

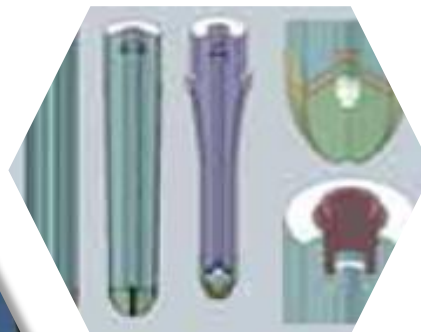
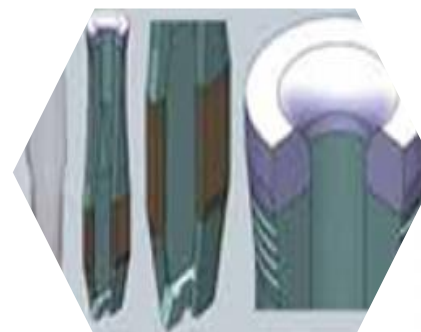
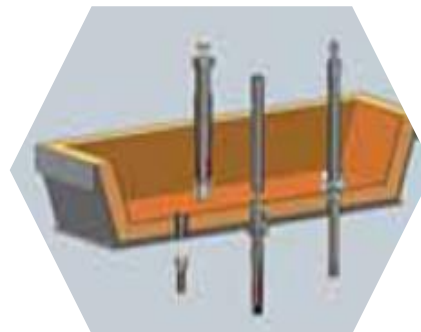
# IFGL Refractories Limited

(Formerly IFGL Exports Limited)



hofmann  
**CERAMIC**  
GmbH

MONOCON



Investor Presentation  
December 2017

# Safe Harbor



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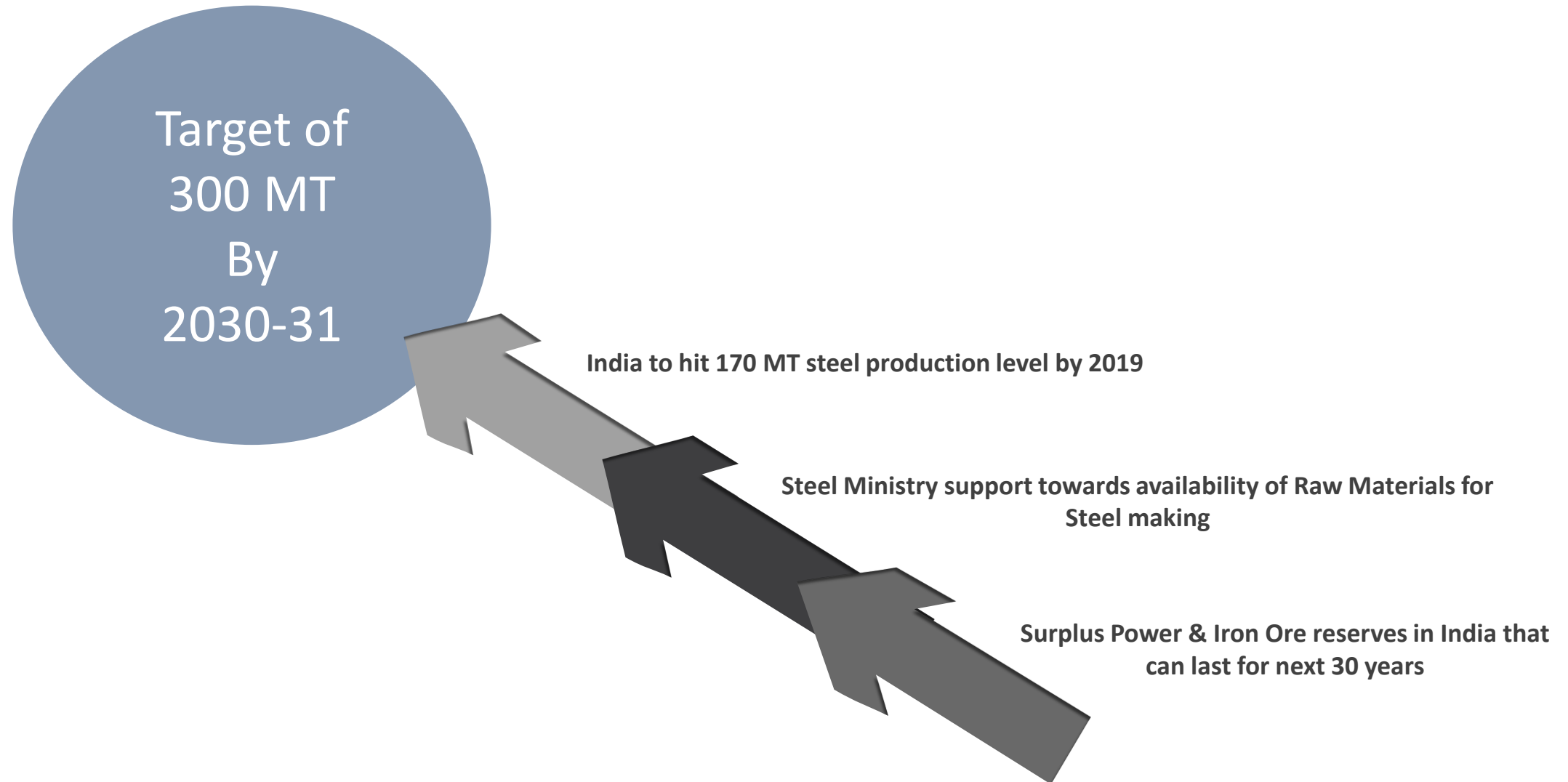
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# Industry Overview

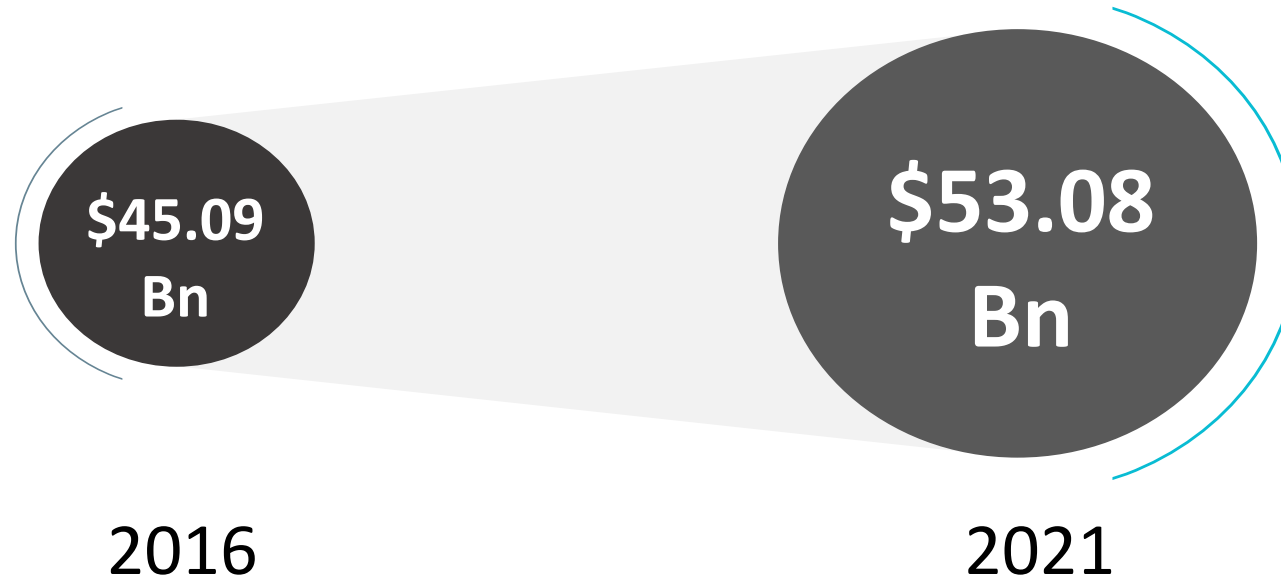
# India Steel production on the rise



# Refractories Market to mirror Steel Demand



## Global Refractories Market size



Growing at CAGR of 3.32%

**>60%**

Iron & Steel to contribute in  
Product-Demand in Volume  
Terms

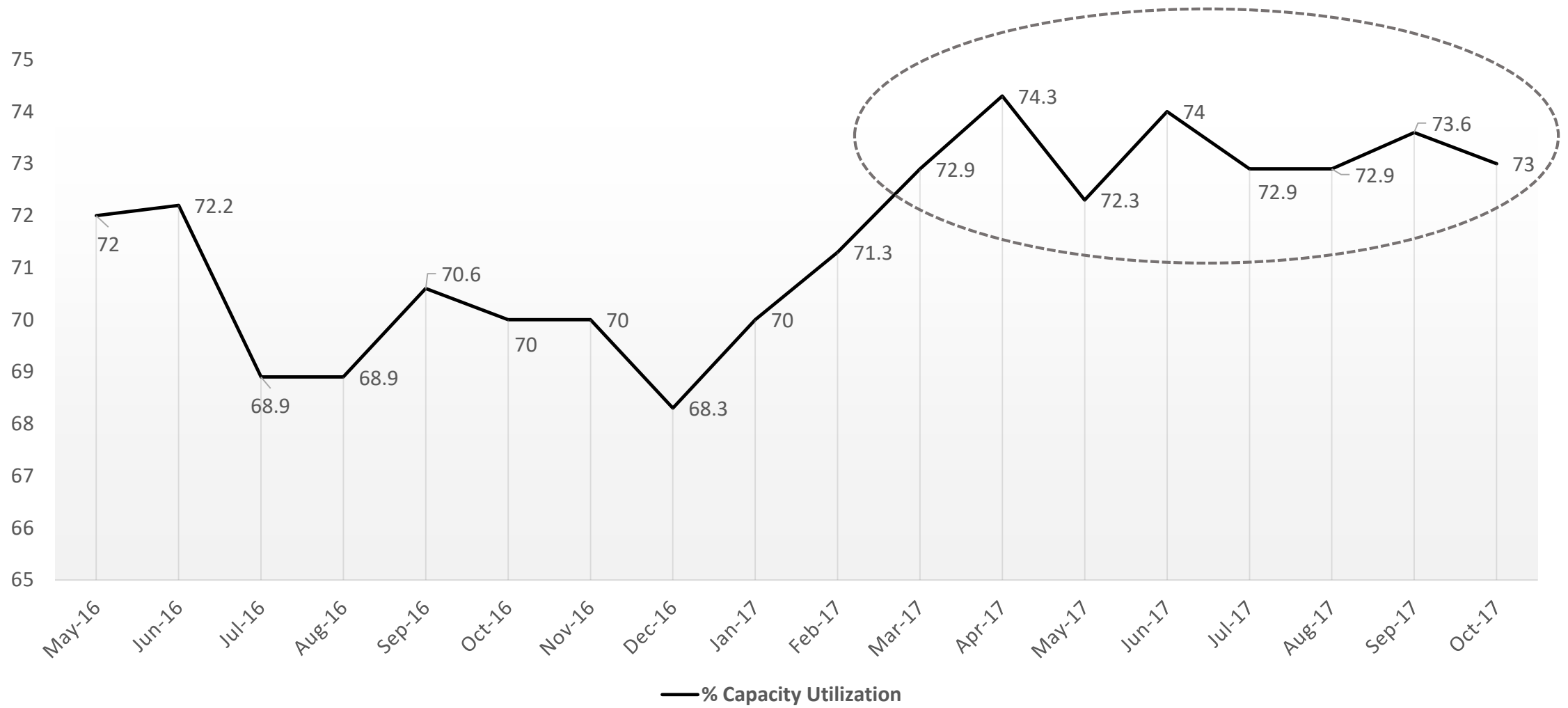
**42.5 Mn MT**

Domestic size of  
Refractories Market in  
2016

**15kg/tonne**

Average consumption of  
Refractories per tonne in  
crude steel

# World Steel Utilization levels improving



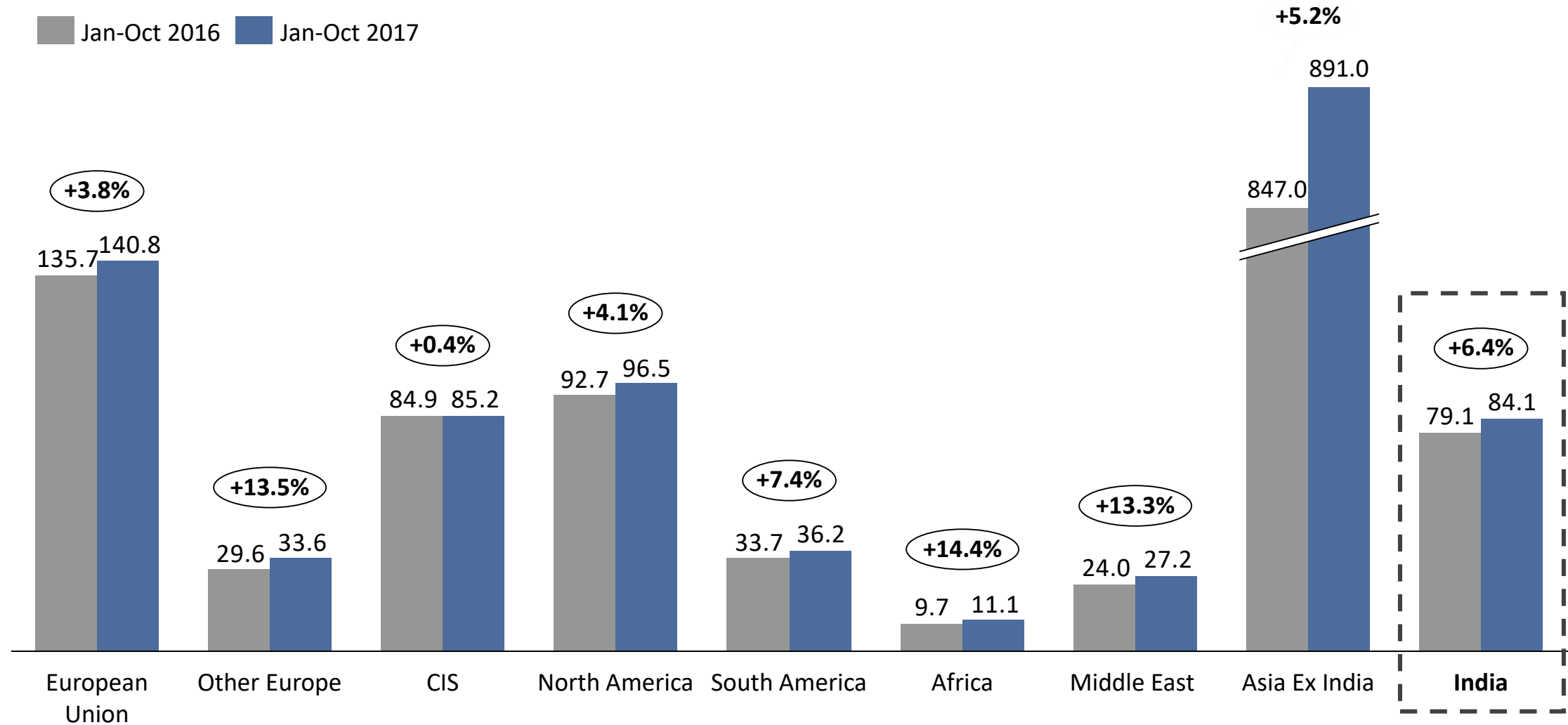
Source: Worldsteel

# Global Steel Production Growth



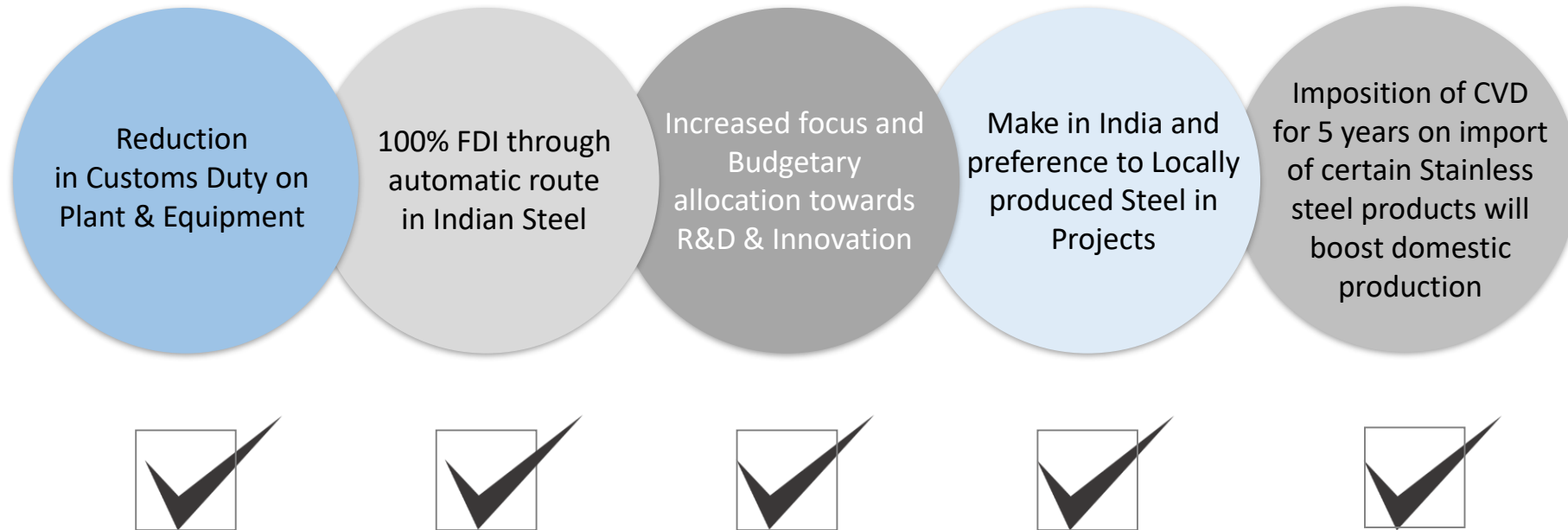
Figures in Mn MT

Jan-Oct 2016 Jan-Oct 2017



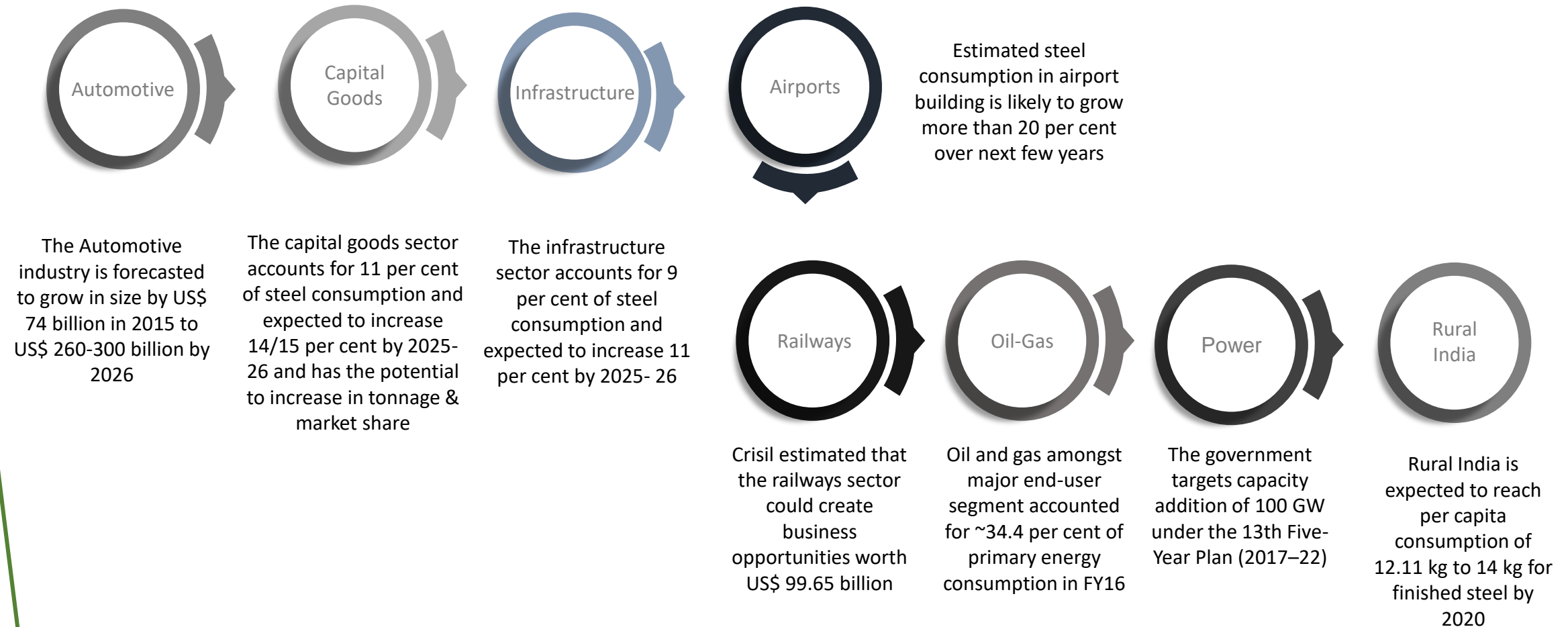
Source: Worldsteel

# Favorable Government Policies aiding Indian Steel



**Increasing Domestic Demand for Steel has been recognized by Indian Government by way of Sector friendly policies benefitting manufacturers of Refractories**

# Growing Opportunities in India a positive





# **Our Performance**

# Corporate Structure...



**IFGL Refractories Limited (formerly IFGL Exports Limited)**  
**3.604 Cr Equity Shares with a Face Value of Rs. 10 each**

100%

**IFGL Worldwide Holdings Limited**

100%

**Monocon Group**

**UK / USA / China**

100%

**Hofmann  
Ceramic**

**Germany**

100%

**El Ceramics**

**USA**

*Plants at Kalunga, Orissa, India*

*+*

*Plant at Kandla SEZ, Kandla, Gujarat, India  
(earlier held 51% equity; now 100% owned)*

**...simplified to create value for shareholders**

# Consolidated Profit & Loss



| Particulars [Rs. Crs.]   | H1 FY18 #    | H1 FY17 #    | Growth%       |
|--|--------------|--------------|---------------|
| <b>Total Income</b>  | <b>398.4</b> | <b>376.7</b> | <b>5.8%</b>   |
| Raw Material   | 200.0        | 177.9        |               |
| Employee Expenses  | 63.6         | 61.8         |               |
| Other Expenses   | 82.1         | 83.5         |               |
| <b>EBITDA</b>  | <b>52.8</b>  | <b>53.4</b>  | <b>-1.1%</b>  |
| <b>EBITDA %</b>  | <b>13.3%</b> | <b>14.2%</b> |               |
| Depreciation   | 8.0          | 7.8          |               |
| Goodwill written off*  | 13.4         | 13.4         |               |
| Finance Cost   | 2.0          | 2.1          |               |
| <b>Profit before Tax</b>   | <b>29.4</b>  | <b>30.2</b>  | <b>-2.5%</b>  |
| Tax  | 8.8          | 3.4          |               |
| <b>Profit after Tax</b>  | <b>20.7</b>  | <b>26.7</b>  | <b>-22.7%</b> |
| <b>Earnings Per Share</b>  | <b>5.73</b>  | <b>7.42</b>  |               |
| <b>Cash Profit (Profit after Tax + Deferred Tax + Depreciation + Goodwill written off)</b> | <b>48.8</b>  | <b>47.2</b>  | <b>3.3%</b>   |
| <b>Cash Earnings Per Share</b>   | <b>13.53</b> | <b>13.09</b> |               |

\* Goodwill amounting to Rs. 267 Crs on account of Merger is being written off over a period of 10 years

# After giving effect of Merger & IndAS adjustments

# Consolidated Balance Sheet



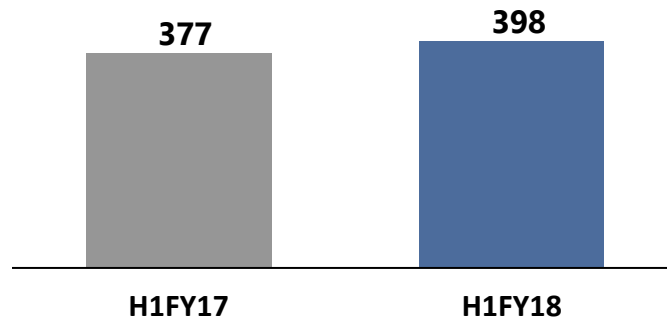
| Particulars in [Rs. Crs.]  | Sept 17    |
|----------------------------|------------|
| <b>Assets</b>              |            |
| <b>Non current Assets</b>  | <b>506</b> |
| Fixed Assets               |            |
| Property Plant & Equipment | 121        |
| Capital WIP                | 4          |
| Goodwill on consolidation  | 117        |
| Goodwill on amalgamation   | 227        |
| Other Intangible assets    | 3          |
| Financial Assets           |            |
| Investments                | 1          |
| Others                     | 1          |
| Tax Assets (Net)           | 15         |
| Other Non current Assets   | 18         |
| <b>Current Assets</b>      | <b>436</b> |
| Inventories                | 108        |
| Financial Assets           |            |
| Investments                | 12         |
| Trade Receivables          | 237        |
| Cash & cash equivalents    | 61         |
| Bank Balances              | 1          |
| Other Financial Assets     | 2          |
| Other Current Assets       | 15         |
| <b>Total Assets</b>        | <b>942</b> |

| Particulars in [Rs. Crs.]             | Sept 17    |
|---------------------------------------|------------|
| <b>Equity &amp; Liabilities</b>       |            |
| <b>Equity</b>                         | <b>724</b> |
| Share Capital                         | 36         |
| Other Equity                          | 688        |
| Non controlling interest              | 0          |
| <b>Non Current Liabilities</b>        | <b>27</b>  |
| Financial Liabilities – Borrowings    | 14         |
| Provisions                            | 0          |
| Deferred Tax Liabilities (Net)        | 13         |
| <b>Current Liabilities</b>            | <b>192</b> |
| Financial Liabilities                 |            |
| Borrowings                            | 58         |
| Trade Payables                        | 124        |
| Other Financial Liabilities           | 7          |
| Other Current Liabilities             | 3          |
| Provisions                            | 0          |
| <b>Total Equity &amp; Liabilities</b> | <b>942</b> |

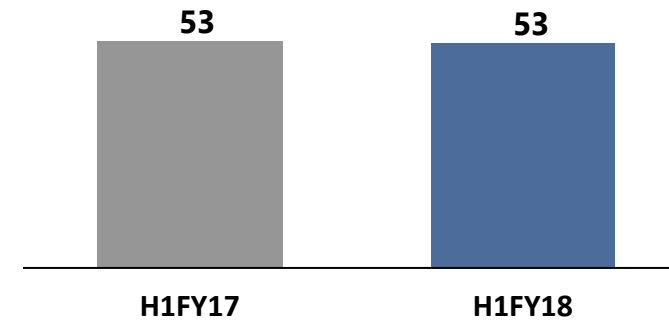
# Consolidated Financial Highlights as per IndAS



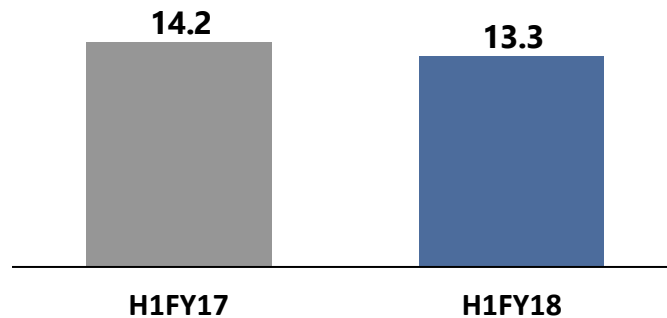
Total Income [Rs. Crs]



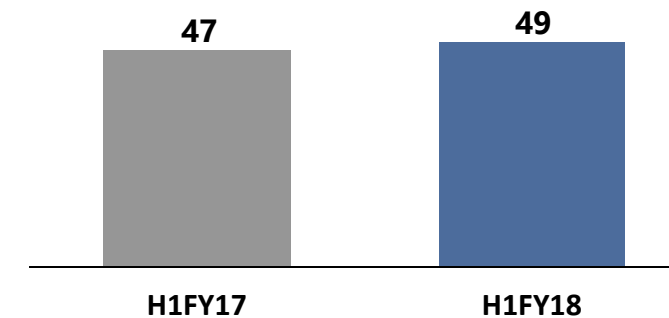
EBITDA [Rs. Crs]



EBITDA margin [%]



Cash PAT [Rs. Crs] \*

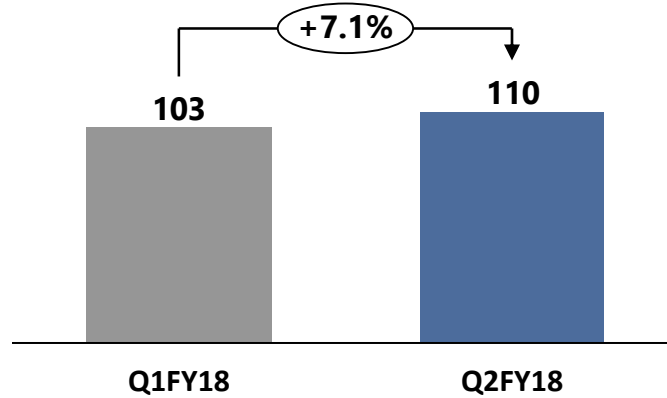


\*Cash PAT Includes Profit after Tax, Deferred tax, Depreciation and Goodwill written off on account of Merger

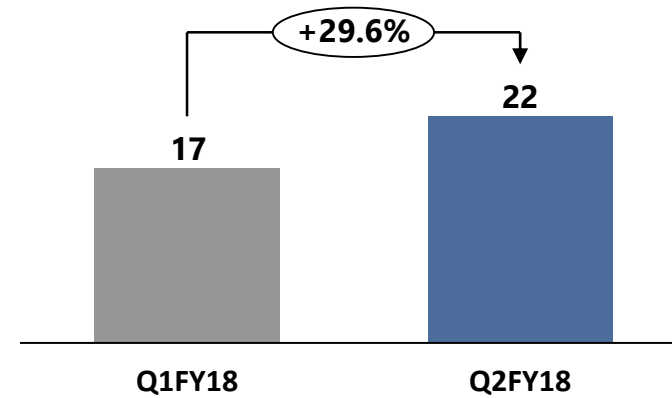
# Standalone Financial Highlights as per IndAS



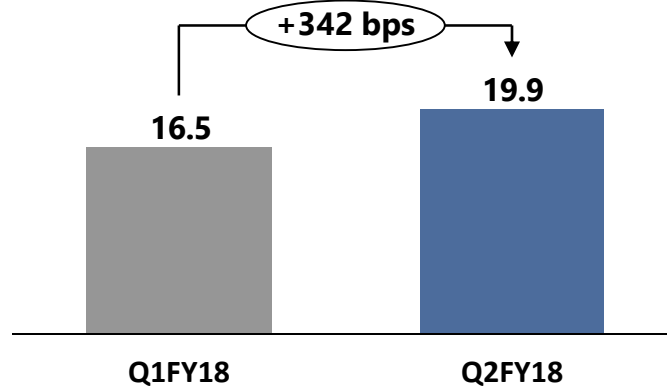
Total Income [Rs. Crs]



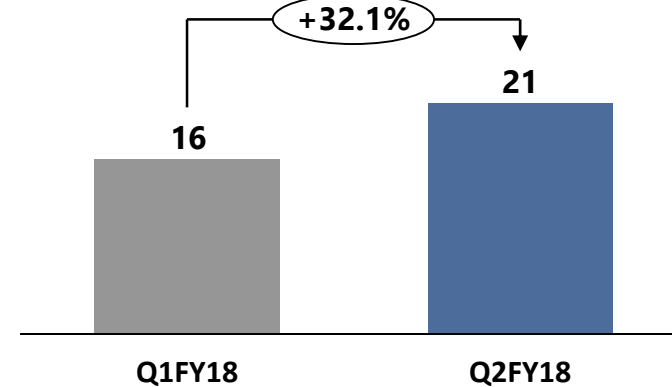
EBITDA [Rs. Crs]



EBITDA margin [%]



Cash PAT [Rs. Crs]

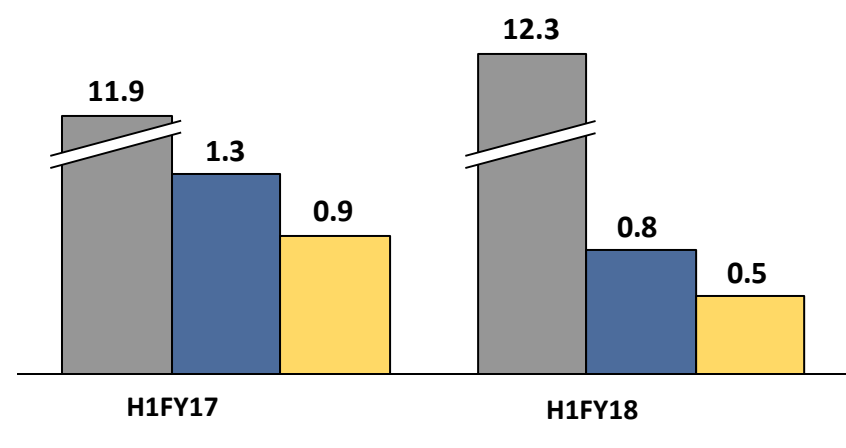


\*Cash PAT Includes Profit after Tax, Deferred tax, Depreciation and Goodwill written off on account of Merger

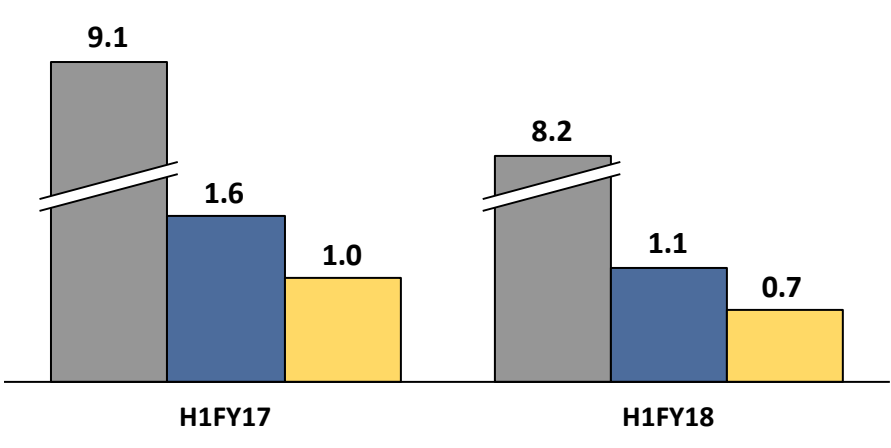
# Subsidiaries Performance



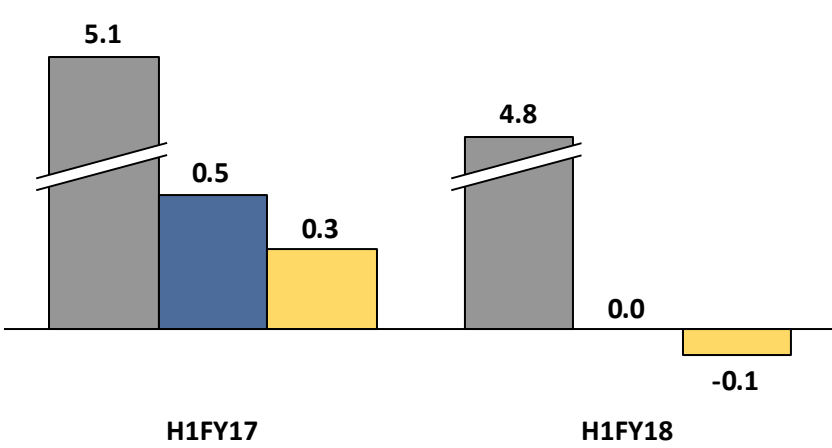
Monocon Group [GBP mn]



EI Ceramics [\$ mn]



Hofmann Ceramic [Euro mn]



# Ongoing Capex in FY18 to boost performance



**IFGL Odisha  
Plant**

**~Rs. 10Cr Capex: To augment SGR & Zirconia  
Nozzles manufacturing facilities**

**IFGL Kandla  
Plant**

**~Rs. 10Cr Capex: To increase the present capacity of ISO  
products from 160,000 pcs p.a. to 240,000 pcs p.a.**

**Hofmann  
Germany Plant**

**~Euro 2mn Capex: Capacity Increase  
Automation  
Efficiency Enhancement**

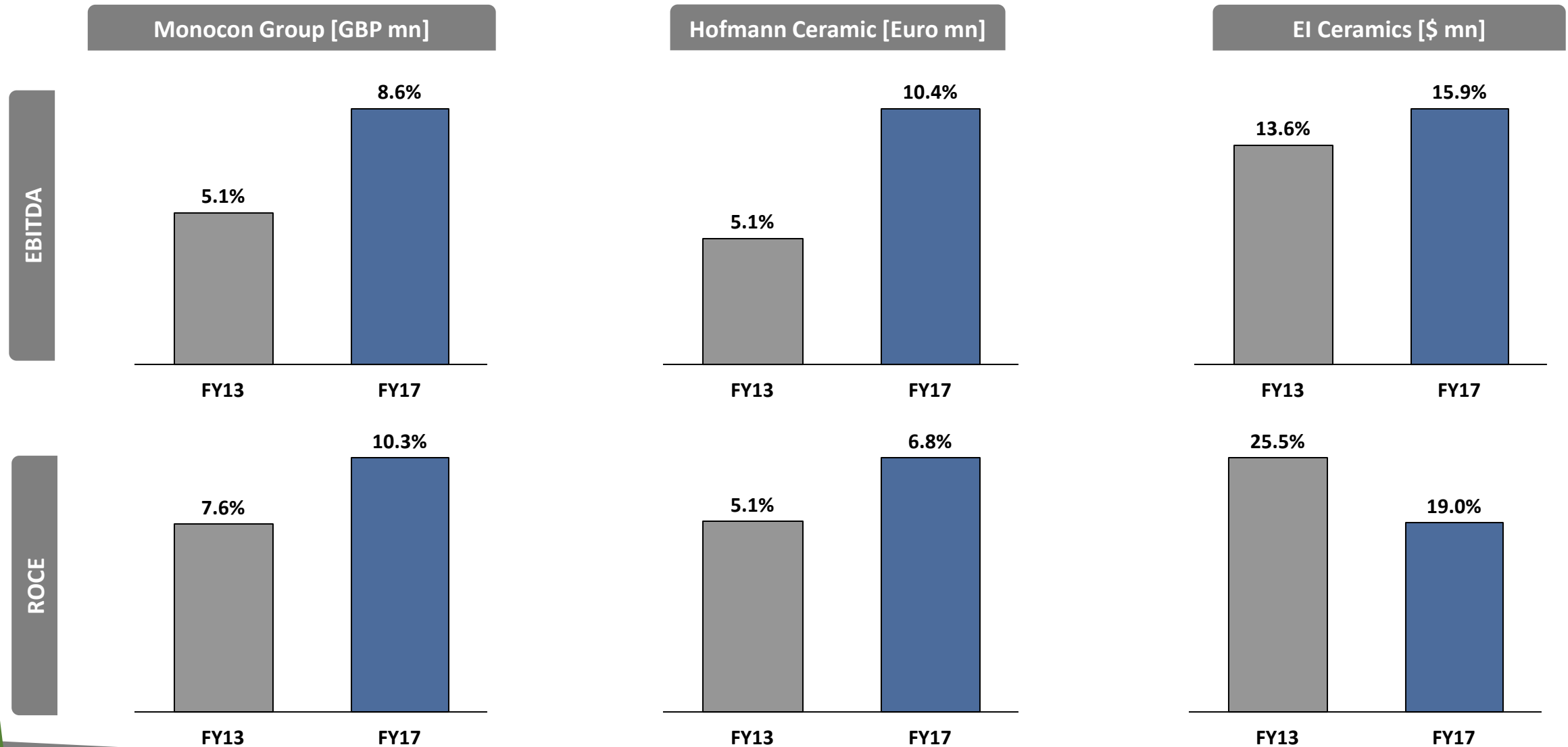
# Consistently performing over the years...



| Particulars [Rs. Crs.]   | FY13        | FY14        | FY15        | FY16        | FY17        | CAGR         |
|--|-------------|-------------|-------------|-------------|-------------|--------------|
| Total Income   | 676.8       | 781.0       | 793.5       | 722.1       | 768.3       | 6.4%         |
| Raw Material   | 352.3       | 378.0       | 406.1       | 365.2       | 362.0       |              |
| Employee Expenses  | 98.7        | 110.0       | 117.9       | 119.6       | 125.4       |              |
| Other Expenses   | 163.2       | 181.0       | 170.6       | 156.1       | 183.4       |              |
| EBITDA   | 62.7        | 113.0       | 98.9        | 81.2        | 97.5        | 20.1%        |
| EBITDA %   | 9.3%        | 14.5%       | 12.5%       | 11.2%       | 12.7%       |              |
| Depreciation & Amortization                                    | 13.4        | 15.0        | 14.3        | 15.6        | 17.4        |              |
| Goodwill written off*  | -           | -           | -           | -           | 26.8        |              |
| Finance Cost   | 8.0         | 7.0         | 5.9         | 4.8         | 4.5         |              |
| Profit before Tax and Minority Interest (MI)                   | 41.3        | 91.0        | 78.7        | 60.9        | 48.8        | -19.9%       |
| Tax  | 15.9        | 25.0        | 25.4        | 15.7        | 4.6         |              |
| Profit after Tax & before MI                                   | 25.4        | 66.0        | 53.3        | 45.2        | 44.2        | -2.2%        |
| Minority Interest  | -2.8        | 2.0         | 0.2         | 3.2         | 0.0         |              |
| Profit after Tax & MI  | 28.2        | 64.0        | 53.1        | 41.9        | 44.2        | 5.5%         |
| <b>Cash Profit</b> (PAT + Goodwill written off + Depreciation) | <b>41.6</b> | <b>79.0</b> | <b>67.4</b> | <b>57.5</b> | <b>88.3</b> | <b>53.6%</b> |

\* Goodwill on account of Merger is being written off over a period of 10 years

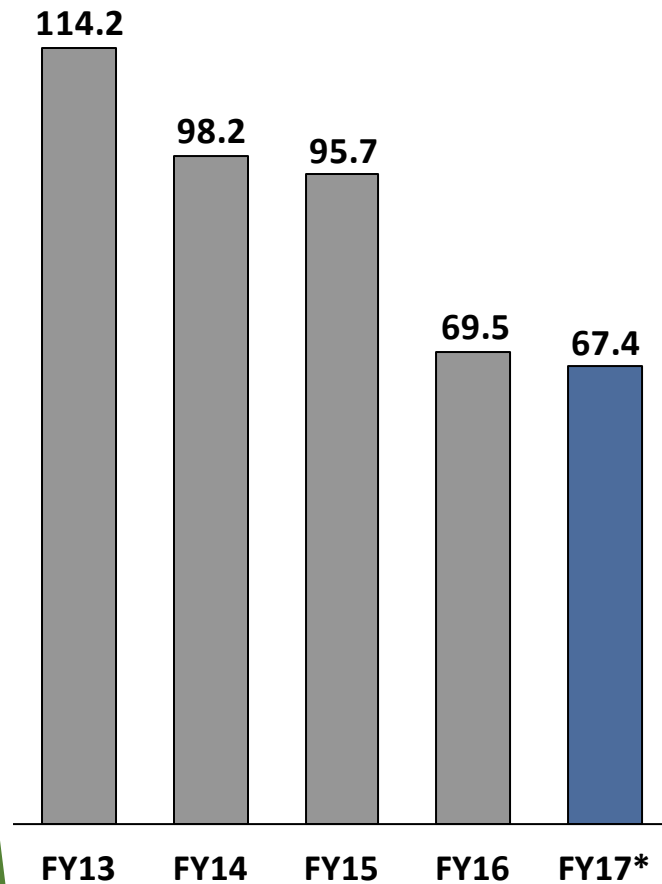
# ...with steady overseas subsidiaries performance...



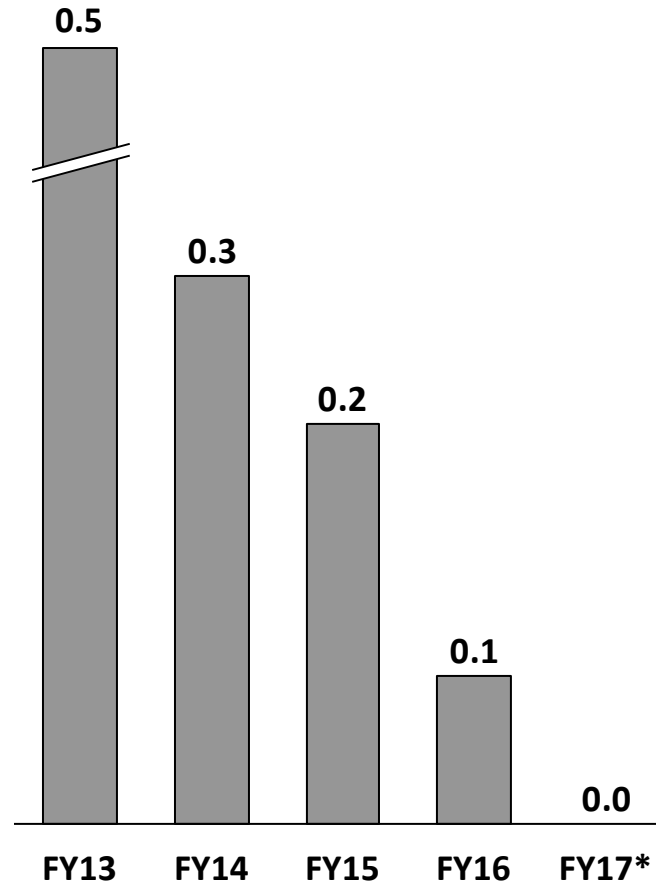
# ...to create sustainable value for Shareholders...



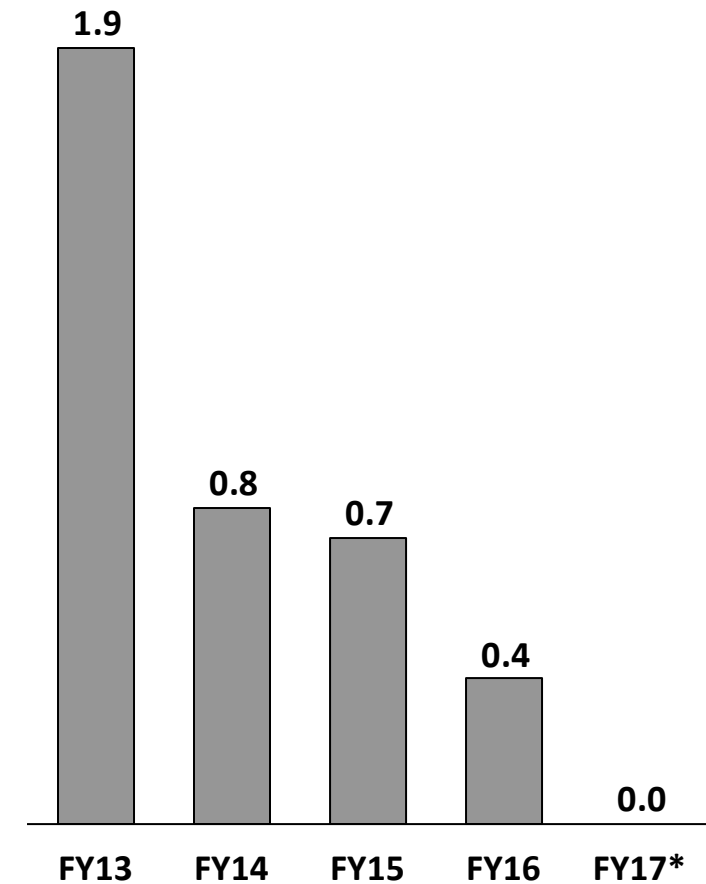
Gross Debt (Rs. Crs.)



Net Debt : Equity [x]

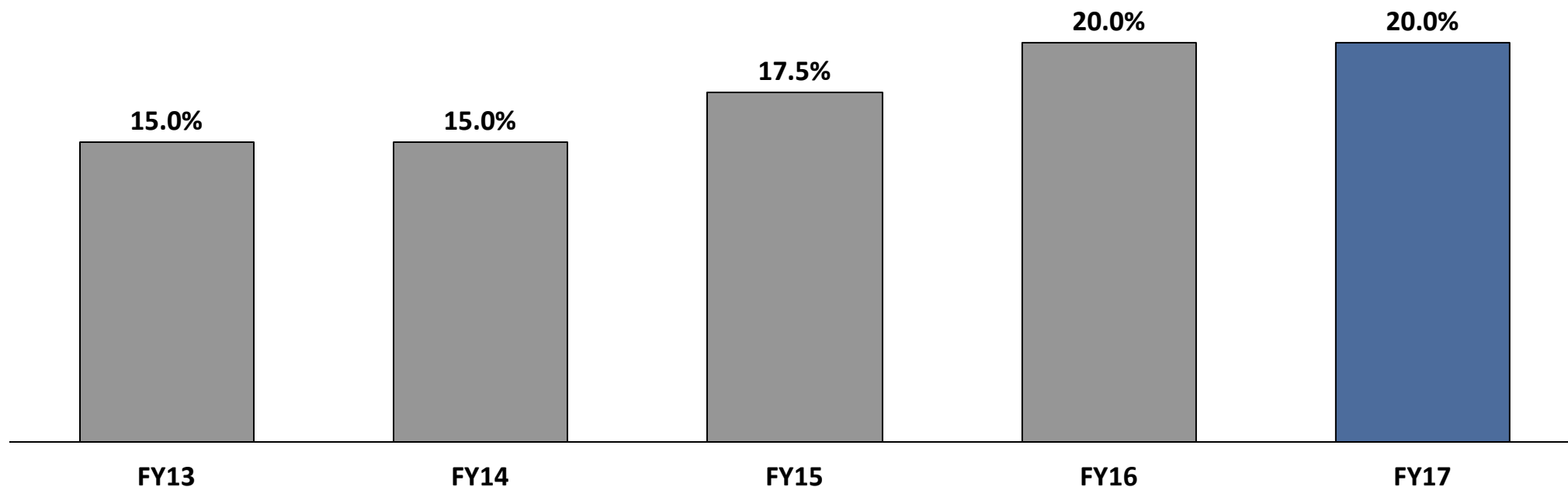


Net Debt : EBITDA [x]



\* FY17 figures as per Audited Balance sheet post Merger

## ...with consistent Payout



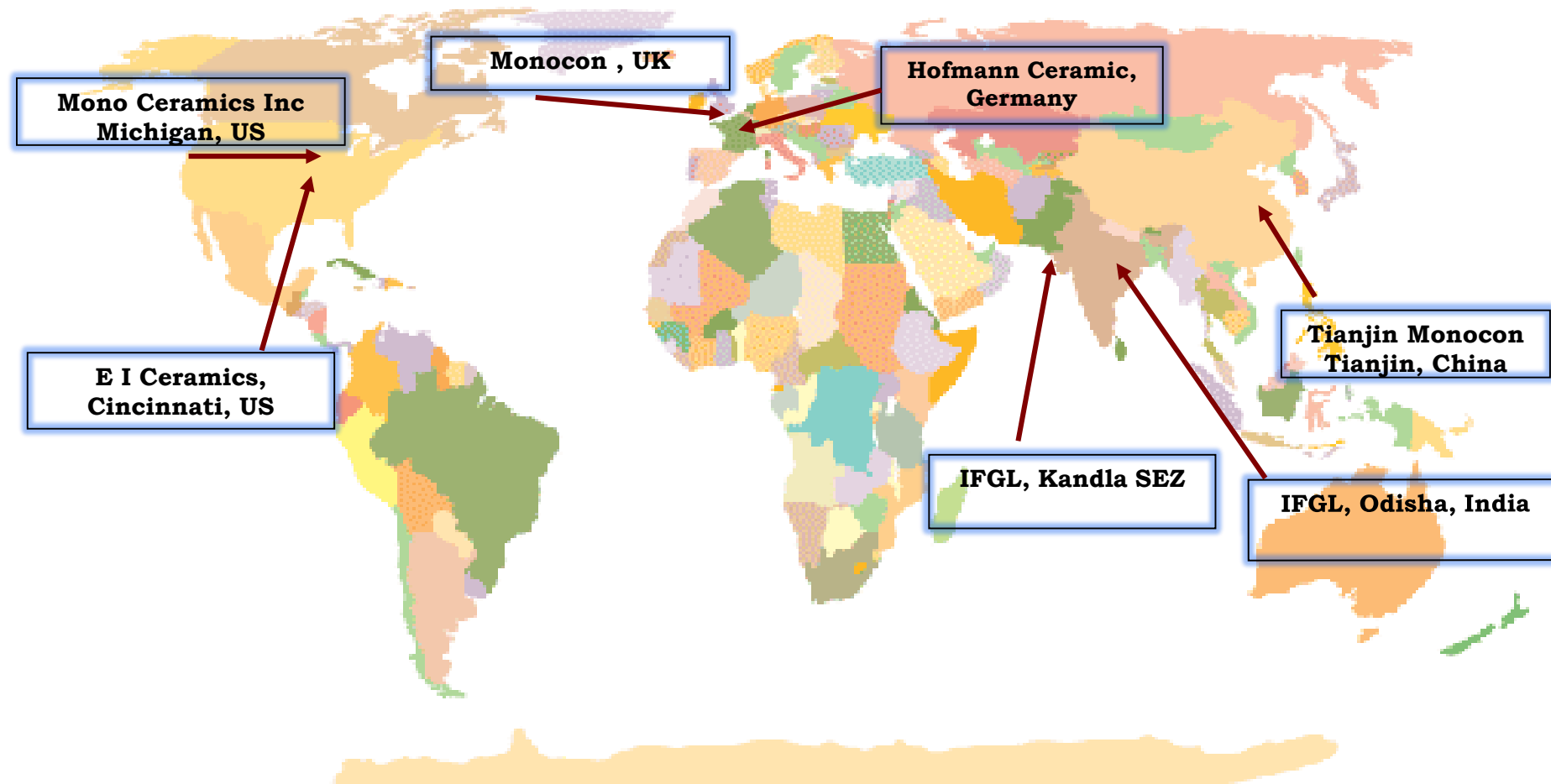
| Particulars (Rs.)                 | FY13 | FY14 | FY15 | FY16  | FY17* |
|-----------------------------------|------|------|------|-------|-------|
| Consolidated Book Value per Share | 70.9 | 95.1 | 99.6 | 111.7 | 189.9 |
| Consolidated Earning Per Share    | 7.9  | 18.3 | 15.1 | 12.1  | 12.6  |
| Dividend Per Share                | 1.5  | 1.75 | 2.00 | 2.00  | 2.00  |

\* Subject to Shareholder approval



# About Us

# A Global MNC...



# ...with proven management...



**Mr. S.K. Bajoria -  
Chairman**



- Promoter of S K Bajoria Group based at Kolkata engaged in diversified business activities
- Has been President of the Indian Chamber of Commerce, Director of West Bengal Industrial Development Corporation Ltd and Industrial Promotion & Investment Corporation of Orissa Ltd

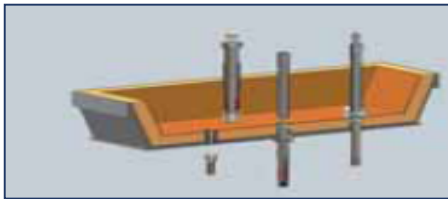
**Mr. P. Bajoria -  
Managing Director**



- Associated with IFGL from the very early days of Indo Flogates, even before the start of production in 1984. Has been Director & Chief Executive of erstwhile Indo Flogates Ltd.
- More than 30 years of experience of Refractory Industry and has been involved in various capacities in Indian Refractories Makers Association

# ...serving the specialized refractory segment...

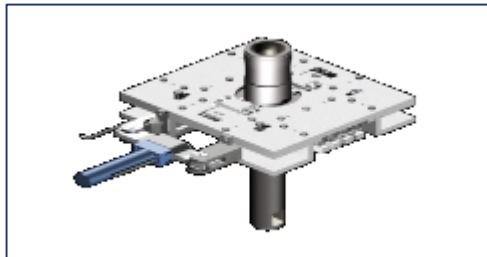
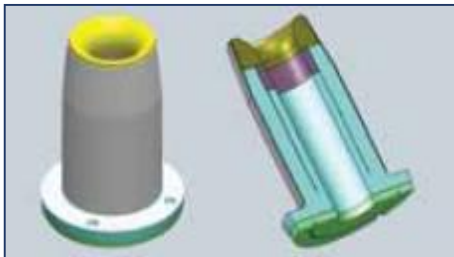
## Isostatic Refractories



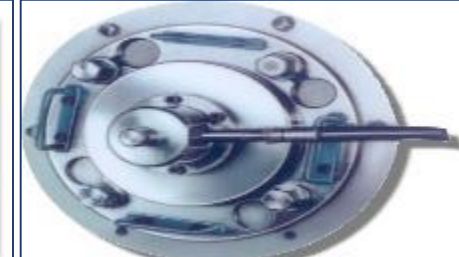
## Slide Gate Refractories & Systems



## Tube Changer Refractories & System



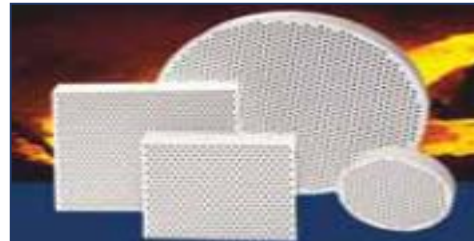
## Purging System & Refractories



## Cast Products & Zirconia Nozzles



## Foundry Ceramics



# ...to reputed names in the Global Steel Industry



**For further information, please contact:**

**Company :**

**IFGL Refractories Ltd.** (formerly IFGL Exports Ltd.)

CIN - U51909OR2007PLC027954

Mr. Rajesh Agrawal

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[www.ifglref.com](http://www.ifglref.com)

**Investor Relations Advisors :**

**Strategic Growth Advisors Pvt. Ltd.**

CIN - U74140MH2010PTC204285

Mr. Shogun Jain / Mr. Pratik R. Shah

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