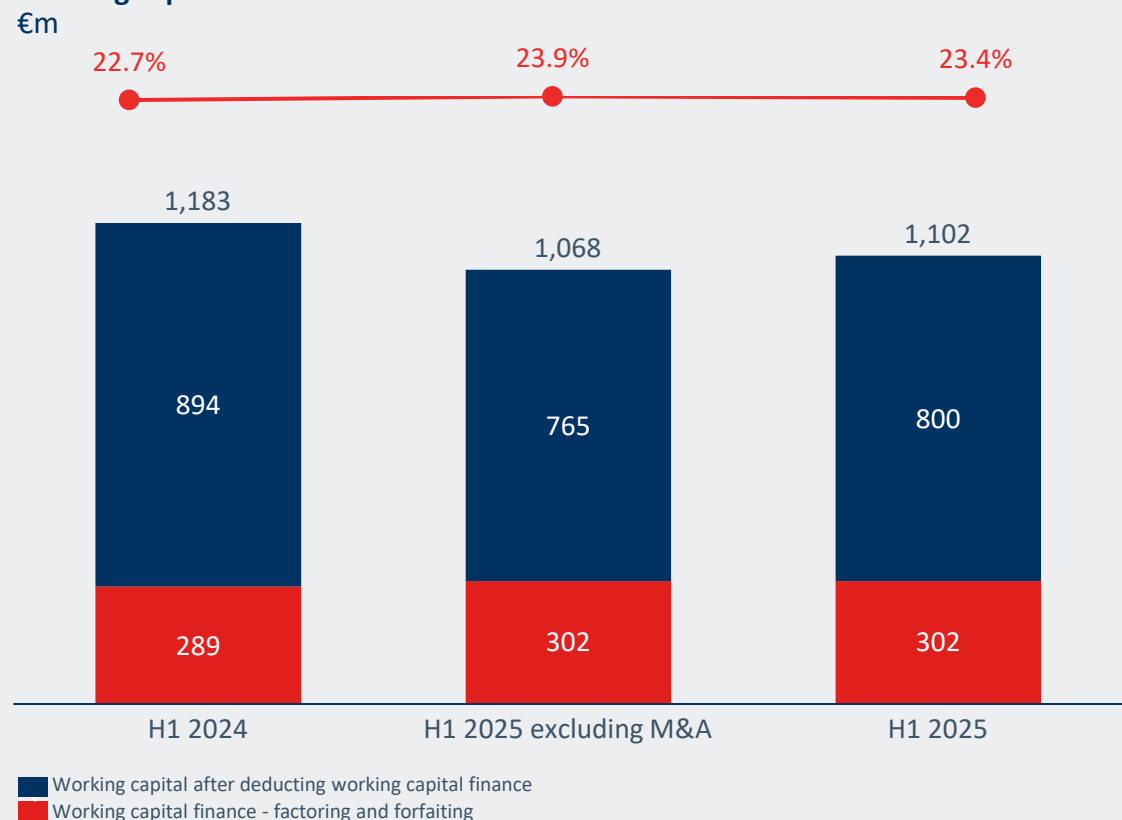
High alumina prices in Q4 2024 impacted COGS in H1 2025. Gas, freight and labour also rising in 2025 YTD



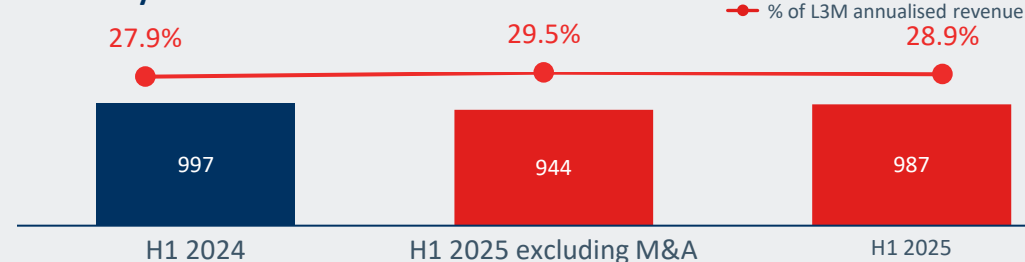
Working capital

Closely managed according to inventory coverage and revenue intensity targets

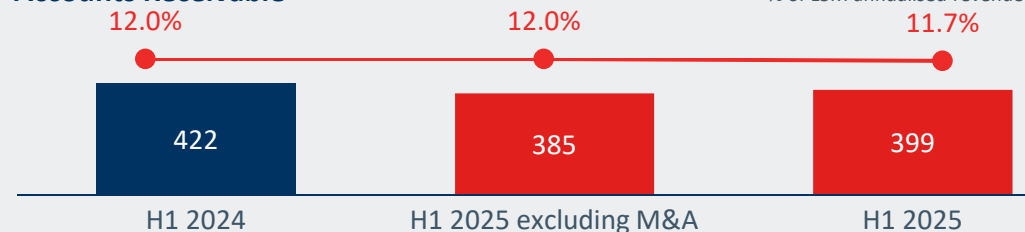
Working capital balances



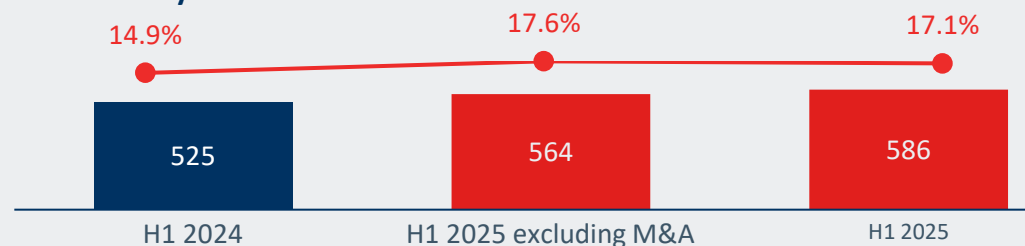
Inventory



Accounts Receivable¹



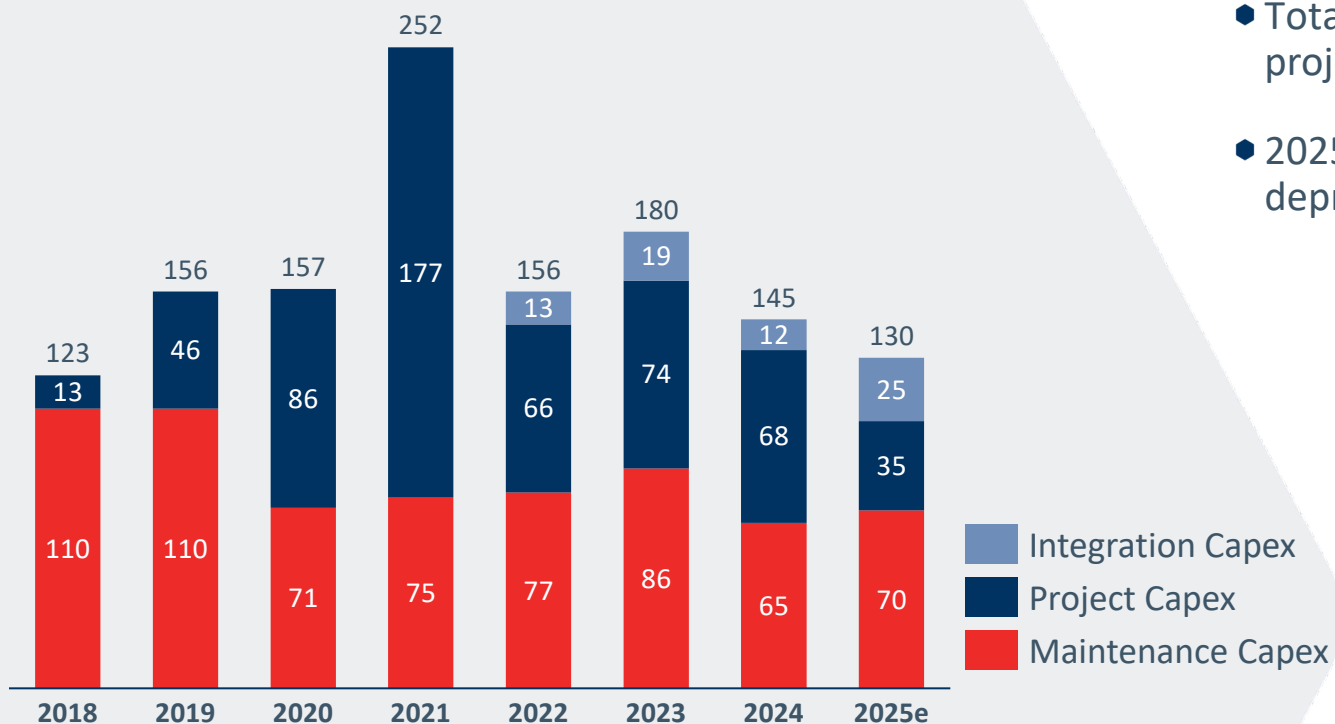
Accounts Payable²



Capital expenditure

Guidance reduced to €130 million following review of projects

€m



2025 Half Year Results | July 2025

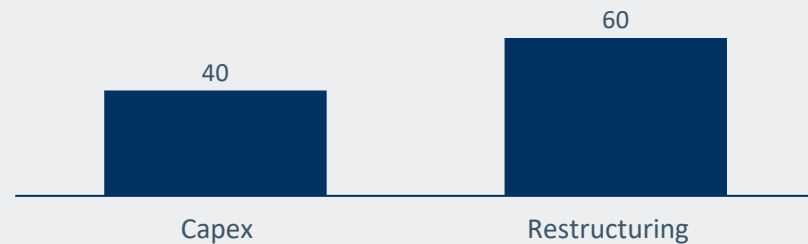
- Capital expenditure guidance for FY 2025 reduced from €145 million to €130 million
- Total capex in H1 was €45 million, consisting of €27 million of project capex and €18 million maintenance
- 2025 capex guidance now €10 million below revised depreciation guidance of €140 million

Network optimisation investments

Planned restructuring and capital expenditure to realise benefits of 2022-23 M&A and Resco

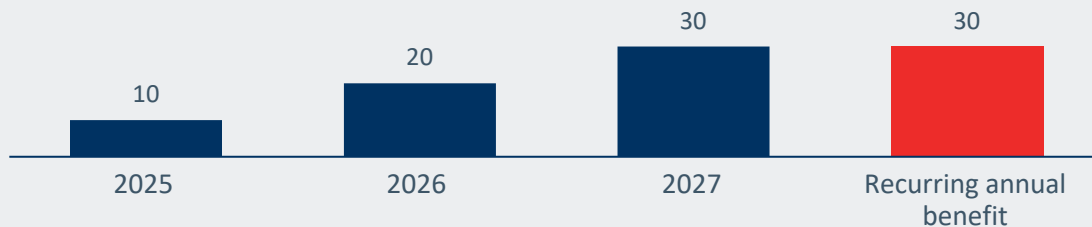
Network optimisation investment 2025-27

€m



Network optimisation EBITA payback

€m

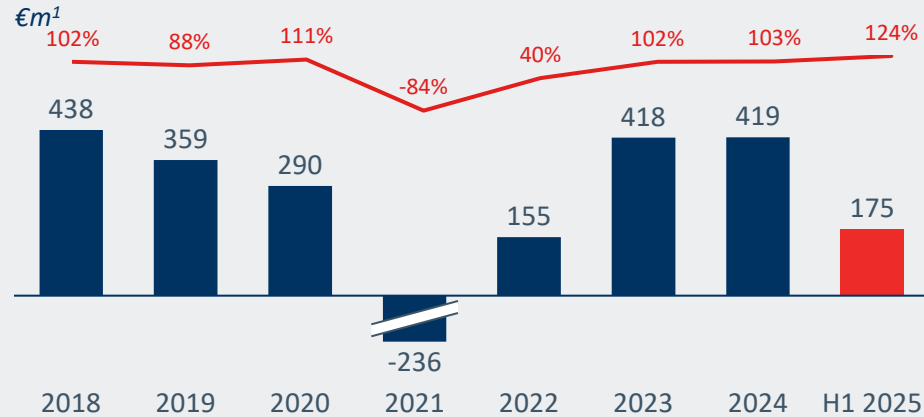


- Planned network optimisation expenses in Europe, South America and USA plant footprint adjustments, following Resco acquisition and other M&A in 2022 and 2023:
 - Restructuring costs in base business of €60 million
 - Capital expenditure of €40 million
 - 2025 capex spend is included within €145 million guidance
- Optimisation to deliver EBITA payback of €10 million in 2025, €20 million in 2026 and €30 million per annum thereafter
- Mainzlar and Wetro plant closures were executed in H1 2025
 - €25 million restructuring costs incurred in H1
 - €10 million EBITA benefit is expected in H2

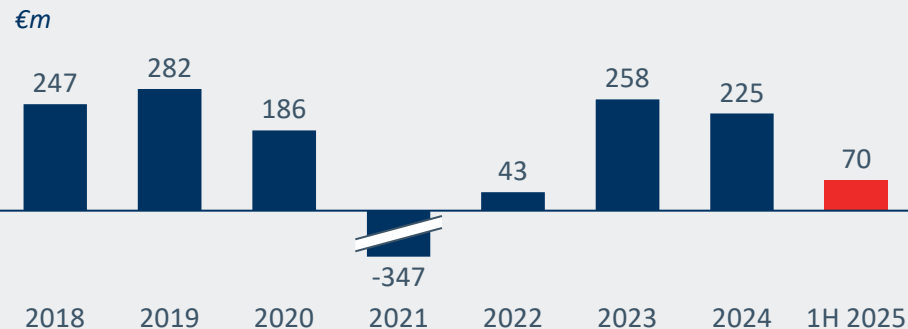
Cash flow

Strong cash conversion of EBITA at 124%, driven by reduced working capital in base business

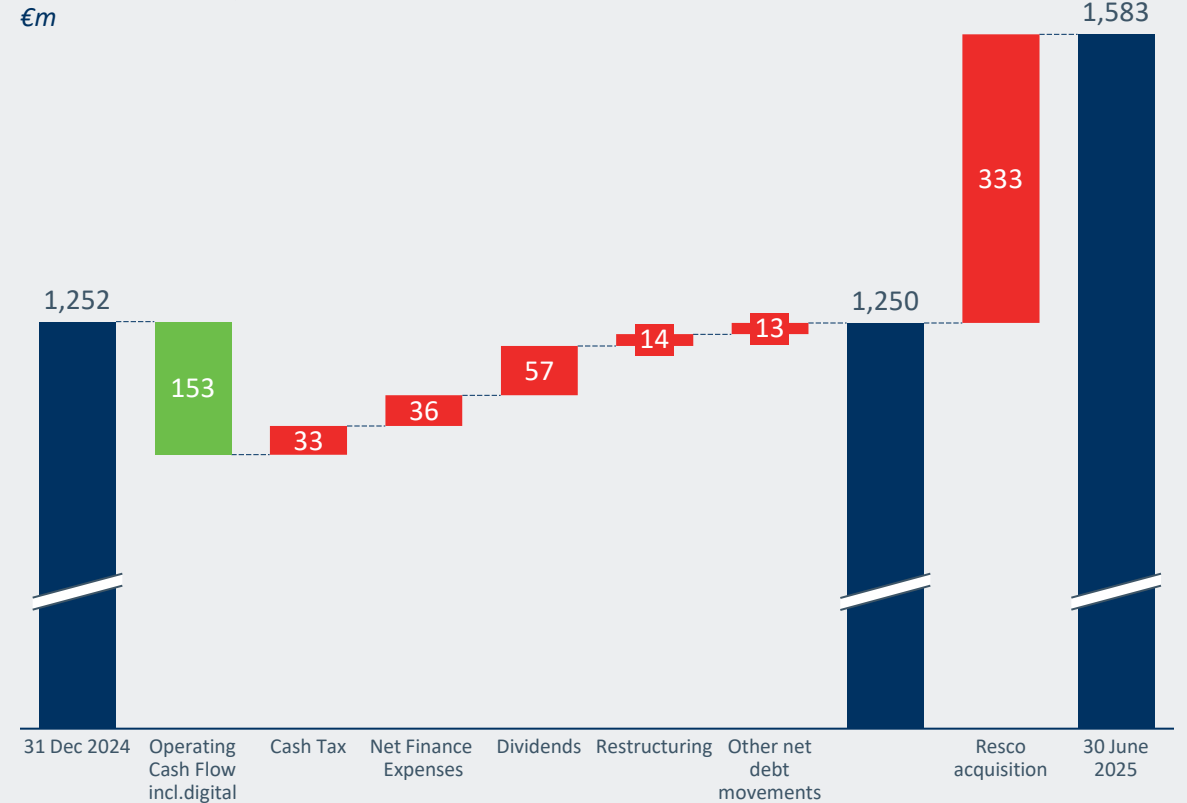
Adjusted operating cash flow and cash Conversion



Free cash flow



Net debt bridge Dec 24 - Jun 25

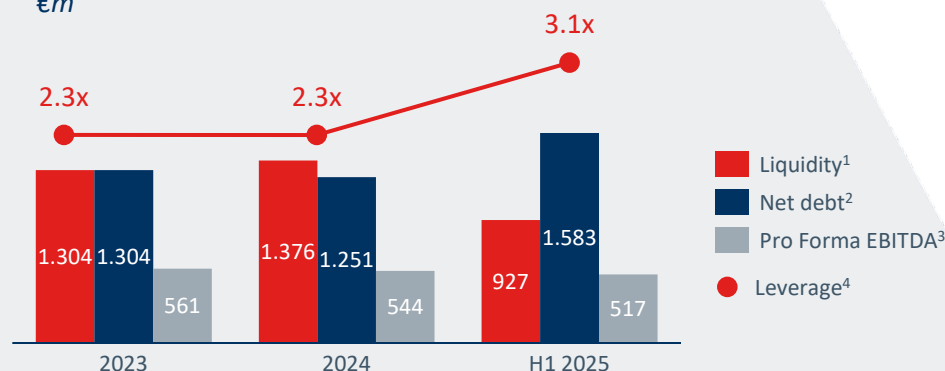


Net debt and gearing

Pro forma leverage maintained within guided range for M&A, significant available liquidity

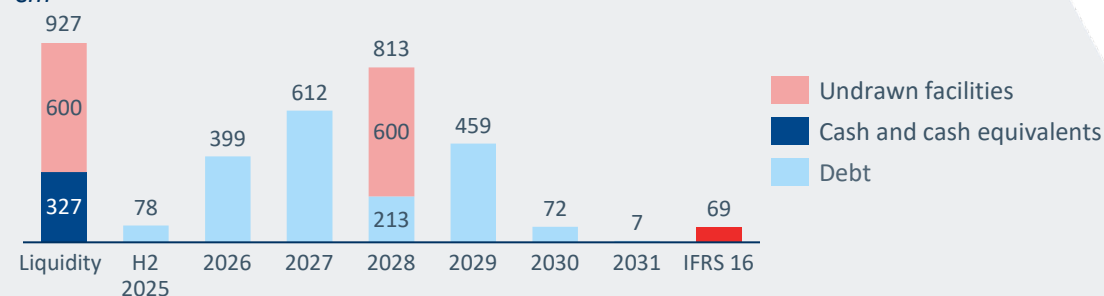
Net debt and liquidity

€m



Debt amortisation profile

€m



- Pro forma leverage of 3.1x⁴ (H1 2024: 2.4x), temporarily above target gearing range
- Leverage expected to reduce in H2 2025 given management action, stronger orderbook performance and seasonality
- Significant available liquidity¹ of €927 million (H1 2024: €1,405 million)
- Average cost of debt c.309bps (30 June 2024: 307 bps, 31 December 2024: 296bps) including swaps and 69% at fixed interest rates

1. Includes €600m undrawn RCF, matures in 2028

2. Includes IFRS 16 leases of €69m – net debt excluding leases is €1,514m for H1 2025.

3. Adjusted L12M EBITDA of €517m which includes €21m pro forma M&A contribution

4. Includes IFRS 16 Leases of €69m and pro forma 12 month EBITDA contribution from recently acquired businesses prior to acquisition date.

Summary & outlook



Outlook and guidance summary

Strong H2 uplift expected despite extremely challenging external market conditions

- External market conditions are challenging due to weak end markets, trade and FX uncertainties, cyclicalities in the industrial business and increased competition
- Adjusted EBITA guidance reduced to €370- €390 million to reflect H1 performance
 - High confidence in delivering stronger H2 based on order book, price increases and cost measures
- Capex guidance reduced and working capital target maintained
- Gearing temporarily higher than targeted range due to timing of Resco acquisition, downturn in end markets and delays to Non-ferrous metals projects and is expected to reduce to 2.8x by year end

P&L	2025 guidance	H1 2025 update
Revenue	Weak demand, no recovery visible	-
Adjusted EBITA margin	c.11.5%	10.5-11.0%
Adjusted EBITA	Modestly above 2024, 35-40% weighting in H1, 60-65% in H2	c. 370-390m
Depreciation	€150m	€140m
Balance sheet and cash flow		
Capital expenditure	€145m	€130m
Working capital intensity	c.24%	-
Gearing	c.2.0-2.5x	2.8x pro forma

Investment case

Industry leader with significant value generation potential from M&A led growth strategy

- ✓ Strategy to grow through M&A in the fragmented global refractory market is by far the best route to generate value for shareholders in a low growth environment
- ✓ Strong momentum in transaction execution and early synergy realisation despite difficult external market conditions
- ✓ Broad market presence by geography and product segment, leading presence in key growth market of India
- ✓ High operational gearing to recovery in end markets
- ✓ Attractive dividend and free cash flow yield when compared to peers



Q&A



Appendix

Cash flow reconciliation

€m	H1 2025	H1 2024
Adjusted EBITDA	211	258
Share based payments - gross non-cash	1	5
Working capital changes	57	86
Changes in other assets and liabilities	(49)	(60)
Investments in PPE, IA	(45)	(68)
Adjusted operating cash flow	175	221
Income taxes paid	(33)	(36)
Cash effects of other income/expenses and restructuring	(41)	(17)
Investments in financial assets	-	(21)
Cash inflows from the sale of PPE, IA	4	8
Cash inflows from the sale of financial assets	-	16
Investment subsidies received	-	2
Cash inflow from joint ventures and associates	-	-
Net interest paid	(39)	(46)
Interest rate derivative cash inflow/(outflow)	4	10
Dividend payments to NCI	-	(1)
Other investing activities	-	-
Free cash flow	70	136

Net financial expenses

€m	H1 2025	H1 2024
Net interest expenses	(22)	(19)
Interest income	7	14
Interest expenses	(29)	(32)
FX effects	(13)	14
Balance sheet translation	(27)	23
Derivatives	14	(9)
Other net financial expenses	(12)	(8)
Present value adjustment	(1)	-
Factoring costs	(5)	(5)
Pension charges	(5)	(4)
Non-controlling interest expenses	(2)	(3)
Capitalization of borrowing costs	-	2
Other	1	4
Total net finance expenses	(47)	(12)

Reconciliation of adjusted earnings

(€m)	H1 2025	Items excluded from adjusted performance	H1 2025 adjusted	H1 2024	Items excluded from adjusted performance	H1 2024 adjusted
EBITA¹	87	54	141	174	16	190
Amortisation	(26)	26	-	(19)	19	-
Net financial expenses	(47)	(4)	(51)	(12)	(5)	(17)
Profit before tax	14	76	90	143	30	173
Income tax	(3)	(18)	(21)	(32)	(10)	(42)
Profit after tax	11	58	69	111	20	131
Non-controlling interest	4	-	4	9	-	9
Profit attributable to shareholders	7	58	65	102	20	122
Shares outstanding ²	47	-	47	47	-	47
Earnings per share	0.25	1.23	1.37	2.15	0.43	2.59

◆ Items excluded from adjusted EPS:

- €(25) million in restructuring expenses related to plant closures in Mainzlar and Wetro
- €(23) million in expenses for the digital architecture update and ERP system upgrade
- €(8) million in restructuring and project costs for the Group's shared service centre network
- €(7) million in expenses related to M&A activities
- €(2) million in other expenses
- €11 million other income resulting from property sales and successful litigation outcome in Brazil

1. EBITA reconciled to revenue above.

2. Total issued and outstanding share capital as at 2 June 2025 was 47,294,191. The Company held 2,183,514 ordinary shares in treasury. Numbers may not cast due to rounding.

Impact of foreign currency movement

EBITA sensitivity in H1 2025

Appreciation vs EUR		Depreciation vs EUR	
	Increase / (decrease)		Increase / (decrease)
Unit	in EBITA (€m)	Unit	in EBITA (€m)
USD	-1 cent 2.27	+1 cent	-2.27
CNY	-0.01 yuan -0.05	+0.01 yuan	0.05
BRL	-0.10 reais -0.19	+0.10 reais	0.19
INR	-1 rupee 0.70	+1 rupee	-0.70
TRY	-0.1 lira -0.02	+0.1 lira	0.02

2024 and H1 2025 exchange rates

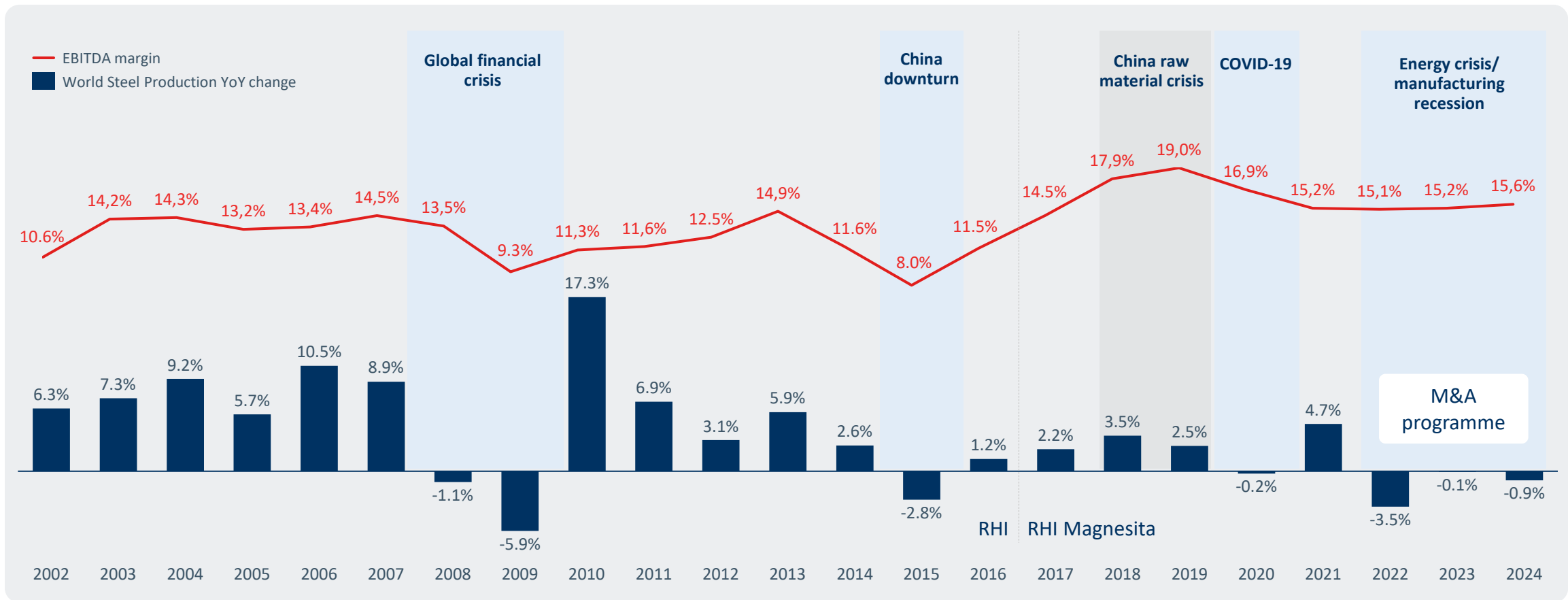
	H1 2024	H1 2024	H1 2024	H1 2025
	Opening Rate	Closing Rate	Average Rate	Average Rate
EUR:				
USD	1.11	1.08	1.09	1.08
CNY	7.87	7.84	7.81	7.83
BRL	5.37	5.62	5.44	6.29
INR	92.58	90.08	90.26	92.71
TRY	32.69	34.97	34.06	40.27

Return on invested capital

Group ROIC ¹	H1 2025	H1 2024
Average Invested Capital (€m)	3,021	3,089
NOPAT (€m)	82	136
ROIC (%)	5.5%	8.8%
Vertical integration ROIC	H1 2025	H1 2024
Average Invested Capital (€m)	443	495
NOPAT (€m)	9	6
ROIC (%)	4.2%	2.6%
Refractory ROIC	H1 2025	H1 2024
Average Invested Capital (€m)	2,578	2,594
NOPAT (€m)	73	129
ROIC (%)	5.7%	10.0%

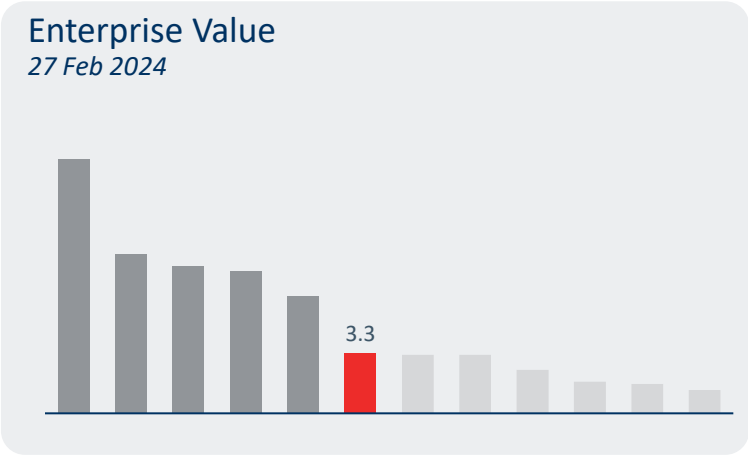
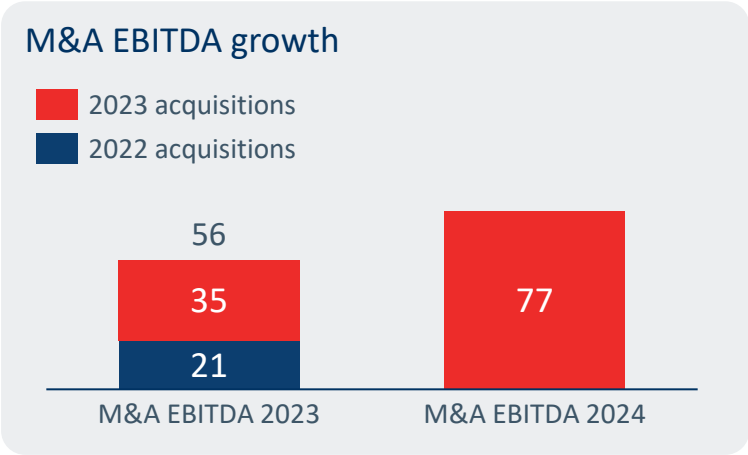
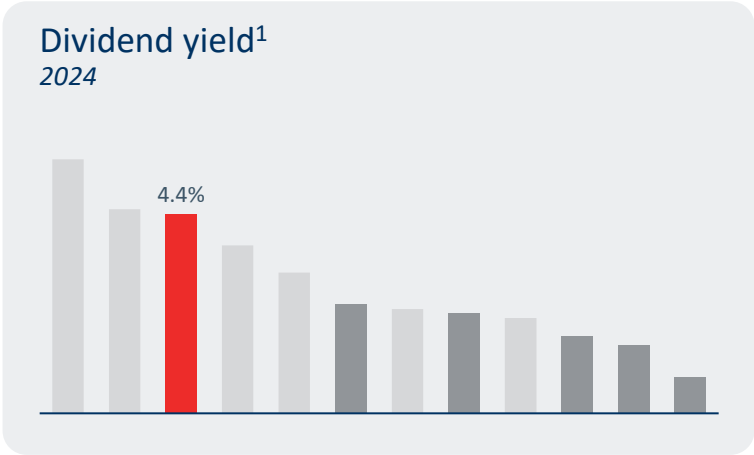
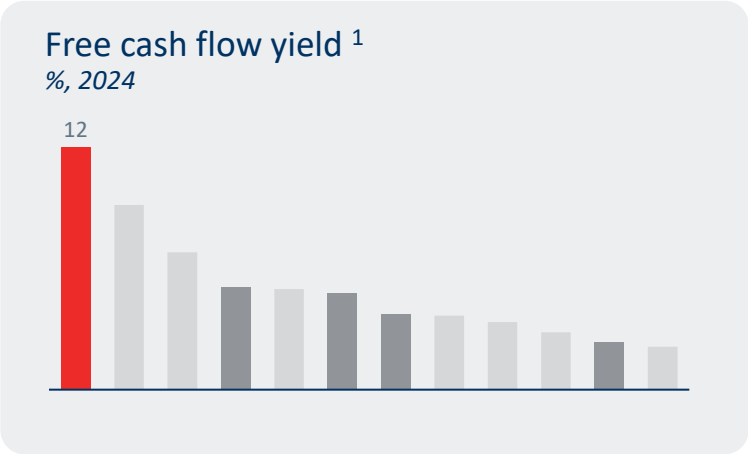
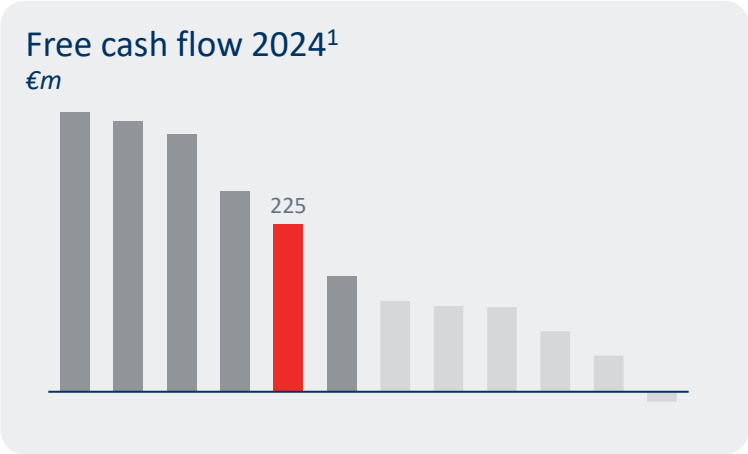
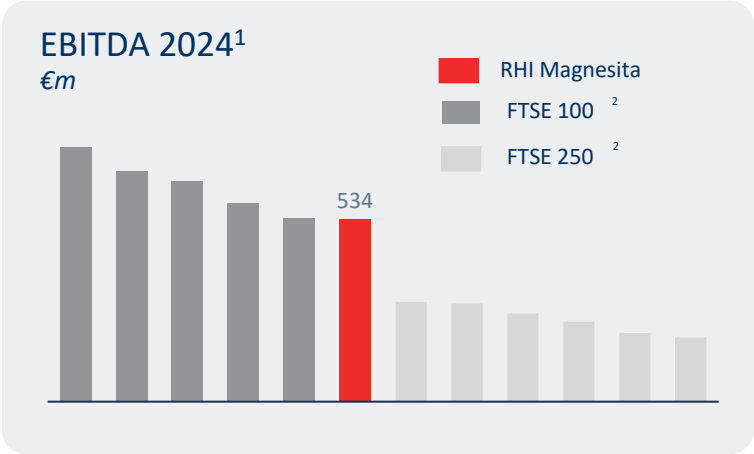
Our performance in context

RHIM has navigated the downturn in steel production without margin decline, whilst executing significant M&A at the bottom of the refractory market



Peer group benchmarking

(i) EBITDA and free cash flow comparable to FTSE 100 peers; (ii) highest free cash flow yield in the sector;
(iii) compelling M&A growth story; (iv) high operational gearing to market recovery



1) Source for peers: Bloomberg and industry consensus FY 2024 estimates
2) FTSE 350 Industrials index constituents

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