



2023 AGM PRESENTATION

8 November 2023

REDOX LIMITED (RDX.ASX)

Annual General Meeting Agenda 8 November 2023

1. Chair's Introduction
2. Formal Business of Meeting
3. CEO's Presentation
4. Questions

Strong and experienced Board



Ian Campbell
Non-Executive Chair

Ian brings to Redox 30 years of experience as a former partner with Ernst and Young and predecessor firms, principally working with entrepreneurial companies in preparing them for growth, sale and the capital markets.



Raimond Coneliano
Chief Executive Officer & MD

After having served as a Director on the Board of Redox for 9 years and sitting on the People and Safety Committee, Raimond was appointed Chief Executive Officer and Managing Director. Raimond has overseen the development of Redox's largest bulk product lines and brokered the Company's biggest trades over his 27+ year career.



Renato Coneliano
Director / Marketing Manager

Renato joined Redox in 1980. He has had many roles, over time, he has had product management responsibilities, as well as acting in the capacity of Joint Managing Director in 2022. He has been instrumental to sales, in developing the supply chain, and identifying critical suppliers.



Mary Verschuer
Non- Executive Director

Mary has significant experience in executive leadership roles with responsibility for manufacturing, supply chain management and sales and marketing.



Garry Wayling
Non- Executive Director

Garry has over 30 years of experience in the professional services sector. Garry was an Audit Partner for 11 years with Arthur Andersen Sydney and then an Audit Partner in the Strategic Growth division at Ernst & Young until 2010.



Formal Business of Meeting

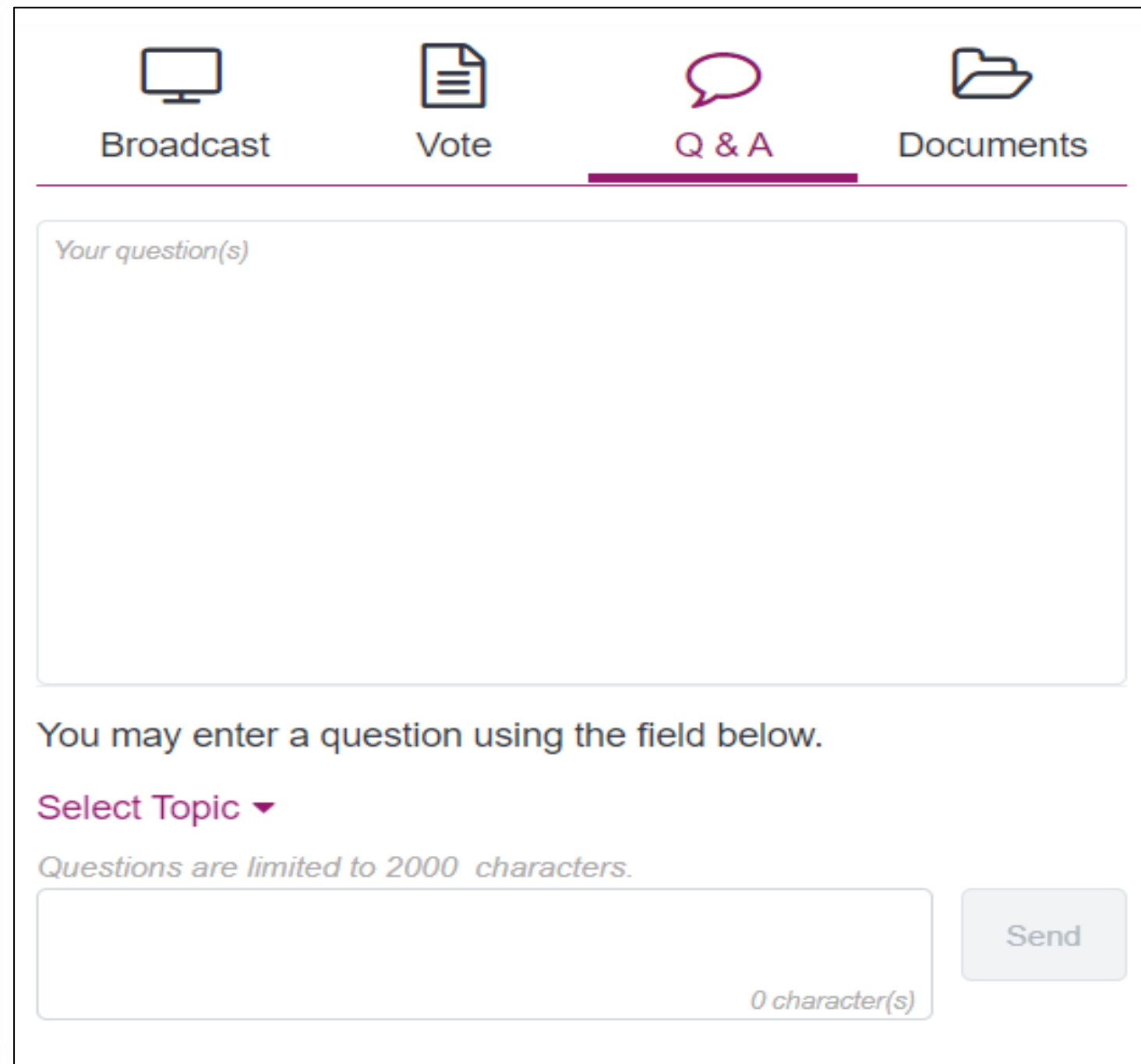
How to vote

- When the poll is open, select the vote icon at the top of the screen
- To vote, select either For, Against or Abstain
- You will see a vote confirmation
- To change or cancel your vote “click here to change your vote” at any time until the poll is closed

The screenshot displays the REDOX voting interface. At the top, there is a navigation bar with four icons: a monitor for 'Broadcast', a document with a '1' for 'Vote', a speech bubble for 'Q & A', and a folder for 'Documents'. The 'Vote' tab is currently selected and highlighted with a purple underline. Below the navigation bar is a grey header box labeled 'Items of Business'. The first item is '2A Re-elect Mr Sam Sample as a Director'. Below this item is a row of three buttons: 'FOR', 'AGAINST', and 'ABSTAIN'. The 'FOR' button is highlighted in purple. Below the buttons is a horizontal line. The second item is '2B Re-elect Ms Jane Citizen as a Director'. Below this item is a green checkmark icon in a circle. Below the checkmark is the text: 'We have received your vote **For** Click here to change your vote.' with a horizontal line underneath.

How to ask a question

- To ask a written question select the Q & A icon
- Select the topic your question relates to from the drop-down list
- Type your question in the text box and **press** the send button
- To ask a verbal question follow the instructions below the broadcast window.



The screenshot shows the REDOX interface with four navigation icons: Broadcast (TV), Vote (document), Q & A (speech bubble), and Documents (folder). The Q & A icon is highlighted with a purple underline. Below the navigation bar is a large text area labeled "Your question(s)". Below this is a smaller text box with a "Send" button. A dropdown menu labeled "Select Topic" is positioned above the text box. A character count "0 character(s)" is visible at the bottom right of the text box. A note states "Questions are limited to 2000 characters."



Items of Business

- Item 1 – Financial Report
- Item 2 – Re-election of Director
- Item 3 – Adoption of Remuneration Report

Proxy votes

Item 2 Re-election of Director – Renato Coneliano

For	Against	Open	Abstain	Excluded
203,995,386 99.18%	1,491,257 0.72%	208,802 0.10%	19,607 N/A	- N/A

Item 3 Adoption of the Remuneration Report

For	Against	Open	Abstain	Excluded
106,631,717 99.72%	99,592 0.09%	208,802 0.19%	47,453 N/A	98,727,488 N/A



Complete Voting



CEO Address

Company Overview

Redox was established by the Coneliano family in 1965 and is now a leading chemical and ingredients distributor active in more than 1,000 specialty and commodity products.

Market Position



Ranked largest chemical distributor in Australia¹



12th in APAC¹



34th in the world¹

Redox value creation



Redox is the important link between purchasers of chemicals, ingredients and raw materials and global manufacturers of commodity and specialty products



Notes:
¹ Source: Frost & Sullivan, Market Report on the Chemicals and Ingredients Markets, March 2023, based on the ICIS Top 100 Chemical Distributors 2023 rankings. Rankings based on calendar year 2022 revenue

Sustainable business model



6,400+
ACTIVE CUSTOMERS

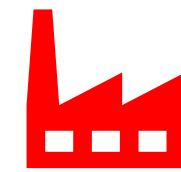


4,600+
SKU'S

Geographical expansion (particularly the US), and strategically and financially prudent inorganic growth opportunities



100+
STOCK LOCATIONS



940+
ACTIVE SUPPLIERS

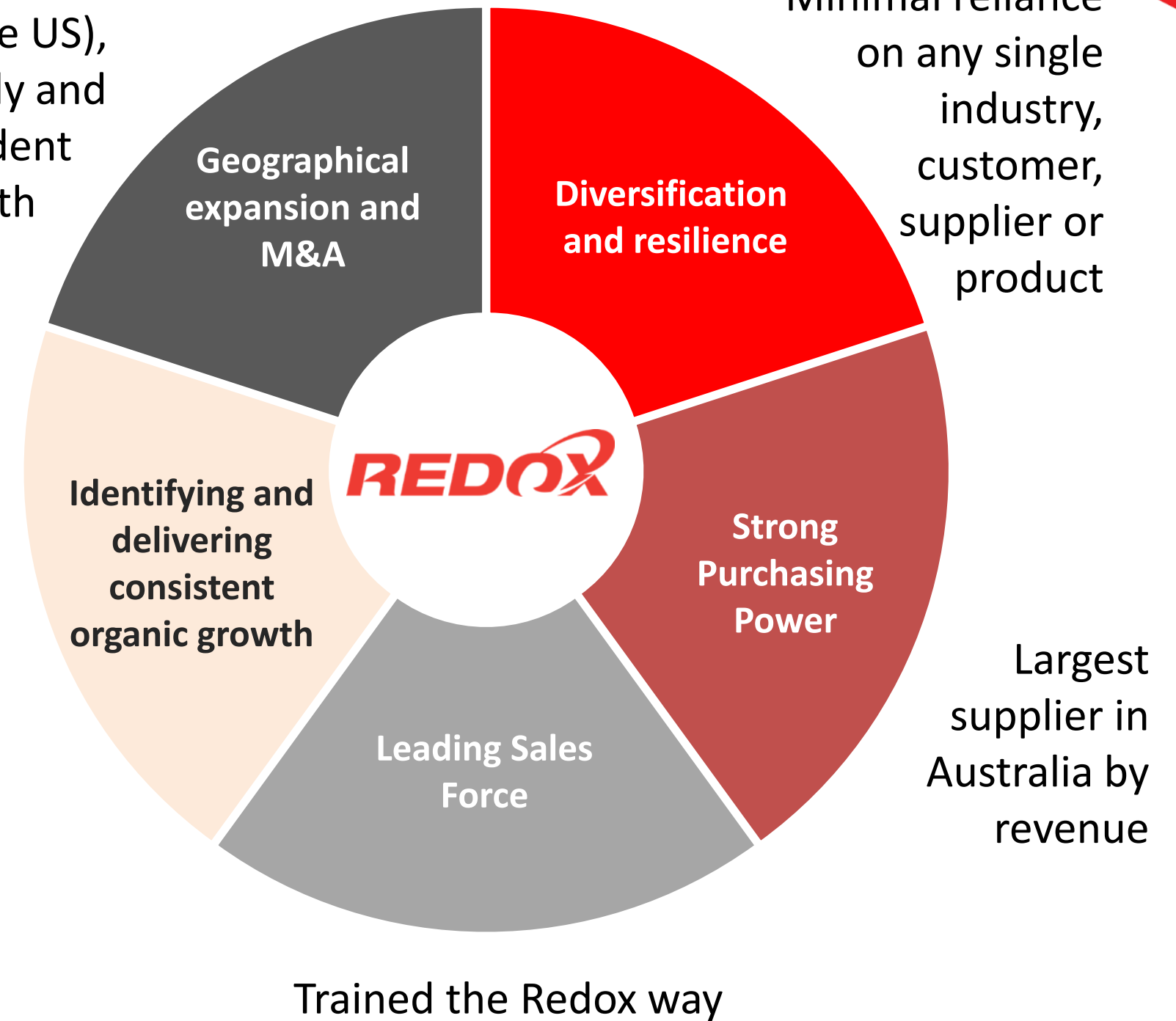
30 year revenue CAGR of 11.9%



400+
STRONG TEAM



1100+
PRODUCT GROUPS



Environmental, Social, and Governance

Redox aims to be a good corporate citizen embracing positive societal and industry engagement, responsible operation and practical initiatives

We are committed to ethical sourcing, and seek to adhere to the highest ethical standards



Silver Medal for Sustainability received from Ecovadis in 2023



Group Strategy

Continuing our growth story



Redox has delivered on its objectives during 2023 and is continuing to focus on its winning strategy

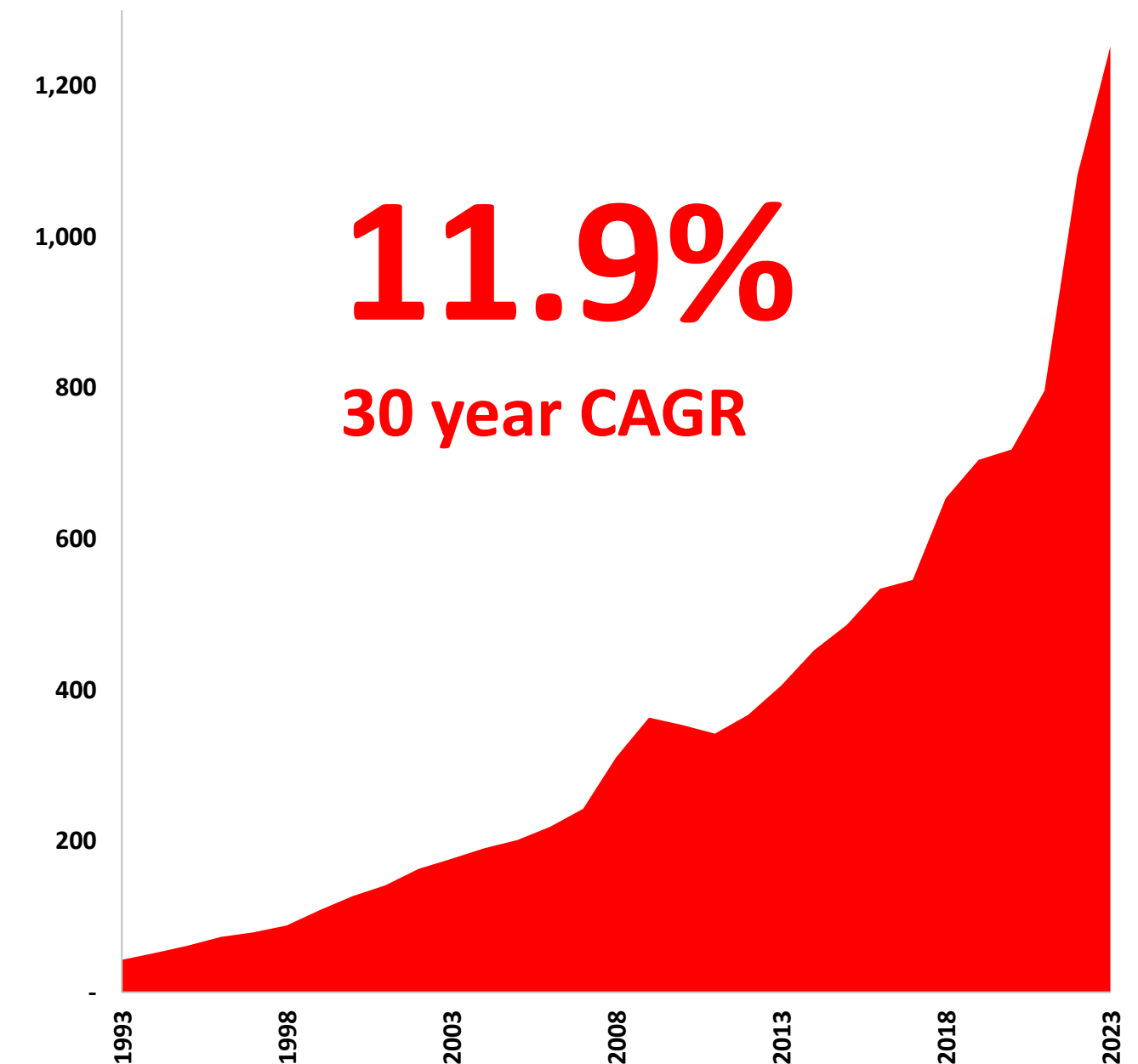
Organic Growth

- Redox Singapore has commenced supply to clients
- First orders secured in Georgia USA
- Preparations being made for presence in Ohio USA
- Marquee distribution agreement signed for NZ Plastics market

Inorganic Growth

- Acquired nutraceutical business Optigen Ingredients
- Robust pipeline of targets with focus on ANZ and USA
- Small acquisition in specialty plastics industry expected to be completed in Q2 FY24
- Roy Brown transitions to M&A Advisor role

Sales (\$m)





FY23

Results

Summary

FY23 highlights

\$1,258m

Revenue
+16.2% pcp growth

20.8%

Gross Profit Margin
in-line with long term average

\$141m

EBITDAFX
+5.2% pcp growth

\$146m

Net Debt
(Post IPO proceeds net debt was extinguished and net cash position was \$82m)

18.75c

Earnings per Share

21.3%

Return on Invested Capital

P&L overview

16.2%

Revenue growth, driven by strong growth in ANZ and the US

\$141.4m

Pro forma EBITDAFX, 5.2% above FY22, with strong sales growth offset by margin decline

\$128.9m

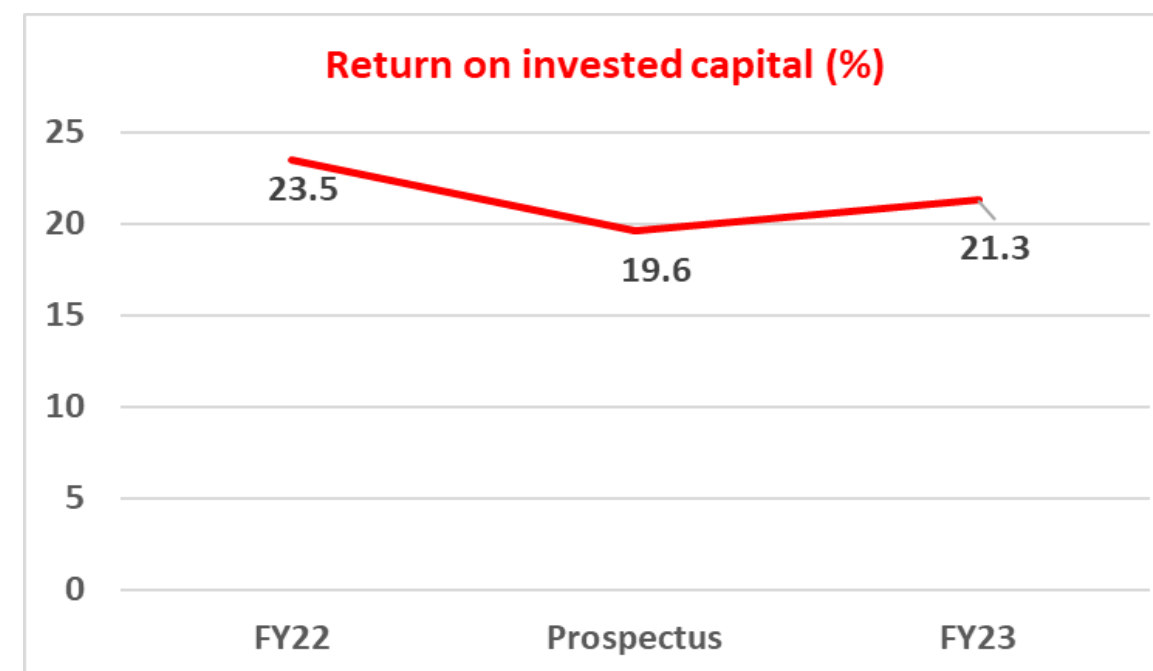
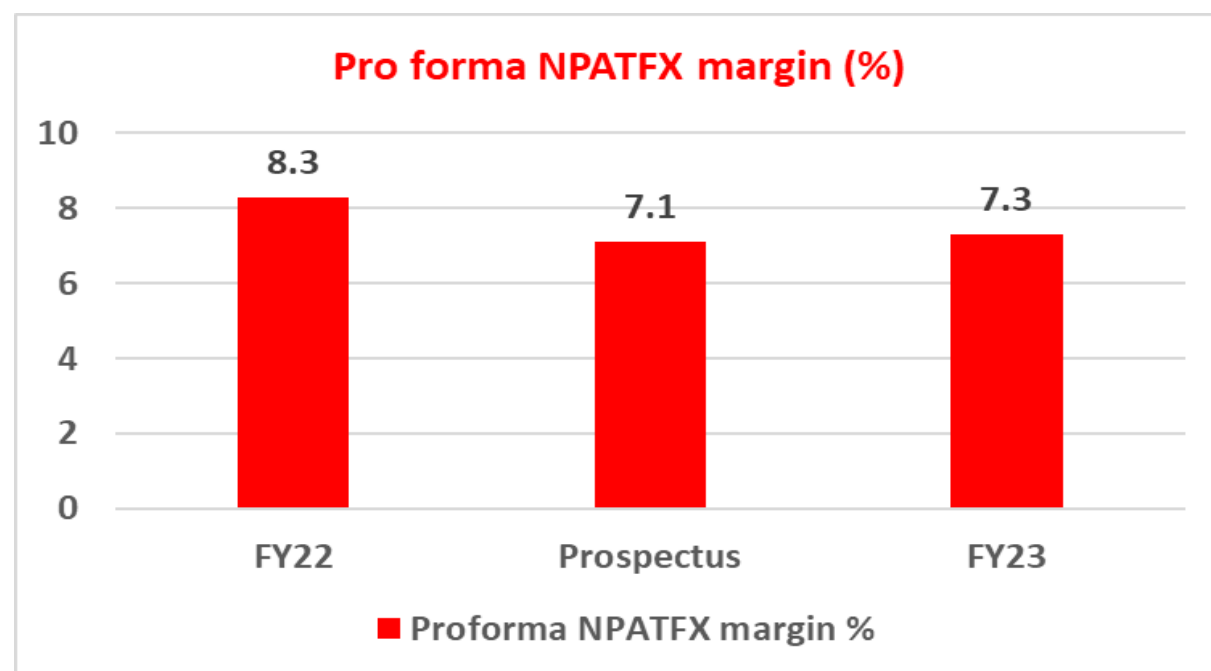
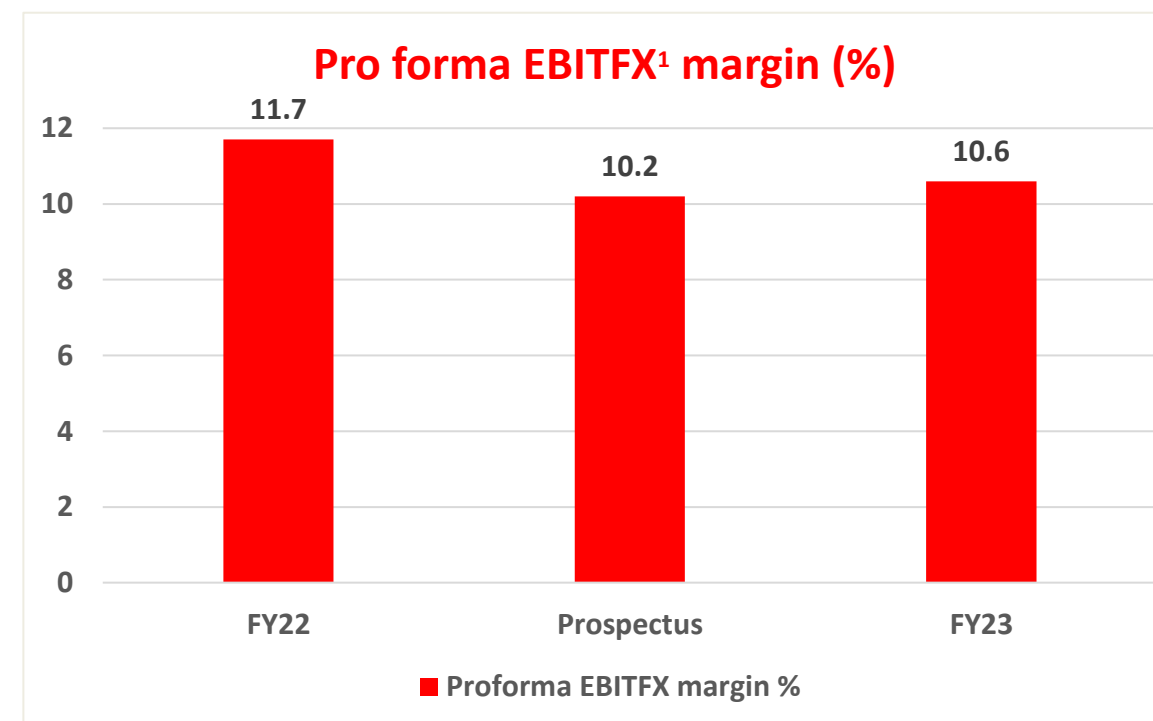
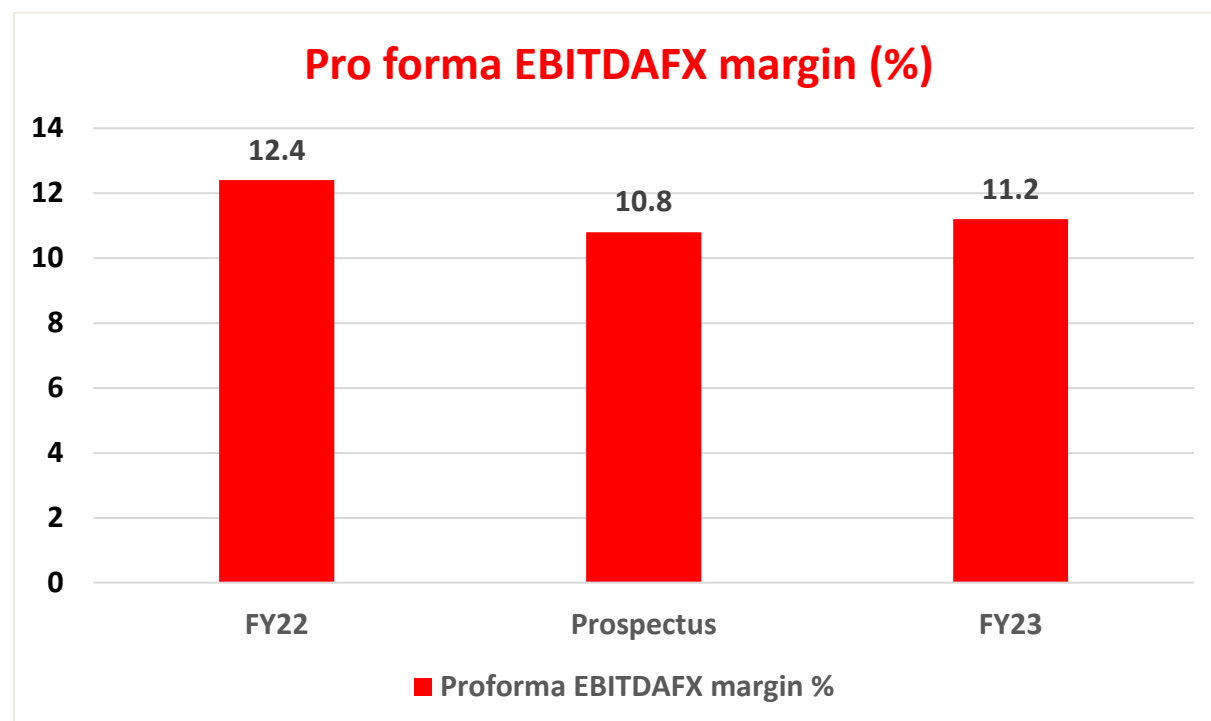
Total Op. Expenses, 1.2% above Prospectus due to higher admin, logistics and other

	FY22 Actual	FY23 Prospectus	FY23 Actual	Change vs Prospectus	Change year on year
	\$m	\$m	\$m	%	%
Revenue	1,082	1,244	1,258	1.1%	16.2%
Gross profit	243.8	255.2	262.0	2.6%	7.5%
Total Op. Expenses	116.8	127.4	128.9	(1.2%)	(10.4%)
Pro forma EBITDAFX¹	134.3	134.7	141.4	4.9%	5.2%
Pro forma NPATFX^{1,2}	89.3	88.0 ²	92.0	4.5%	3.0%
Earnings per share	20.44c	17.44c	18.75c	7.5%	(8.3%)

Notes:

- EBITDAFX and NPATFX excludes unrealised currency revaluations relating to non-cash mark-to-market adjustments on Redox's open forward exchange contracts at period end. These amounts arise as Redox does not qualify for hedge accounting treatment under the terms of AASB 9 Financial Instruments and so is required to include the non-cash gain or loss on open foreign exchange positions at period end within its statutory result. Redox does not consider these amounts to form part of the Group's "underlying" earnings, and accordingly presents EBITDAFX and NPATFX metrics which exclude the impacts of these balances. Pre-tax pro forma adjustments have been included within the numbers to ensure comparability with the Group's ASX listing Prospectus. Adjustments included within both pro forma EBITDAFX and pro forma NPATFX are the addition in FY23 of \$1.7m of incremental costs associated with operating as a listed company (Prospectus: \$1.7m, FY22: \$1.4m), and the deduction of \$2.1m of one-off ASX listing costs (Prospectus: \$1.1m, FY22: \$1.5m). Pro forma NPATFX includes an additional pro forma interest add back before tax of \$11.6m (Prospectus: \$9.5m, 2022: \$5.7m) to reflect the Group's post listing debt structure. A P&L has been included in the Supplementary Information section of this presentation which sets out the impacts of these adjustments within the P&L.
- Pro forma NPATFX was not specifically disclosed in the Group's Prospectus. A reconciliation of pro forma NPATFX to NPAT is included in the Supplementary Information section of this presentation.

Operating margins



- Operating margins up vs Prospectus but down vs pcp due to gross margin decline

- ROIC² stronger than Prospectus due to working capital unwind

Notes:

1. Pro forma EBITFX can be calculated by adding the Group's annual depreciation cost to pro forma EBITDAFX.
 2. Return on Invested Capital ("ROIC") is defined as net operating profit after tax (NOPAT), divided by average invested capital (total equity plus net debt including other financial assets and lease liabilities). Pro forma adjustments to NOPAT in order to derive a pro forma NPAT for the calculation are the exclusion of unrealised currency revaluation losses, the exclusion of one-off ASX listing costs, and the addition of a pro forma adjustment to incorporate additional costs associated with operating as a listed company.

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Outlook

FY24 update

Q1 FY24 update

- Sales revenue declined in Q1 FY24 vs PCP due to commodity price deflation
- Revenue growth in Mining & Explosives due to successful product launches in the Lithium and Uranium subsectors
- Sales volumes increased 5% in Q1 FY24 vs PCP driven by strong volume growth in Plastic, Rubber & Foam and Water Care.
- Crop Production & Protection volumes reduced due to surplus stock in the market
- Gross Profit Margin achieved during Q1 FY24 was higher than anticipated at 21.3%

FY24

- Redox reaffirms its FY24 Prospectus forecast
- Macroeconomic conditions remain uncertain

Dividend policy

- Interim dividend for the six months to December 2023, to be paid in March 2024
- Dividend payout ratio will be 60%-80% of statutory NPAT

FY24 Forecast	\$ millions	Growth vs FY23 (%)
Revenue	1,328	5.6%
Gross Profit	275	5.1%
Pro forma EBITDAFX	148	4.8%
Pro forma NPATFX	97	5.9%
NPAT	94	16.4%

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Questions

Disclaimer



Important notices

This Presentation has been prepared by Redox Limited (ABN 92 000 762 345) ("RDX" or "Company").

Summary information

This Presentation contains summary information about RDX and its activities current as at 30 June 2023. The information in the Presentation is of a general nature and does not purport to be complete or comprise all information which a shareholder or potential investor may require in order to determine whether to deal in RDX shares. It should be read in conjunction with RDX's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au.

Not financial product advice

This Presentation is for information purposes only and is not a prospectus, disclosure document, product disclosure statement or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission) or under any other law. This Presentation does not constitute financial product, investment, legal, taxation or other advice or a recommendation to acquire RDX shares and has been prepared without considering the objectives, financial situation or needs of individuals. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek financial, legal and taxation advice appropriate to their jurisdiction. The Company is not licensed to provide financial product advice in respect of its shares. Cooling off rights do not apply to the acquisition of RDX shares.

Financial data

All dollar values are in Australian dollars (\$) unless stated otherwise.

Non-IFRS Financial information

RDX's results are reported under International Financial Reporting Standards (IFRS). This presentation also includes certain non-IFRS measures including "underlying", "adjusted" and "pro-forma" and other measures that are used internally by management to assess the operational performance and management of the Group. Non-IFRS measures have not been subject to audit or review. All numbers listed as "statutory" comply with IFRS and have been audited.

Past performance

Past performance information given in this Presentation is given for illustrative purposes only and should not be relied upon as an indication of future performance.

Future performance

This presentation contains certain "forward-looking statements" including statements regarding our intent, belief or current expectations with respect to the Company's business and operations, market conditions, results of operations and financial condition, and risk management practices. The words "likely", "expect", "aim", "should", "could", "may", "anticipate", "predict", "believe", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This Presentation contains such statements that are subject to risk factors associated with an investment in RDX. RDX believes that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially.

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