RAIN INDUSTRIES LIMITED

Earnings Presentation – Q2 CY21

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RAIN is a leading vertically integrated global producer of a diversified portfolio of products that are essential raw materials for staples of everyday life. We operate in three business segments: Carbon, Cement and Advanced Materials. Our Carbon business segment converts the by-products of oil refining and steel production into high-value carbon-based products that are critical raw materials for the aluminium, graphite, carbon black, wood preservation, titanium dioxide, refractory and several other global industries. Our Cement segment consists of two integrated cement plants that operate in the South Indian market, producing two primary grades of cement: ordinary portland cement ("OPC") and portland pozzolana cement ("PPC"). Our Advanced Materials business segment extends the value chain of our carbon processing through the downstream refining of a portion of this output into high-value chemical products that are critical raw materials for the specialty chemicals, coatings, construction, petroleum and several other global industries. We have longstanding relationships with most of our major customers, including several of the largest companies in the global aluminium, graphite and specialty chemicals industries, and with most of our major raw material suppliers, including several of the world's largest oil refiners and steel producers. Our scale and process sophistication provides us the flexibility to capitalize on market opportunities by selecting from a wide range of raw materials, adjusting the composition of our product mix and producing products that meet exacting customer specifications, including several specialty products. Our production facility locations and integrated global logistics network also strategically position us to capitalize on market opportunities by addressing raw material supply and product demand on a global basis in both established and emerging markets.

Forward-Looking Statement

This presentation contains forward-looking statements based on management's current expectations, estimates and projections. All statements that address expectations or projections about the future, including our statements addressing our expectations for segment volumes and earnings, the factors we expect to impact earnings in each segment, demand for our products, our expected uses of cash, and our expected tax rate, are forward looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties, and other factors, some of which are beyond our control and difficult to predict. If known or unknown risks materialize, or should underlying assumptions prove inaccurate, our actual results could differ materially from past results and from those expressed in the forward-looking statement. Important factors that could cause our results to differ materially from those expressed in the forward-looking statements include, but are not limited to lower than expected demand for our products; the loss of one or more of our important customers; our failure to develop new products or to keep pace with technological developments; patent rights of others; the timely commercialization of products under development (which may be disrupted or delayed by technical difficulties, market acceptance, competitors' new products, as well as difficulties in moving from the experimental stage to the production stage); changes in raw material costs; demand for our customers' products; competitors' reactions to market conditions; delays in the successful integration of structural changes, including acquisitions or joint ventures; the laws, regulations, policies and economic conditions, including inflation, interest and foreign currency exchange rates, of countries where we do business; and severe weather events that cause business interruptions, including plant and power outages or disruptions in supplier or customer operations.

Second-Quarter Results

Financial Highlights

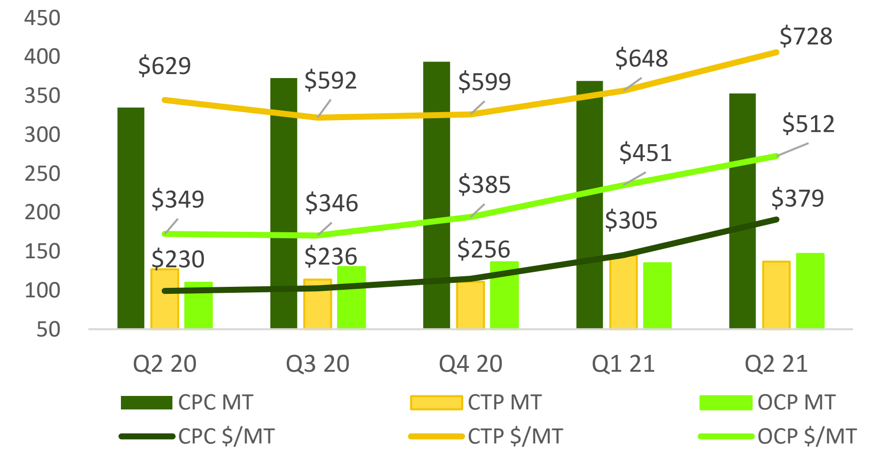
- Revenue from Operations was ₹ 36.44 billion and Adjusted EBITDA was ₹ 6.86 billion
- Adjusted Net Profit After Tax was ₹ 2.42 billion and Adjusted Earnings Per Share was ₹ 7.18
- Capital expenditure of US$ 33 million for the six-month period ended June 30, 2021, mostly related to preventative maintenance and compliance

Business Highlights

- Sustained margins despite higher raw material costs, with cost discipline coupled with higher volumes
- Strong demand for end-products and improved raw material availability resulting from increased refinery throughput and steel production
- Milestone delivery of 500,000th ton of CARBORES ® / PETRORES ® during the quarter

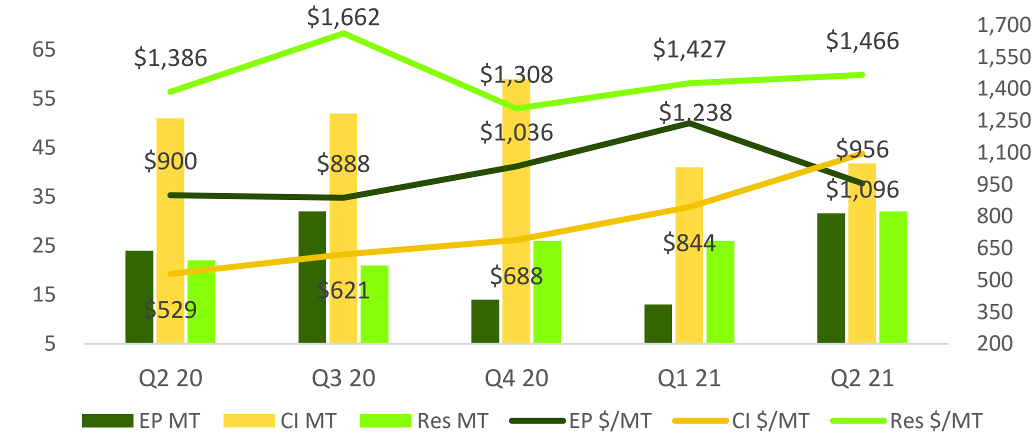
Growing Demand and Increasing Realisations

Carbon Volumes (MT 000) and Revenue ($/MT)



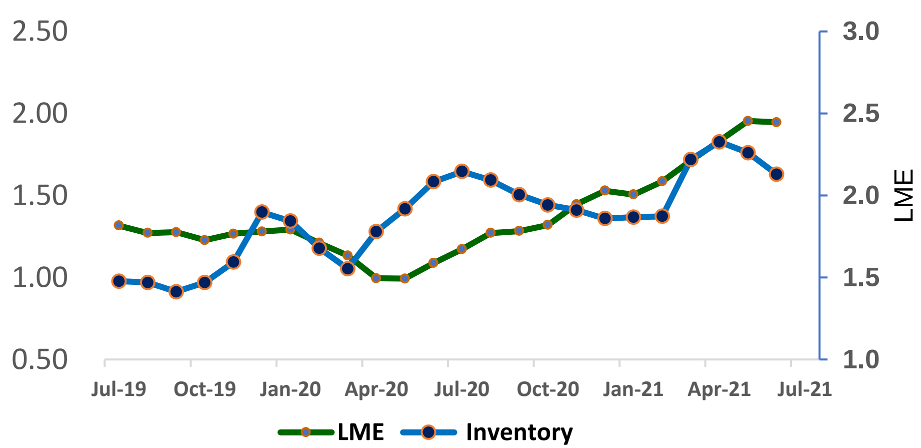
CPC – Calcined Petroleum Coke; CTP – Coal Tar Pitch; OCP – Other Carbon Products

Advanced Materials Volumes (MT 000) and Revenue ($/MT)

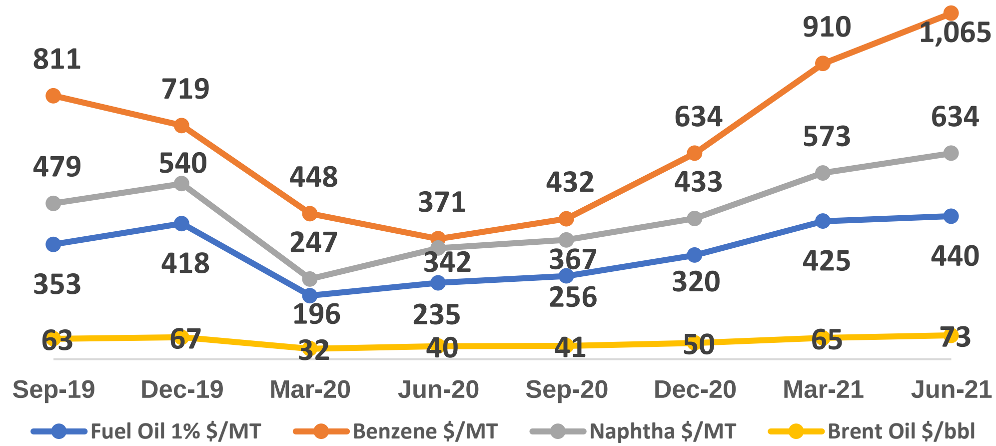


EP – Engineered Products CI – Chemical Intermediates; Res – Resins

LME AL Inventory (Million MT) vis-à-vis LME AL Quote (000 US$ per MT)



Key Market Quotations Impact in Advanced Materials Business



With rebounding of end-markets, demand for primary aluminium has increased over the last couple of quarters.

Major Capital Projects

Hydrogenated Hydrocarbon Resins (HHCR) Plant, Germany

- Working to master the sophisticated HHCR technology
- Continue to ramp-up capacity and sales through improved reliability of plant and achievement of premium quality product
- Focus on consolidating the progress and optimizing production costs

Vertical-Shaft Calcination Plant, India

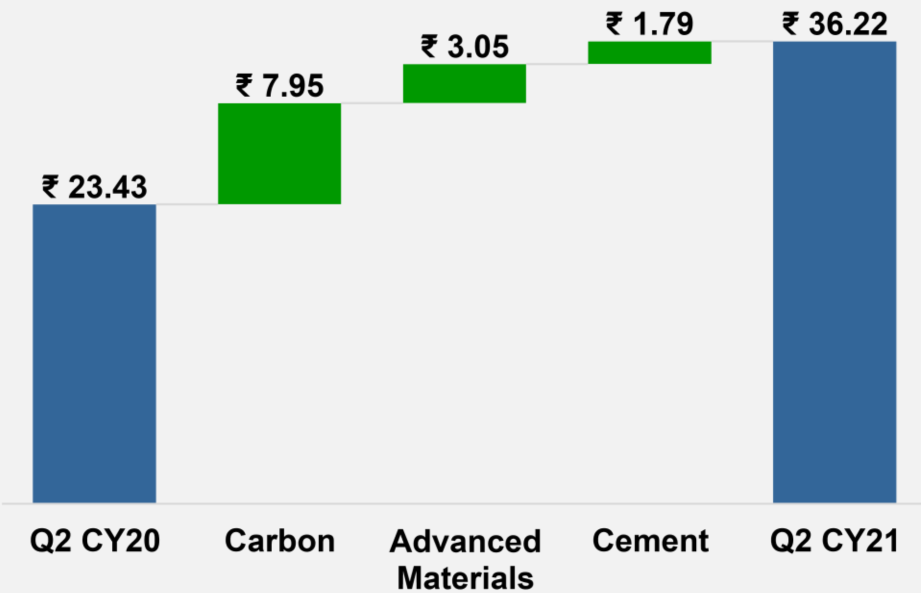
- Most environmentally friendly CPC plant in the world, with waste-heat recovery and state-of-the-art ammonia-scrubbing system
- Plant is ready to commence operations, upon securing supply of GPC
- Awaiting permission from Indian authorities for importing raw-materials

Anhydrous Carbon Pellets (ACP) Plants, India and USA

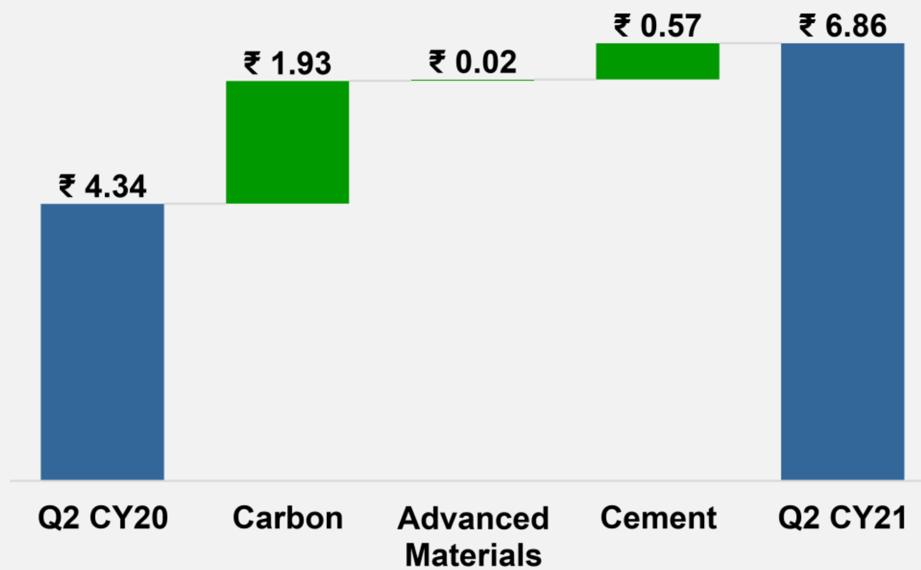
- US production facility on track to commence operations during the second half of 2021
- India plant construction is projected to recommence at the end of 2021

Q2 Driven by Strong Volumes and Demand

(₹ in Billions)



Revenue (excluding other operating income)



Adjusted EBITDA

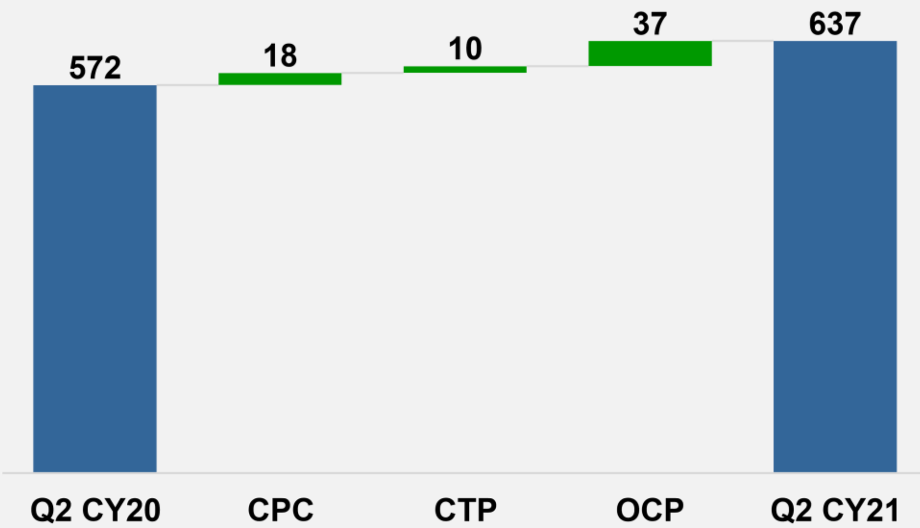
Highlights in Q2 CY21

- Carbon segment revenue improved due to increased prices and volumes driven by changes in supply and demand; margin increased as a result of effective management of raw material costs and discipline in operating costs
- Advanced Materials segment EBITDA improved marginally primarily due to increased prices and margin and Euro appreciation against INR offset by higher operating costs due to unplanned breakdowns at certain locations
- Cement segment performance improved due to increase in sales volumes

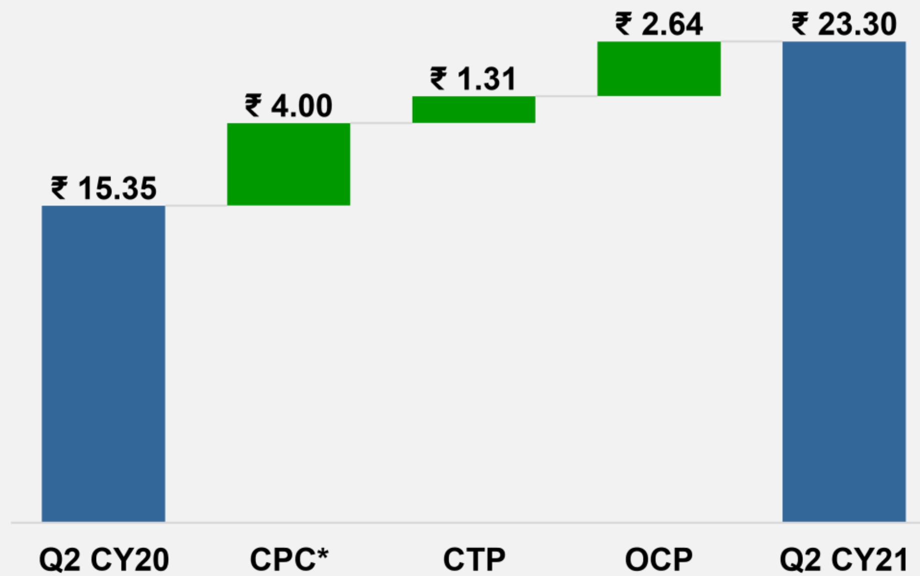
Note: Charts not to scale

Carbon Revenue Driven by Volumes and Prices

(₹ in Billions)



Volumes (MT in thousands)



**Includes Energy Revenue*

Revenue (excluding other operating income)

Highlights in Q2 CY21

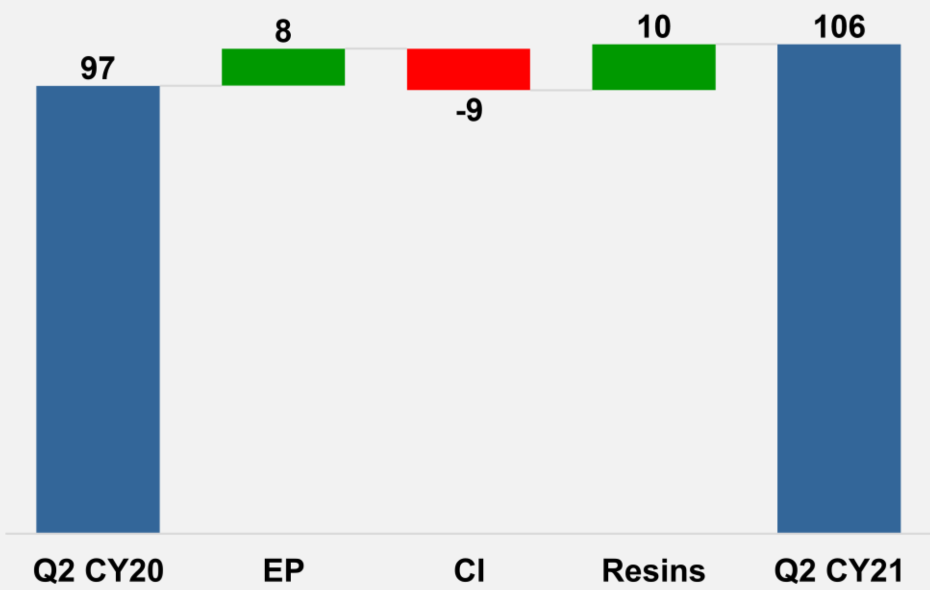
- CPC revenue increased primarily on account of higher prices due to increased demand and coupled with higher volumes
- Pitch revenue increased due to higher volumes resulting from changes in customer mix offset by sales to non-traditional market in the prior year, coupled with higher realisations in line with raw material prices and market quotations
- Adjusted EBITDA increased by ₹ 1,928 million due to improved volumes, margins and a lag in price resets supported by increased market quotations and cost discipline

CPC – Calcined Petroleum Coke; CTP – Coal Tar Pitch; OCP – Other Carbon Products

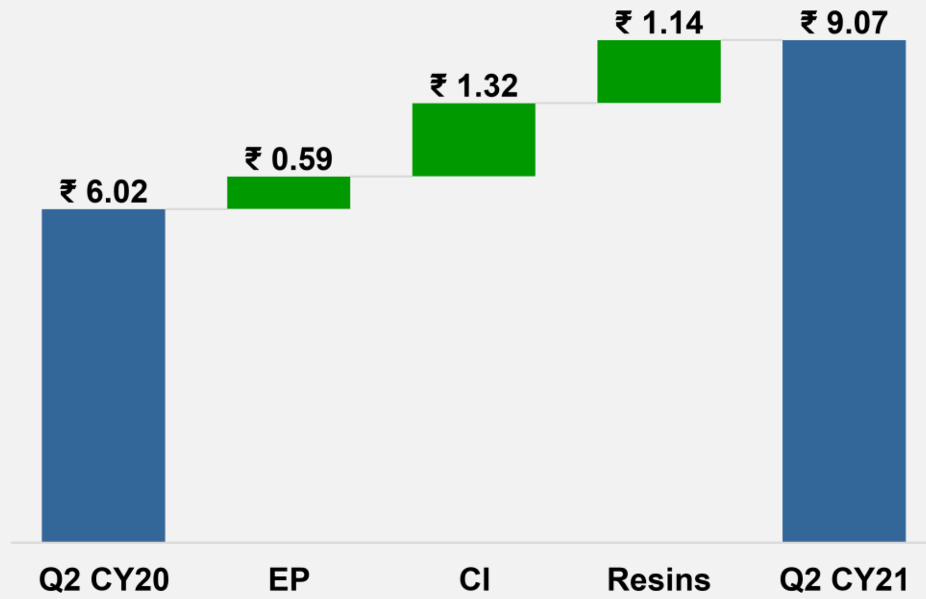
Note: Charts not to scale

Advanced Materials Results is Combination of Volumes, Realisations and Offset with Divestment

(₹ in Billions)



Volumes (MT in thousands)



Revenue (excluding other operating income)

Highlights in Q2 CY21

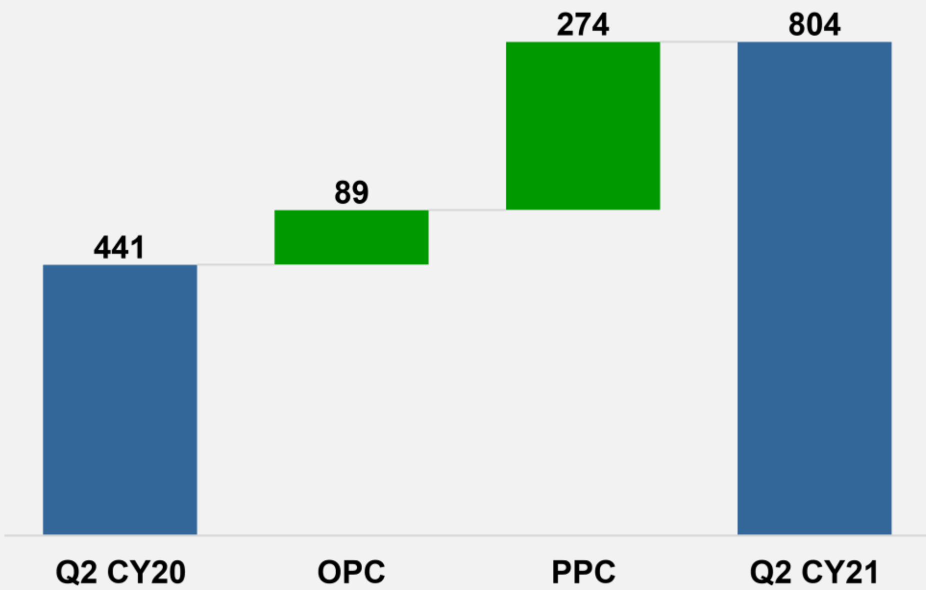
- Revenue increase was primarily the result of increased prices and volumes driven by higher production throughputs, sale of HHCR products, improved demand due to market recovery and changes in customer mix
- Adjusted EBITDA increased by ₹ 21 million due to higher margins and volumes coupled with Euro appreciation against INR offset by incremental operating costs of new HHCR plant, and divestment of the superplasticizers business

EP – Engineered Products; CI – Chemical Intermediates

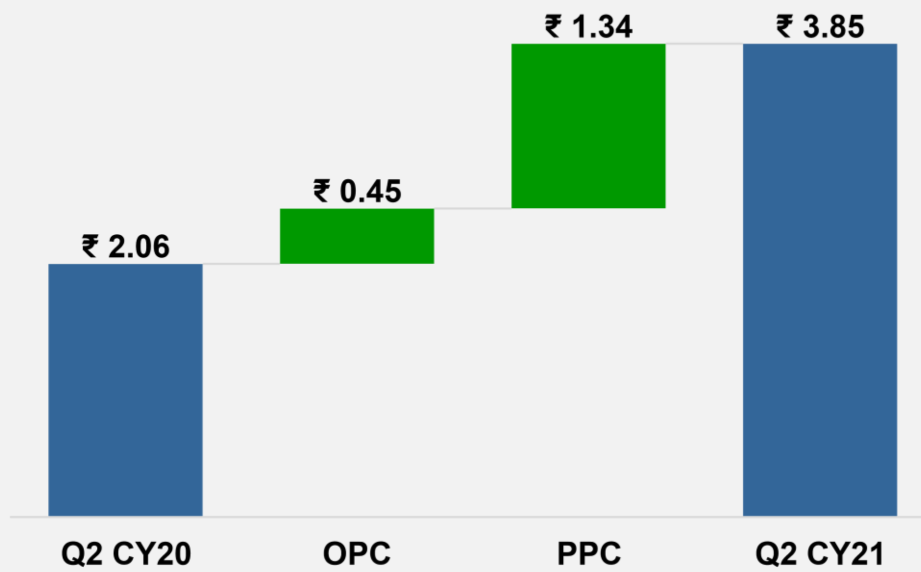
Note: Charts not to scale

Cement Performance Driven by Increase in Volumes

(₹ in Billions)



Volumes (MT in thousands)



Revenue (excluding other operating income)

Highlights in Q2 CY21

- Revenue from Cement business increased by 86.7% due to higher volumes
- Adjusted EBITDA increased by ₹ 570 million due to higher volumes and margins

OPC – Ordinary Portland Cement; PPC – Portland Pozzolana Cement

Note: Charts not to scale

Debt Summary

US$ in Millions	Jun 2021	Dec 2020
7.25% USD-denominated Senior Secured Notes (due in April 2025)	546	550
Euro-denominated Senior Secured Term Loan (due in January 2025) *	464	479
Senior Bank Debt	34	39
Sales Tax Deferment	6	7
Finance Lease Liability	66	72
Gross Term Debt	**1,116**	**1,147**
Add: Working Capital and other Debt	25	77
Less: Deferred Finance Cost	10	12
Total Debt	**1,131**	**1,212**
Less: Cash and Cash Equivalents	213	280
Net Debt	**918**	**932**
LTM Adjusted EBITDA	315	269

* Debt of €390 million converted at EURO/USD exchange rates of 1.19 and 1.23 as at June 30, 2021 and Dec. 31, 2020 respectively

Highlights in H1 2021

- Capital expenditure of ₹ 2.38 billion (US$ 33 million) during H1 2021 includes ₹0.37 billion (US$ 5 million) spent on our two major projects – hydrogenated hydrocarbon resins production facility in Germany and vertical-shaft calciner (under construction) in India – as well as expenditure for other projects.
- Net cash used in financing activities of ₹ 7.45 billion during H1 2021 includes ₹ 4.49 billion of outflows in respect of net payments towards borrowings and ₹ 0.66 billion of outflows for lease payments. Balance outflow of ₹ 2.30 billion is towards interest payments.

INR in Millions	H1 2021	H1 2020
Operating Activities#	4,577	10,072
Investing Activities	(2,994)	(8,695)
Financing Activities	(7,447)	(955)

Includes net working capital outflow of ₹ 6,521 and ₹ 1,655 for H1 2021 and H1 2020 respectively

Thank You

Appendix

Summary of Consolidated Income Statement

₹ in Millions

Particulars	Q2 2021	Q1 2021	Q2 2020	CY 2020
Net Revenue	36,223	29,900	23,427	103,962
Other Operating Income	212	182	181	685
Revenue from Operations	**36,435**	**30,082**	**23,608**	**104,647**
Reported EBITDA	**6,779**	**6,235**	**3,704**	**21,008**
Adjusted EBITDA	**6,863**	**6,351**	**4,344**	**19,892**
Adjusted EBITDA Margin	*18.8%*	*21.1%*	*18.4%*	*19.0%*
Profit Before Tax	**3,641**	**3,143**	**659**	**8,510**
Tax Expense, net	983	831	315	2,627
Non-controlling Interest	305	249	78	301
Reported Profit After Tax	**2,353**	**2,063**	**266**	**5,582**
Adjusted Profit After Tax	**2,416**	**2,151**	**821**	**5,321**
Adjusted Earnings Per Share (in ₹)*	7.18	6.40	2.44	15.82

Quarterly Earnings Per Share is not annualized.

Reconciliation of EBITDA and PAT for Q2 CY21

₹ in Millions

Particulars	EBITDA	PAT
A. Reported	**6,779**	**2,353**
B. Adjustments:		
• Repairs and other costs incurred on account of hurricane	113	113
• Expenses towards strategic projects and other non-recurring items	74	74
• Gain on divestment of superplasticizer business	(40)	(40)
• Reversal of reorganization costs accruals	(63)	(63)
• Tax impact on above adjustments	-	(21)
C. Adjusted (A + B)	**6,863**	**2,416**

RAIN – Key Business Strengths

- Three business segments (Carbon, Advanced Materials and Cement)
- Global presence with 2.1 million tonnes p.a. calcination capacity, 1.0 million tonnes p.a. CPC blending capacity, 1.3 million tonnes p.a. coal tar distillation capacity, 0.6 million tonnes p.a. advanced materials capacity and 4.0 million tonnes p.a. cement capacity
- Transforming by-products of oil and steel industries into high-value carbon-based materials essential to numerous manufacturing applications and end products
- Long-standing relationships with raw material suppliers and end customers
- Leading R&D function drives continuous innovation
- Diversified geographical footprint with advantaged freight and logistics network
- Facilities with overall 177 MW co-generated steam and power capacity and renewable solar power
- Experienced international management team
- Strategy shift from low-margin products to favourable product mix

RAIN Group continues to grow on its core competencies.