

OM HOLDINGS LIMITED

(ARBN 081 028 337)



No. of Pages Lodged: 25

09 February 2021

ASX Market Announcements
ASX Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

OM HOLDINGS LIMITED ("OMH") PRESENTATION

Please find attached a copy of the OMH Investor Presentation Update to be delivered virtually to shareholders and market participants on 09 February 2021.

Yours faithfully

OM HOLDINGS LIMITED



Heng Siow Kwee/Julie Wolseley
Joint Company Secretary

Further enquiries please contact:

Ms Jenny Voon

T: +65 6346 5515

E: investor.relations@ommaterials.com

This ASX announcement was authorised for release by the Board of OM Holdings Limited.

OM HOLDINGS LIMITED

Australia • China • Japan • Malaysia • Singapore • South Africa

February 2021 • Investor Update Presentation • ASX:OMH

DISCLAIMER

This presentation has been prepared and issued by OM Holdings Limited ARBN 081 028 337 ("OMH"). This presentation contains summary information about OMH. The information in this presentation does not purport to be complete or to provide all information that an investor should consider when making an investment decision. It should be read in conjunction with OMH's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange which are available at www.asx.com.au.

This presentation contains "forward-looking" statements within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of OMH, and its directors, officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Readers are therefore cautioned not to place undue reliance on forward-looking statements and OMH, other than required by law, assumes no obligation to update such information.

OMH makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omissions from, any information, statement or opinion contained in this presentation.

This presentation is for information purposes only and is not a financial product or investment advice or a recommendation to acquire (or refrain from selling) OMH shares. 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 legal and taxation advice appropriate to their jurisdiction. OMH is not licensed to provide financial product advice, either generally or in respect of OMH shares.



A MANGANESE ORE & FERROALLOY COMPANY

Vertically integrated manganese ore and ferroalloy company, involved in **mining, smelting, and trading**

Powered by **sustainable hydro-power**, pursuing growth and natural diversification into new commodities like silicon metal

23 years on the ASX, OMH offers **unique exposure** to the niche manganese and silicon ferroalloy space (estimated US\$27.5bn market in 2019), essential to steel and the modern world

Lowest cost quartile smelter complex in Sarawak, the largest of its kind in Asia (ex-China)

Operations in Australia, China, Japan, Malaysia, Singapore, and South Africa



COMPANY SNAPSHOT

Balancing debt reduction with sustainable dividends, refinancing a priority

Share Metrics

(as at 1st Feb 2021)

Issued Shares	738.6 million shares
Share Price	A\$ 0.84
52 weeks Low / High	A\$ 0.25 / A\$ 0.87
Market Capitalization	A\$ 620.4 million

Debt

(1H 2020)

Total Borrowings	A\$ 453.7 million
------------------	-------------------

Cash

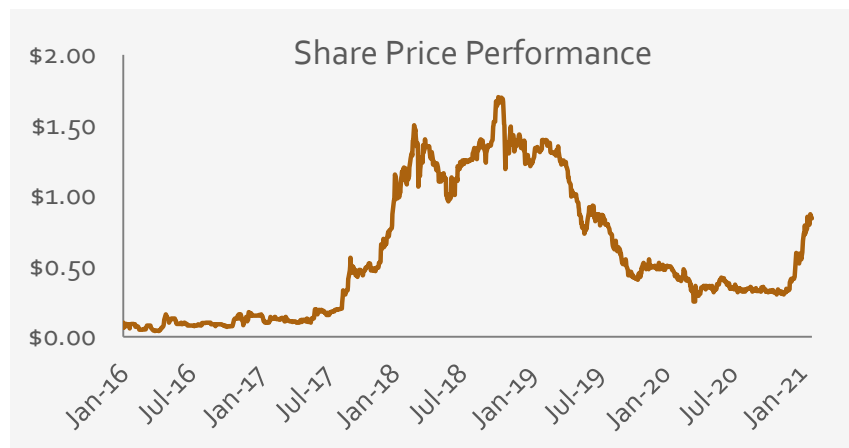
(1H 2020)

Cash & Cash Equivalent	A\$ 43.3 million
------------------------	------------------

Enterprise Value	A\$ 1.03 billion
------------------	------------------

Earnings & Key Ratios

Adj. EBITDA* (trailing 12 months)	A\$ 98.6 million
EPS (trailing 12 months)	A\$0.0304
EV : Adj. EBITDA	10.45x
Price Earning Ratio	27.63x



Largest Shareholders (as at 1st Feb 2021)

Huang Gang	14.03%
Marc Chan, Amplewood Resources Ltd	13.57%
Low Ngee Tong	9.22%
Heng Siow Kwee	8.93%



*Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment writeback/expense, net finance costs, income tax, and other non-cash items. Adjusted EBITDA is not a uniformly defined measure and other companies in the mining industry may calculate this measure differently. Consequently, the Group's presentation of Adjusted EBITDA may not be readily comparable to other companies' disclosures.

OUR OPERATIONS

5

Exploration & Mining

Bootu Creek - Australia

(100%)

Manganese ore: 0.8 Mtpa

Tshipi Borwa - South Africa

(13%*)

Manganese ore: 3.0-3.6 Mtpa

** Effective interest held via J/V with
Ntsimbintle (a BEE group)*

Smelting & Sintering

Qinzhou - China (100%)

Mn alloy: 80-95ktpa

Sinter ore: 300ktpa

Sarawak - Malaysia (75%*)

Mn alloy: 250-300ktpa

Ferrosilicon: 200-210ktpa

Sinter ore: 250ktpa

(estimated production capacity)

** J/V with conglomerate Cahya Mata
Sarawak, listed on Bursa Malaysia*

Marketing & Trading

Singapore/China (100%)

Global sales and procurement

Manganese ore, Ferrosilicon,
Silicomanganese, Ferromanganese,
Quartz, Reductants (coke, coal), Fe
units

OUR PRODUCTS

Critical alloying element to steel - a product essential to basic industries and modern infrastructure



Manganese Ore

Manganese is the 4th most consumed metal behind iron, aluminium and copper.

Steel accounts for over 90% of manganese ore consumption, with batteries a small but growing market.

Products: **Manganese Ore**



Manganese Alloys

Main alloying element – **Manganese**

- Deoxidises and desulphurises steel
- Acts as a hardening agent
- No known substitute and cannot be recycled

Products: **Ferro-manganese,**
Silico-manganese



Silicon Alloys

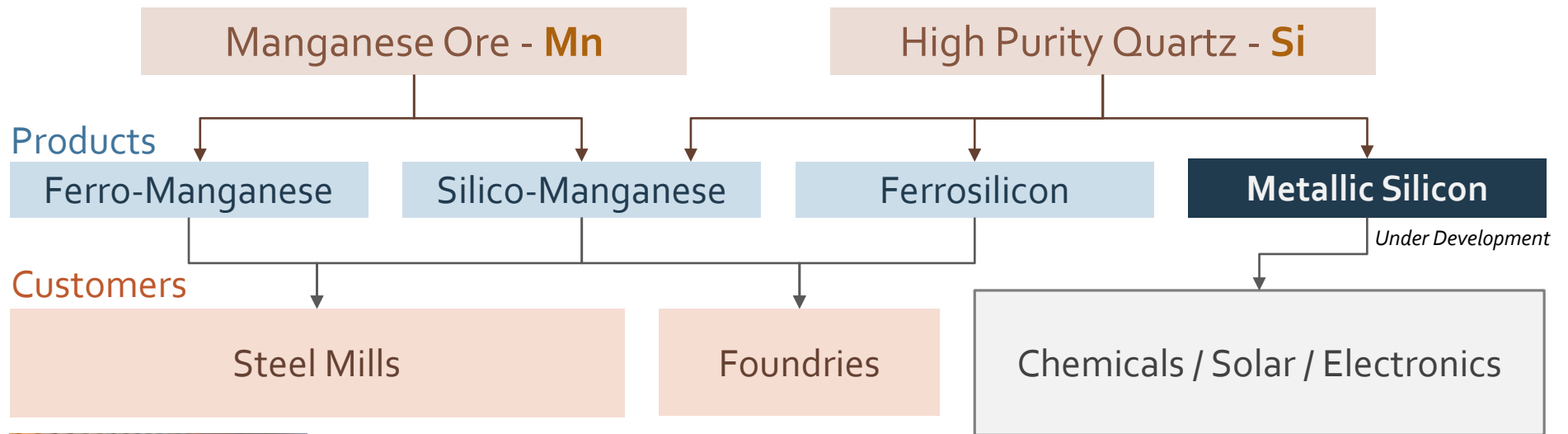
Main alloying element – **Silicon**

- Deoxidises steel
- Used in specialty electrical steels for transformers
- No known substitute and cannot be recycled

Products: **Ferrosilicon**



SMELTING: RAW MATERIALS TO CRITICAL ADDITIVES



Some of our Customers:

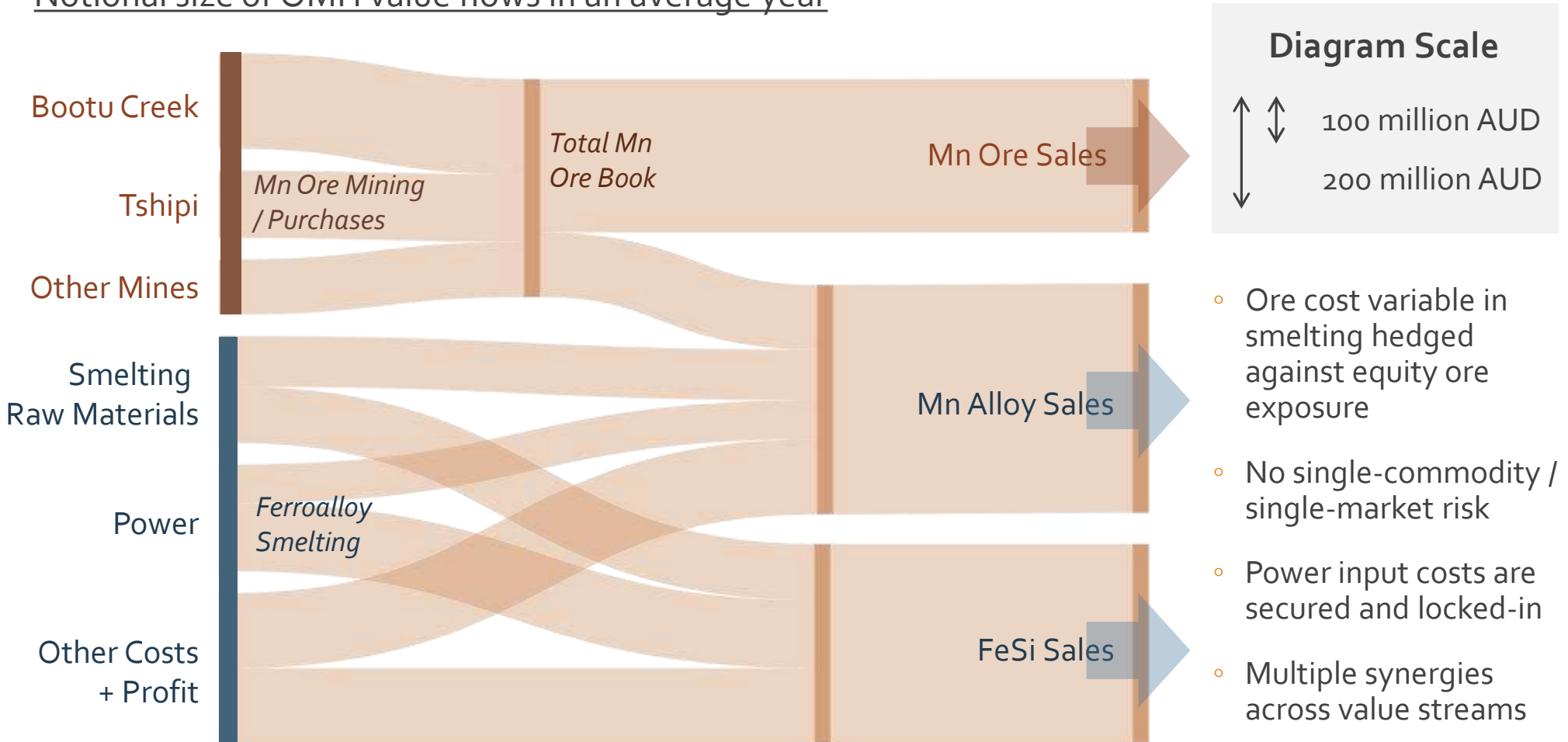
China Steel Corporation (Taiwan)	JFE Steel Corporation (Japan)
Erdemir (Turkey)	JSW (India)
Formosa Ha Tinh Steel (Vietnam)	Nippon Steel Corporation (Japan)
Hyundai Steel (South Korea)	POSCO (South Korea)



THE PROVERBIAL VALUE CHAIN

OMH is a low cost integrated miner + smelter, not a pure play Mn mining company

Notional size of OMH value flows in an average year



For illustrative purposes only, scale of flows are representative of the size of operations but not based on any actual year



OUR MATERIALS

MINING - SMELTING - TRADING



BOOTU CREEK, NORTHERN TERRITORY, AUSTRALIA

An owner operated mine, wholly owned by the Group since 2007

OM Manganese Ltd (“OMM”) - 100% Owned

Mine: Bootu Creek

Location: Northern Territory, Australia

Product: Siliceous Manganese Ore

Capacity: Ore production 0.8 million mt per annum,
Ultra fines 0.25 million mt per annum

(design production capacity)

Plants: Crushing + Screening Plant
HMS Plant

Tailings Retreatment Classifier (2021)



Brief History

- Exploration commenced in 2001
- Commenced mining at end of 2005, with first lot processed and shipped in 2006.
- Tailings retreatment to commence 2021

GREENFIELD IN-HOUSE DEVELOPED SMELTING PLANTS

OM Qinzhou – 100% Owned

Location: Guangxi, China

Product: Manganese alloys (SiMn, HCFeMn), Sinter ore

Furnaces: 1 x 16.5 and 1 x 25.5 MVA furnaces

Capacity: 80-95ktpa of manganese alloys, 300ktpa of Sinter ore

OM Sarawak – 75% Owned

Location: Sarawak, Malaysia

Product: FeSi, Manganese alloys (SiMn, HCFeMn), Sinter ore

Furnaces: 16 x 25.5 MVA furnaces

Capacity: 200-210ktpa of FeSi, 250-300ktpa of manganese alloys, 250ktpa of Sinter ore

75% owned, J/V with Cahya Mata Sarawak Berhad, a leading industrial conglomerate listed on Bursa Malaysia



SAMALAJU INDUSTRIAL PARK: ASIA'S NEW SMELTING HUB



Sarawak, Malaysia

- Culturally diverse state, unique demographics
- Low population density
- Stable operating environment

Sarawak Corridor of Renewable Energy (SCORE)

- Samalaju Industrial Park - supported by 3.3GW* of hydropower

Samalaju Port

- Purpose built port for Samalaju Industrial Park
- 7km from OM Sarawak
- Vessels up to 58,000 DWT Supramax

*Installed capacity of Bakun and Murum dams.

Source: <https://www.sarawakenergy.com/>

SARAWAK'S HYDRO-ELECTRIC PLANTS

*Bakun Dam, image courtesy of
Sarawak Energy Bhd.*

~2.2 million tonnes of CO₂ per annum

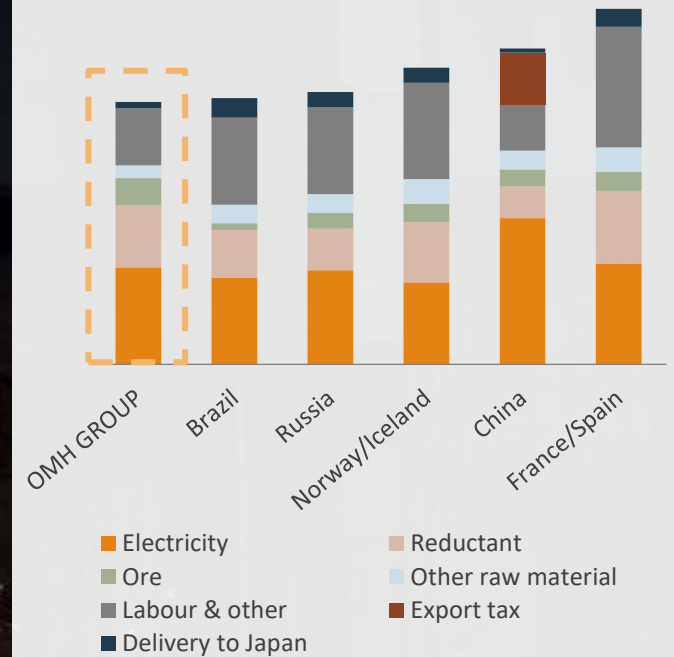
*Emissions avoided by smelting with hydropower**

*Notional power capacity x Median lifecycle emission differential between coal and hydropower. CO₂ emissions falls under Scope 2 Indirect Emissions.
Source: Climate Change 2014: Mitigation of Climate Change. Contribution of Working Group III to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change

SMELTING – AT THE HEART OF WHAT WE DO



FeSi Production Cost Comparison

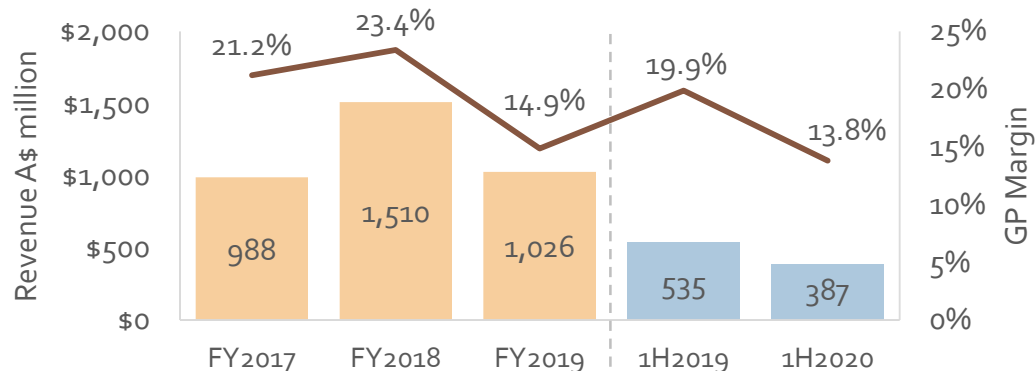


- Sustainable producer, first-quartile of cost curve
- 350MW of competitively priced, reliable power, locked in for 20 years
- Hands on management
- Close proximity to the Asian market

Lowest Quartile Producer • Structural Cost Advantage • Sustainable Hydro-power

RECORDED A\$53.1M EBITDA IN 1H 2020

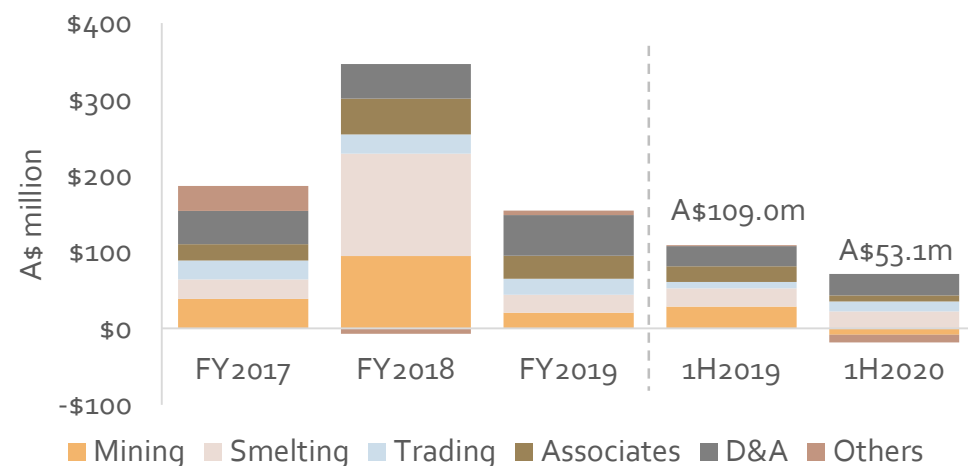
Revenue and GP Margin



1H 2020 Revenue and EBITDA declined due to:

- Slower global economic activity due to COVID-19 pandemic and subsequent lockdowns
- Significantly lower demand for crude steel led to reduced global steel production, weakening demand for ore and alloys and depressing prices
- Revenue and margins impacted by weakened prices, coupled with a 10% decrease in total product tonnage sold

Group Adjusted EBITDA ⁽¹⁾



Worsened situation in 2H 2020:

- Positive EBITDA in 1H 2020 due to low cost position, in spite of lower contribution from mining due to a tough mining restart amidst wet season
- Expecting turbulent 2H 2020 as impact of COVID-19 became fully felt on basic industries, depressing demand
- Cost increases expected for the full year with incidental COVID-19 related costs incurred

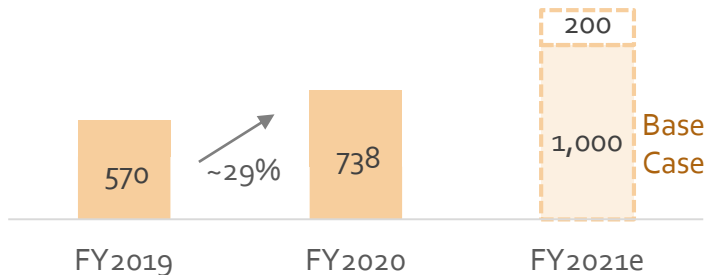
➔ Nascent recovery at the end of 2020



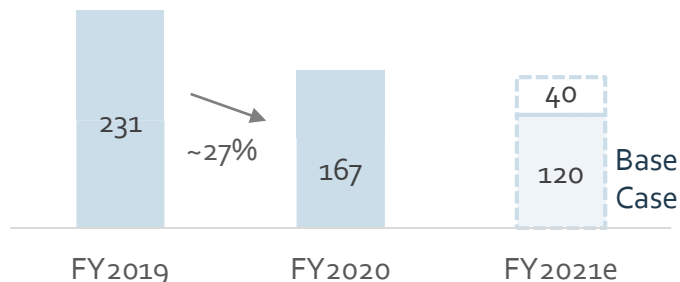
⁽¹⁾ Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment write-back/expense, net finance costs, income tax, and other non-cash items. Adjusted EBITDA is not a uniformly defined measure and other companies in the mining industry may calculate this measure differently. Consequently, the Group's presentation of Adjusted EBITDA may not be readily comparable to other companies' disclosures.

OPERATIONAL PERFORMANCE AND FY21 GUIDANCE

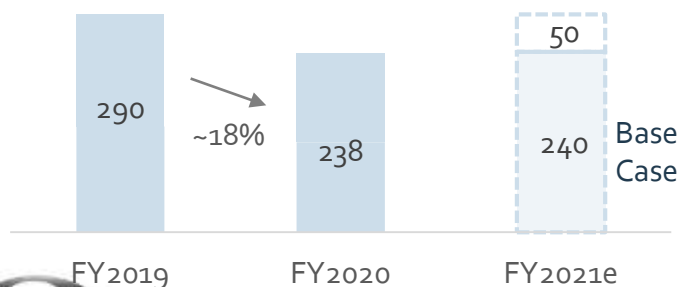
Mn Ore Production Volume (kmt)



FeSi Production Volume (kmt)



Mn Alloy Production Volume ⁽¹⁾ (kmt)



(1) Inclusive of OM Sarawak and OMQ's production volume

Mining Segment (Mn Ore)

- FY2020 production volume normalized after mining halt in FY2019
- Lump product grade strategy focused to target 26% Mn in line with increasing plant yields
- FY2021: Last mile strategy to accelerate mining and production to optimize remaining lifetime mining cost

Smelting Segments (FeSi and Mn Alloy)

- As at December 2020, 12 out of 16 furnaces in operation at the Sarawak smelter plant, extended FeSi furnace maintenance
- Higher unit fixed costs** were incurred for FeSi as a result of lower production in 2nd half of 2020
- COVID-19 demand and price impact largely occurred in Q3**
- FY2021: Sarawak FeSi production increase dependent on re-entry of skilled workforce. Sarawak Mn alloy furnaces due for major maintenance.



FERROSILICON MARKET REVIEW

Weak prices expected to impact 2H 2020 earnings, price recovery underway with economic recovery

1

Feb 2020

FeSi price surged to ~\$1200 due to supply chain disruptions and lockdowns in China

2

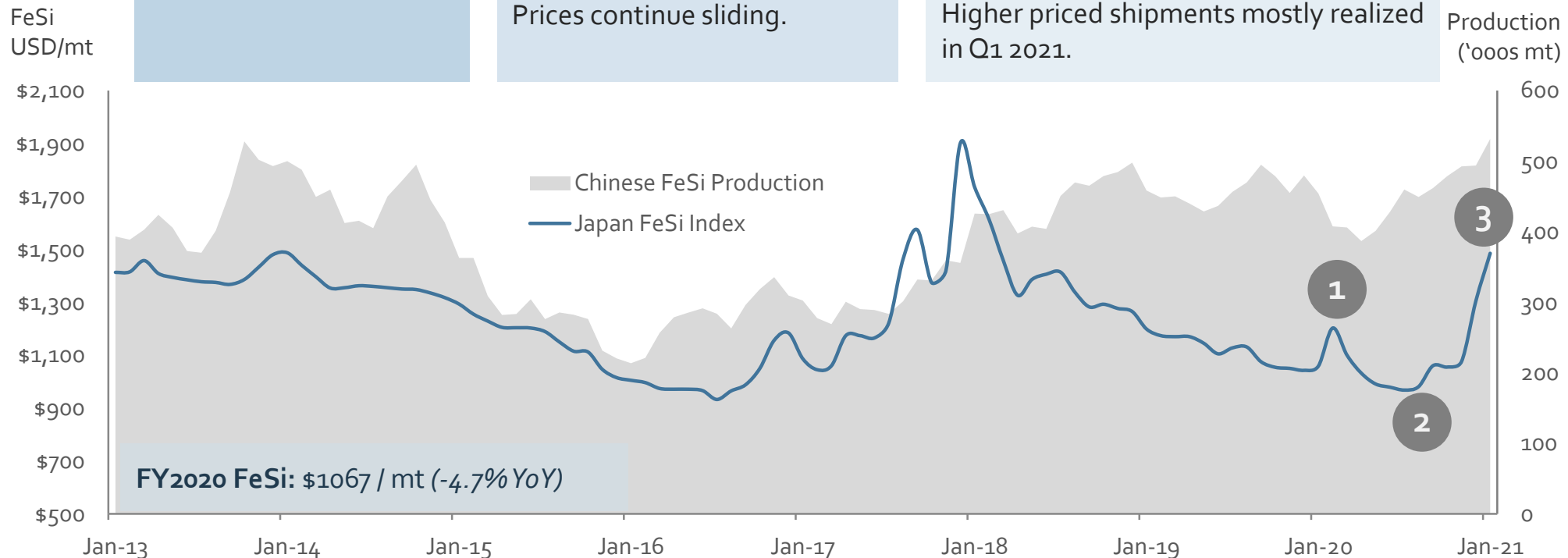
Q2 - Q3 2020

Bearish sentiment intensifies, two major demand centres, India and Japan, cut steel production by 20-30% YoY. Prices continue sliding.

3

Q4 2020

Steel production recovered faster than expected, FeSi supply tightened. Freight costs surge as containers become limited. Higher priced shipments mostly realized in Q1 2021.



Source: Platts, CNFEOL

MANGANESE ORE AND ALLOY MARKET REVIEW

Manganese smelting generated relatively stable earnings in FY2020

1

Q2 2020

South Africa and India lockdowns cause concerns over Mn ore and SiMn supply respectively

2

Q3 – Q4 2020

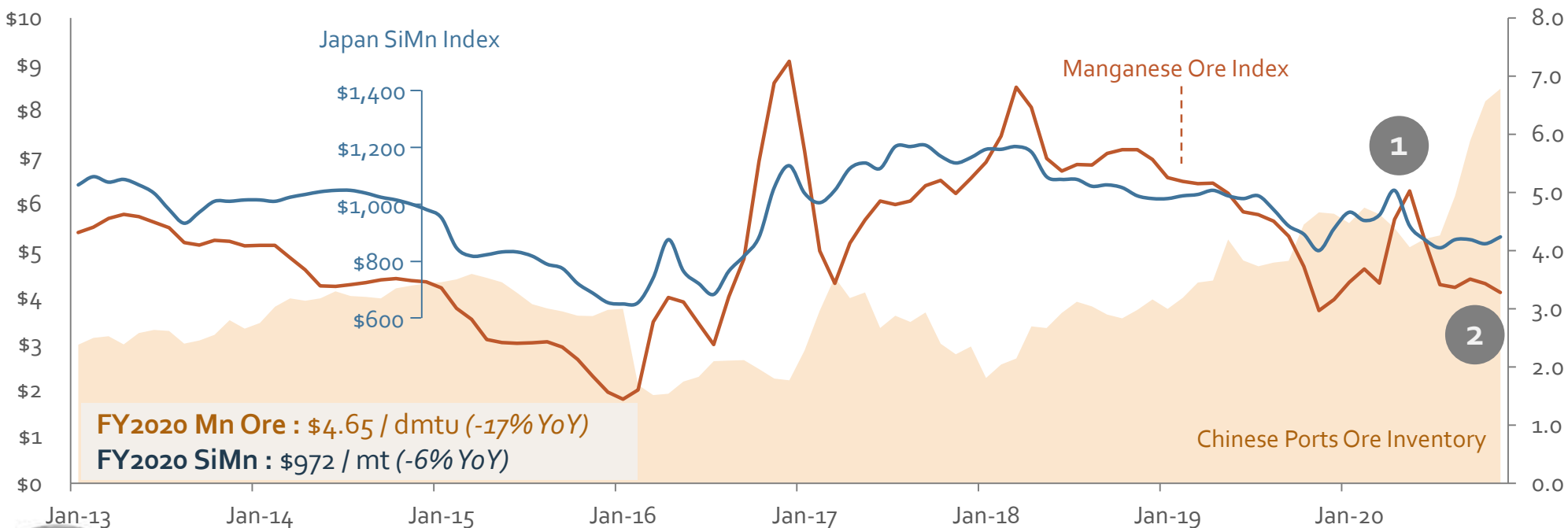
Chinese demand remains robust, however ore supply concerns eased as delayed material arrives.

Overall 2020

SiMn prices relatively stable but global demand depressed

Mn Ore Index
USD/dmtu

Ore Inventory
(millions mt)



Source: Fastmarkets MB, the IMnI, and CNFEOL

*High Carbon Ferromanganese (HCFMn) not included due to relatively low liquidity and absence of representative non-Chinese Asian benchmark

FINANCIAL HIGHLIGHTS

A\$'million	2015	2016	2017	2018	2019	1H 2020
Revenue	338.5	414.2	988.2	1,510.4	1,026.5	386.5
Gross Profit	6.1	60.1	209.6	353.3	152.5	53.3
GP Margin (%)	1.8	14.5	21.2	23.4	14.9	13.8
Adjusted EBITDA*	(37.6)	35.0	186.1	339.7	141.2	53.1
Profit Before Tax	(131.6)	(8.1)	72.6	236.9	58.9	14.8
Profit Att. To Owners	(122.1)	7.9	92.7	161.7	56.6	13.5
Shareholders' Funds	87.2	139.7	228.0	388.6	424.9	439.9
Borrowings	570.1	617.6	510.7	512.9	473.9	453.7
Borrowings to Equity Ratio (times)	4.76	3.05	1.77	1.14	0.93	0.86
EPS (AUD cents)	(16.69)	1.08	12.67	22.05	7.72	1.84
Dividend (AUD cents)	-	-	-	5.00	2.00	-

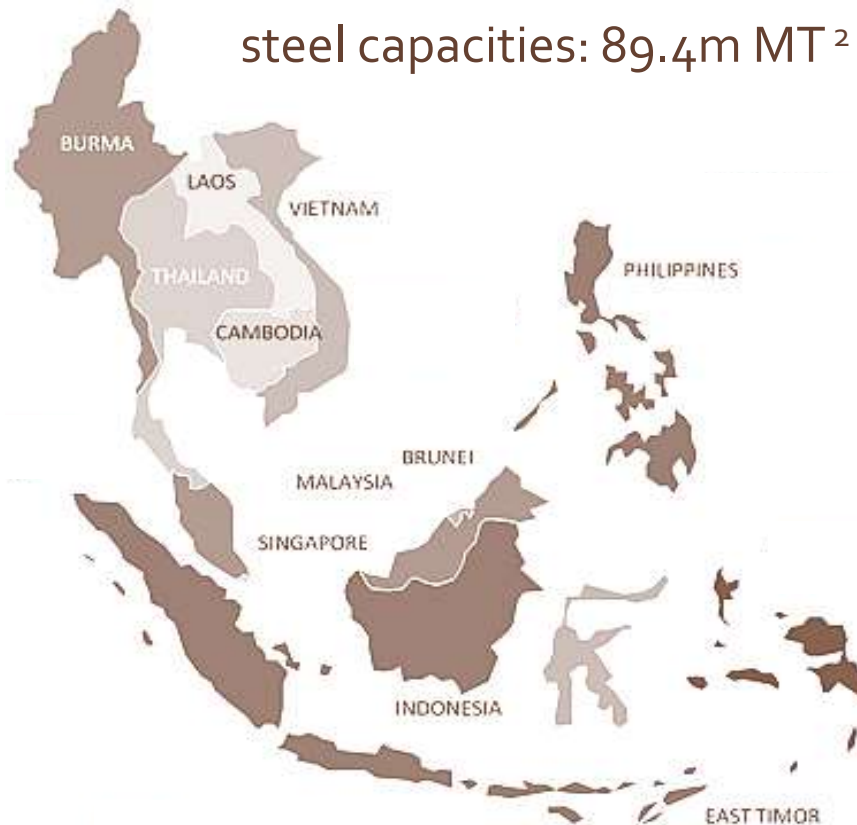


Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment writeback/expense, net finance costs, income tax, and other non-cash items. Adjusted EBITDA is not a uniformly defined measure and other companies in the mining industry may calculate this measure differently. Consequently, the Group's presentation of Adjusted EBITDA may not be readily comparable to other companies' disclosures.

GROWTH OF STEEL IN SOUTHEAST ASIA (SEA)

Regional steel demand remains positive in the long run

South East Asia
steel capacities: 89.4m MT²



Addition of steel capacity in SEA

- Surge of foreign investments in SEA steel mills since 2015 (~25 million MT)¹
- Additional capacity of 61.5 million MT² expected from all identified integrated steel mills in SEA

Rapid urbanization in SEA

- Higher standards of living
- 2.5 billion increase in urban population by 2050³
- 100 million people expected to migrate into cities in the next decade⁴

Growth of steel

- Expected long term growth prospects spurred by urbanization growth in the SEA region
- YoY apparent steel consumption up by 1.2% in 2019⁵
- Increased demand for steel via infrastructure, transport and domestic appliances



NORMALIZE OPERATIONS IMPACTED BY COVID TO PRE-PANDEMIC LEVELS

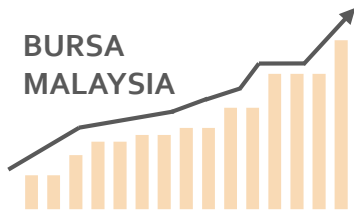


Envisage full operation of smelting segment by end 2021 through:

- Conversion of 2 FeSi furnaces to produce SiMn in progress, commissioning originally planned for Q2 2021
- Commenced hot commissioning and performance testing of sinter plant, full production anticipated within 2021
- Restart 2 FeSi furnaces when feasible, depending on the availability of foreign skilled manpower
 - 2 batches of foreign employees re-entered Malaysia since November 2020
 - Key challenges include: approval from authorities, stringent quarantine requirements, quotas for foreign workers, passport approvals in China, resurgence of COVID cases around the globe

FUTURE ORGANIC GROWTH

Key fundamentals remain unchanged, well positioned for industry recovery



Dual Listing on Bursa Malaysia

- Pursuing secondary listing on Bursa Malaysia, with a signed mandate
- Unlock value with greater access to wide range of Asia focused investors bringing liquidity



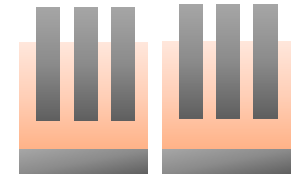
Raw Material Development

- Explore prospective manganese opportunities in central Western Australia
- Expand OMH's manganese exposure to extract value across the entire manganese value chain
- Entered into binding offtake agreement with Element 25



Higher Value Add (~Capex A\$30 mil)

- Planned for 2021/2022
- Delayed to conserve capital spending
- Conversion to metallic silicon to produce higher value added products
- Diversify into aluminium, chemicals, and solar downstream industries
- Furnaces still able to produce ferrosilicon for added flexibility



Expanding Capacity (~Capex A\$100-150 mil)

- Planned for 2023
- Expected to yield additional 150ktpa of SiMn
- Manganese capacity expansion with 2 to 4 33MVA-furnaces for improved efficiency
- Mn smelting expected to generate highest average returns over the full price cycle, and improve hedging ratio with ore



A MANGANESE ORE & FERROALLOY COMPANY

Vertically Integrated manganese ore and ferroalloy company, involved in **mining, smelting, and trading**

Unique exposure to the niche Manganese alloy and Ferrosilicon space (estimated US\$27.5bn market in 2019), essential to steel and the modern world

Regional leader and **lowest cost quartile** smelter complex, the largest of its kind in Asia (ex-China)

Unlike other operators, OMH has **fished from the same pond** for over 27 years

Direct exposure to South East Asia, a region poised for growth in steel production and consumption

Managing debt and targeting a **sustainable dividend**





OM HOLDINGS LIMITED

AUSTRALIA • CHINA • JAPAN • MALAYSIA • SINGAPORE • SOUTH AFRICA