

OM HOLDINGS LIMITED
(ARBN 081 028 337)
(Malaysian Registration No. 202002000012 (995782-P))
Incorporated in Bermuda



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01 September 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 which will be delivered virtually to shareholders and market participants on 01 September 2021, 2pm (Singapore / Perth WST).

Yours faithfully

OM HOLDINGS LIMITED

Heng Siow Kwee/Julie Wolseley
Joint Company Secretary

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

OM HOLDINGS LIMITED

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

September 2021 • Half Year Results Presentation • ASX:OMH | Bursa:OMH (5298)

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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

Listed on both the ASX and Bursa Malaysia, OMH offers **unique exposure** to the niche manganese and silicon ferroalloy space 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



1H 2021 FINANCIAL HIGHLIGHTS

Revenue

A\$450.6m

1H 2020 A\$386.5m

Loan Repayment ⁽¹⁾

A\$17.0m

1H 2020 A\$27.3m

Cashflow from Operations

A\$23.6m

1H 2020 A\$52.7m

Adj. EBITDA

A\$63.4m

1H 2020 A\$53.1m

Profit att. to owners

A\$17.4m

1H 2020 A\$13.5m

Profit per share

2.36 cents

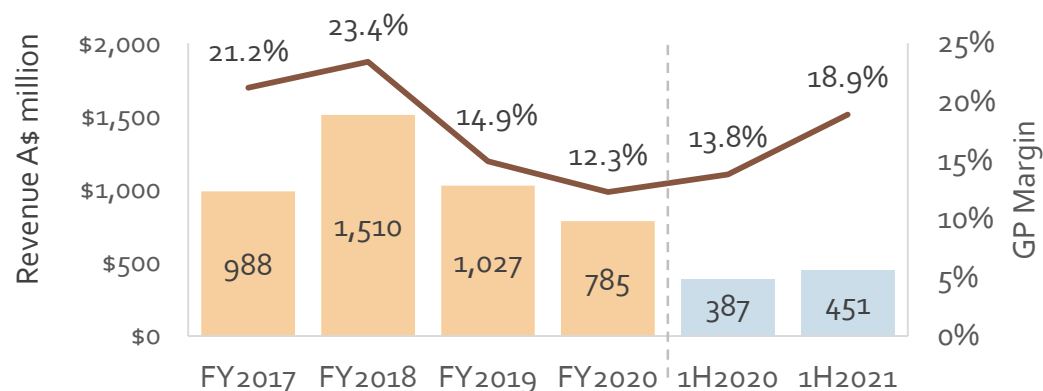
1H 2020 1.84 cents



(1) Loan Repayment includes the repayment of project financing and trade financing

RECORDED A\$63.4M EBITDA IN 1H 2021

Revenue and GP Margin



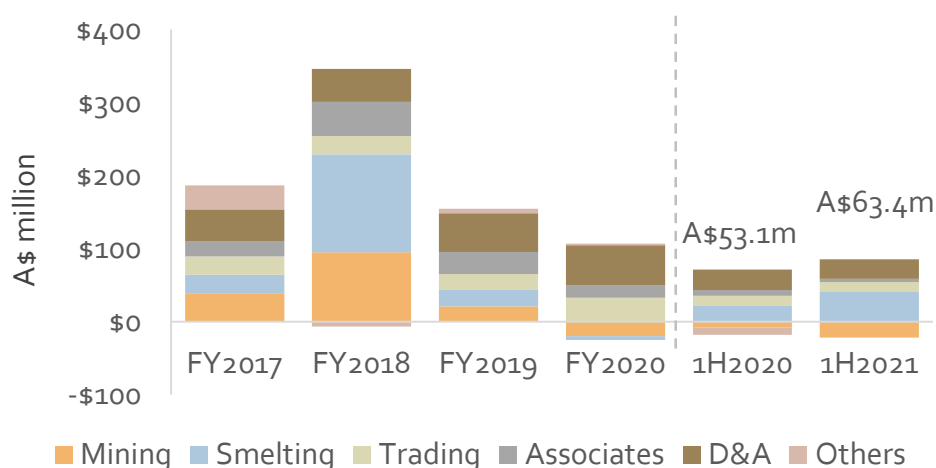
1H 2021 Revenue and EBITDA Growth

- Global recovery with increased demand, leading to significant price recovery for ferroalloys
- Solid operations in spite of ongoing COVID-19 restrictions and temporary stoppage

Segment Breakdown

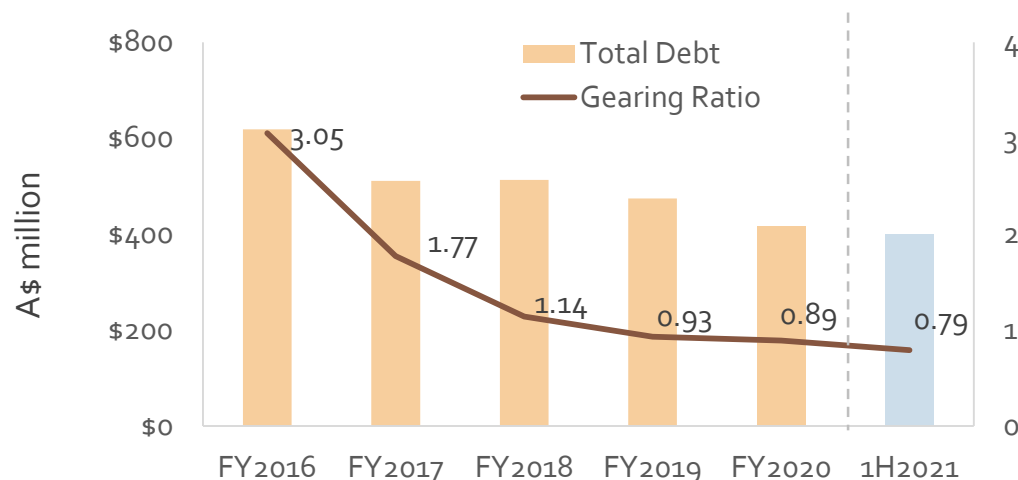
- Higher contribution from smelting segment with improved ferroalloy prices in spite of temporary suspension at the Sarawak Plant
- Consistent contribution from distribution and trading
- Negative contribution from mining segment due to marginally higher mining and production costs in the final year of mining, exacerbated by significantly higher freight costs

Group Adjusted EBITDA ⁽¹⁾



⁽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.

GEARING RATIO LOWERED, POSITIVE CASH POSITION MAINTAINED



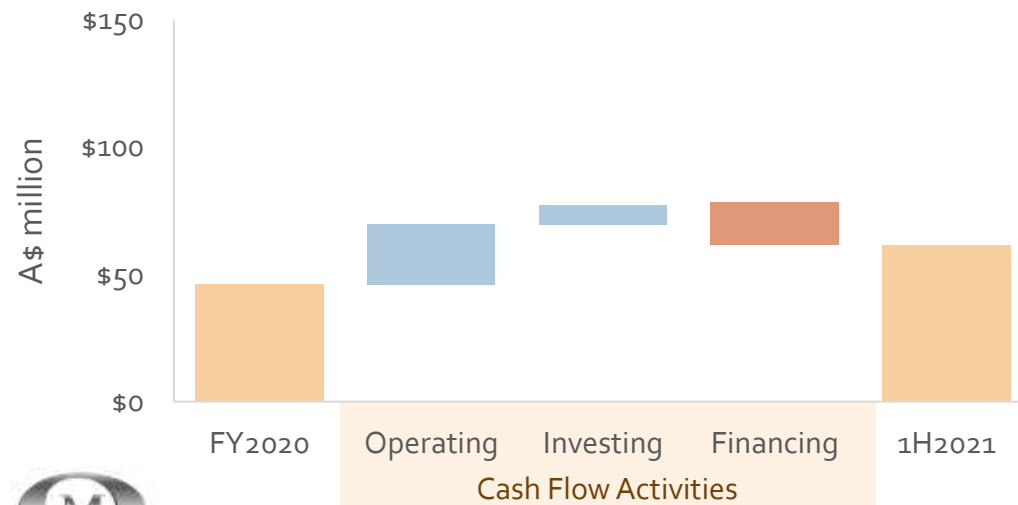
Continue to focus on paying down debt

- Repaid A\$17 million comprising Sarawak project finance loan and other debt in 1H 2021
- Gearing ratio decreased to 0.79 times
- Majority of borrowings associated to Sarawak Project Financing, ring-fenced at asset level

Prudent Cash Management

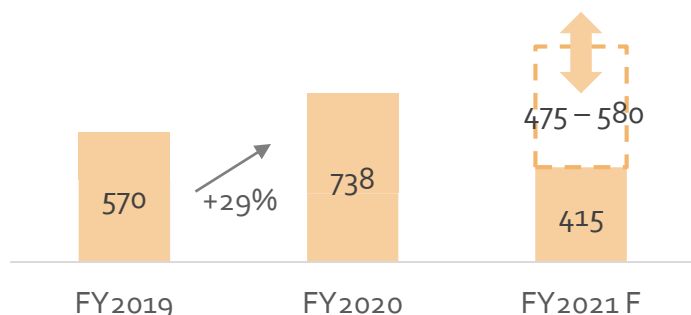
- Recorded positive operating cash flow of A\$23.6 million
- Capital investment plans re-examined: Capital intensive projects temporarily postponed to conserve cash
- Recorded cash and cash equivalent of A\$61.5 million as at end June 2021, an improvement from FY2020

Cash Flow Movements for 1H2021

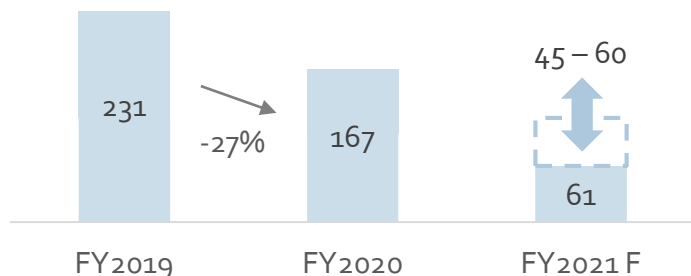


OPERATIONAL PERFORMANCE 1H 2021

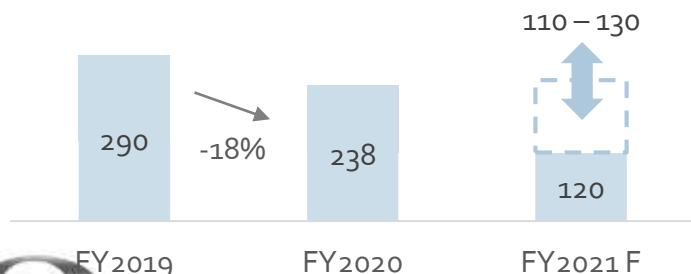
Mn Ore Production Volume (kmt)



FeSi Production Volume (kmt)



Mn Alloy Production Volume⁽¹⁾ (kmt)



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

Mining Segment (Mn Ore)

- FY2021: Last mile strategy to accelerate mining and production to optimize remaining lifetime mining cost
- Mining will cease in 2021 with final lump ore production in Q4 2021
- Ongoing engineering rectification works for Ultra Fines Plant
- Sales of 410,212 tonnes in 1H 2021 (269,909 tonnes in 1H 2020)

Smelting Segments (FeSi and Mn Alloy)

- By end July 2021, 12 out of 16 furnaces were in operation at the Sarawak smelter plant
- Sinter ore production at the Sarawak smelter plant approaching design capacity, pending final onsite performance testing
- **2H 2021 production plan may be readjusted.** Pressure on existing labour force expected to intensify in Q4 2021. Production plans may be further modified in absence of changes in permitting process of foreign workers.

FERROSILICON MARKET REVIEW

Strong demand from steel makers supported prices in 1H 2021

1

2020

Regional key steel producing countries cut production by 20%-30% YoY from Q2-Q3 2020. FeSi prices under downward pressure.

Steel production recovered faster than expected. FeSi supply tightened. Freight costs surged as containers became limited.

2

28th April 2021

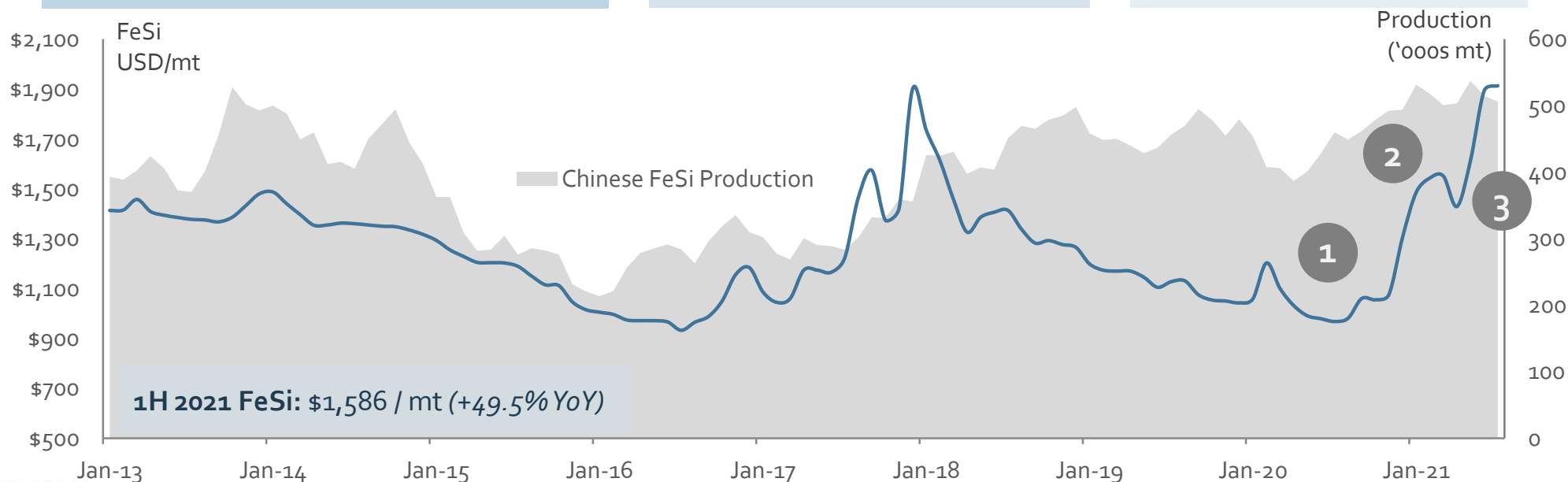
China increased the export tax for FeSi from 20% to 25% to discourage power intensive industrials.

Expected to provide renewed price support.

3

Q3 2021

Power cuts across China due to power rationing, combination of factors including high power demand, shortage of renewable power, and reduced coal availability among others, resulting in production uncertainty.



Source: Platts, CNFEOL

MANGANESE ORE AND ALLOY MARKET REVIEW

Strong demand from steel makers and constrained supply supported prices in 1H 2021

1

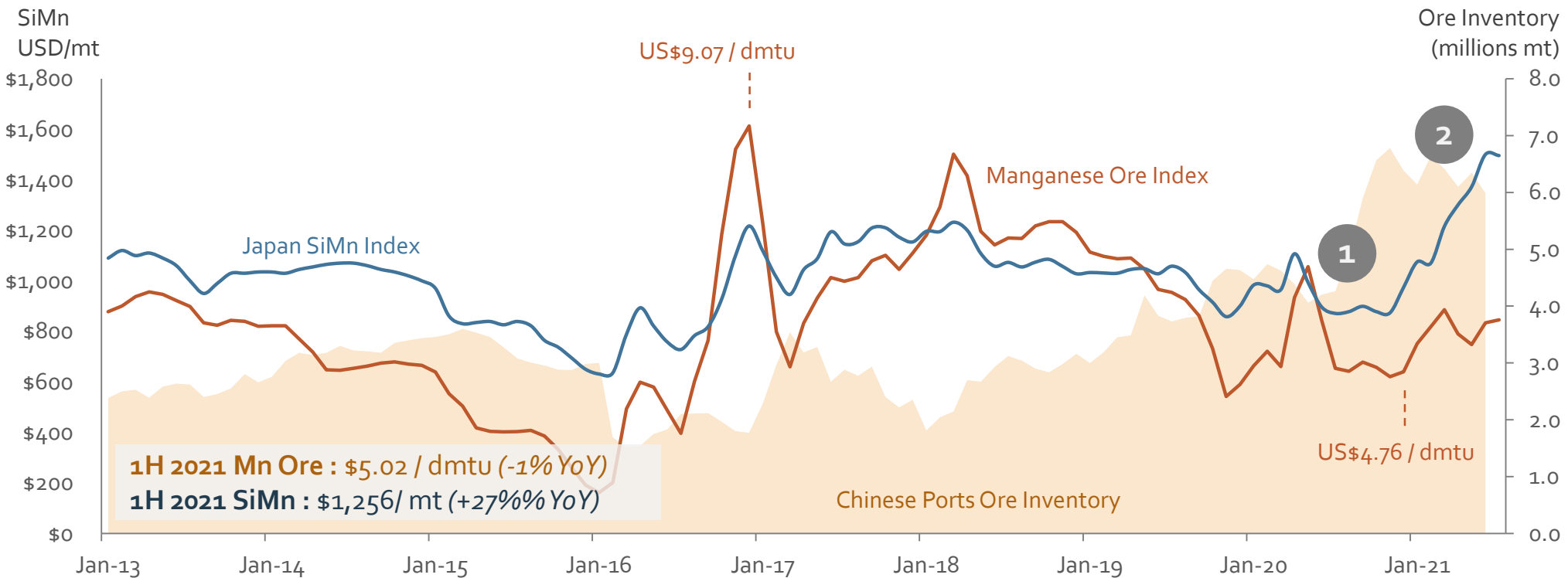
2020

SiMn prices relatively stable but global demand depressed. Price spread between ore and alloy supported sustainable smelting margins.

2

2021

SiMn prices rise significantly higher than cost correlation implied price, demonstrating supply constraints for manganese alloy smelting. Higher EMM prices encouraging substitution for Refined FeMn.



Source: Fastmarkets MB, Platts, the IMnI, and CNFEOL

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

COMPANY SNAPSHOT

Balancing debt reduction with sustainable dividends

Share Metrics (as at 30th Aug 2021)

Issued Shares	738.6 million shares
Share Price	A\$ 0.795 / RM2.67
52 weeks Low / High	A\$ 0.29 / A\$ 1.06
Market Capitalization	A\$ 587.2 million

Debt (1H 2021)

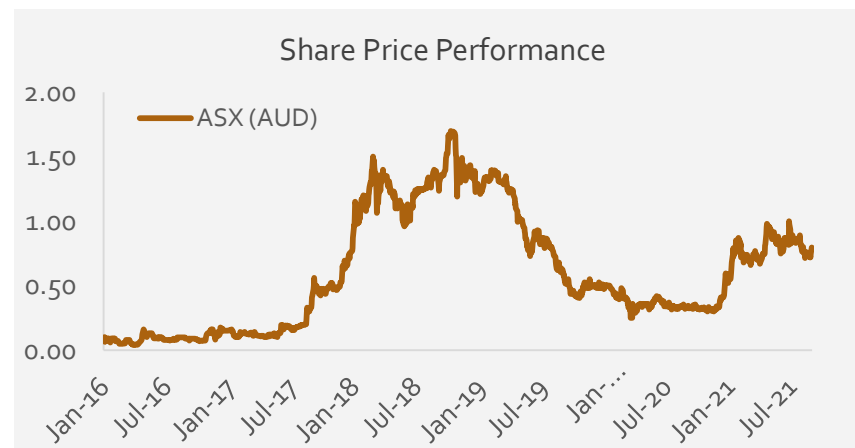
Total Borrowings	A\$ 398.6 million
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Cash (1H 2021)

Cash & Cash Equivalent	A\$ 61.5 million
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Earnings & Key Ratios

Enterprise Value	A\$ 924.3 million
Adj. EBITDA* (trailing 12 months)	A\$ 91.7 million
EPS (trailing 12 months)	1.26 cents
EV : Adj. EBITDA	10.08x
Price Earning Ratio	63.10x



Largest Shareholders (as at 1st April 2021)

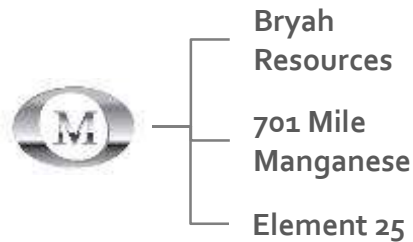
Huang Gang	14.03%
Marc Chan, Amplewood Resources Ltd	13.57%
Low Ngee Tong	9.22%
Heng Siow Kwee	8.93%



*Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment 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.

FUTURE PLANS AND GROWTH

Core fundamentals unchanged, growth plans for both upstream and downstream



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
- First shipment from Element 25 arrived in Qinzhou, China



Expanding Capacity (~Capex A\$120 mil)

- Planned for 2023, CAPEX funding from 2022
- Manganese capacity expansion of two 33MVA-furnaces for improved efficiency
- Expected to yield additional 150ktpa of SiMn
- Mn smelting expected to generate highest average returns over the full price cycle, and improve hedging ratio with ore



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

- 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



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FINANCIAL HIGHLIGHTS

A\$'million	2016	2017	2018	2019	FY2020	1H2021
Revenue	414.2	988.2	1,510.4	1,026.5	784.6	450.6
Gross Profit	60.1	209.6	353.3	152.5	96.3	85.3
GP Margin (%)	14.5	21.2	23.4	14.9	12.3	18.9
Adjusted EBITDA*	35.0	186.1	339.7	154.5	81.4	63.4
Profit/(Loss) Before Tax	(8.1)	72.6	236.9	58.9	(4.7)	20.1
Profit Att. To Owners	7.9	92.7	161.7	56.6	5.4	17.4
Shareholders' Funds	139.7	228.0	388.6	424.9	399.6	427.3
Borrowings	617.6	510.7	512.9	473.9	415.0	398.6
Borrowings to Equity Ratio (times)	3.05	1.77	1.14	0.93	0.89	0.79
EPS (AUD cents)	1.08	12.67	22.05	7.69	0.73	2.36
Dividend (AUD cents)	-	-	5.00	2.00	-	-



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