

OM HOLDINGS LIMITED

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

March 2022 • 2021 Full Year Results Investor Presentation • ASX:OMH | Bursa:OMH (5298)

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FY2021 FINANCIAL HIGHLIGHTS

Revenue

A\$1.04b

FY20 A\$784.6m

Loan Repayment*

A\$51.1m

FY20 A\$33.2m

Cashflow from Operations

A\$94.2m

FY20 A\$76.6m

Adj. EBITDA

A\$204.0m

FY20 \$78.0m

Profit att. To owners

A\$81.9m

FY20 A\$5.4m

Profit per share

11.11 cents

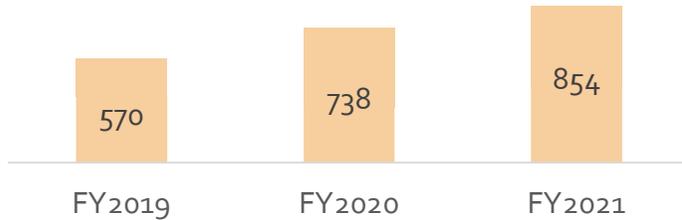
FY20 0.73 cents



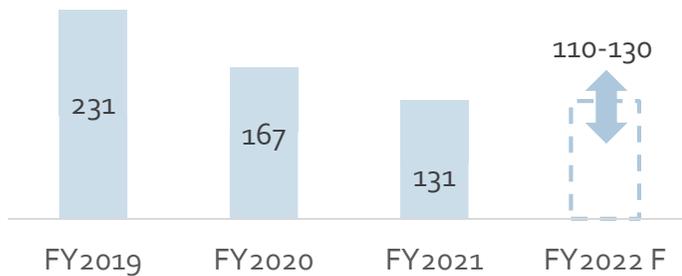
*Loan Repayment includes the repayment of project financing and trade financing

OPERATIONAL PERFORMANCE AND FY22 GUIDANCE

Mn Ore Production Volume (kmt)



FeSi Production Volume (kmt)



Mn Alloy Production Volume⁽¹⁾ (kmt)



(1) FY2019 - FY2021 OMQ + OM Sarawak production volume.
FY2022 Forecast purely OM Sarawak production volume.

Mining Segment (Mn Ore)

- Mining completed in December 2021. Processing of remaining feedstocks will cease by January 2022, with sales paced through 2022.
- Final test for Ultra Fines Plant in January 2022, during project re-assessment existing operations will be under care and maintenance.

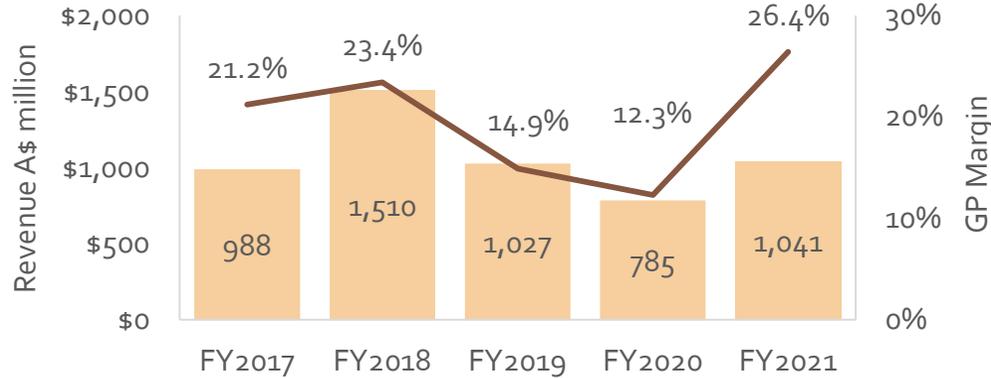
Smelting Segments (FeSi and Mn Alloy)

- Q4-21 remained at ~12 of 16 furnaces, higher than forecasted. Consequently FY21 production **exceeded previous guidance**.
- Manpower recovery is expected to remain slow, however impact now diminished as running into scheduled major maintenance periods (deferred from 2021) and conversion phase.
- Expect to continue running close to 12 furnaces for the coming months, before decreasing run rate.
- Full year 2022 production guidance subject to changes depending on maintenance and conversion schedules.

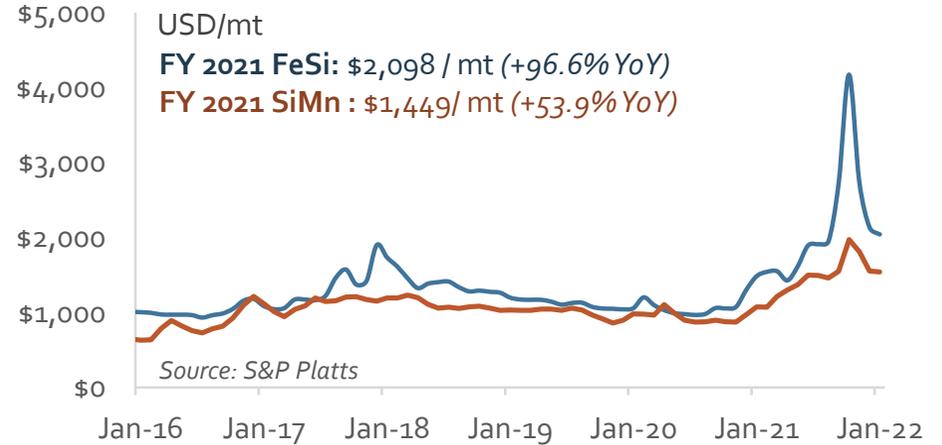


RECORDED A\$204M EBITDA IN FY 2021

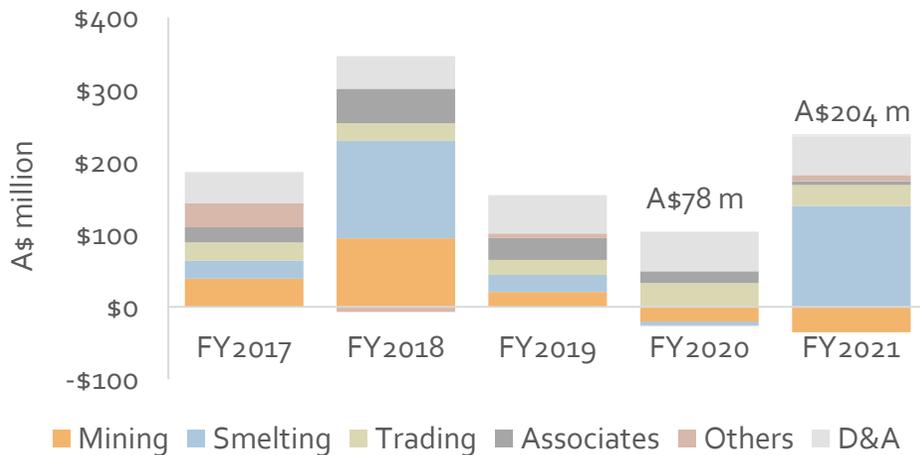
Revenue and GP Margin



Growth due to volume and prices...



Group Adjusted EBITDA ⁽¹⁾



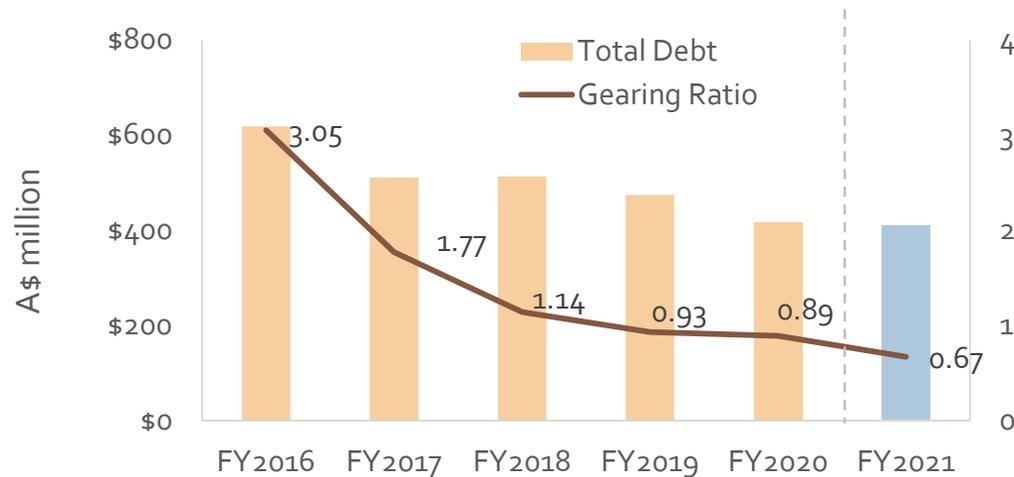
Segment Breakdown

- Highest ever EBIT margin and absolute contribution from smelting, with improved ferroalloy prices, despite running at lower utilization for the year
- Negative contribution from mining segment due to sustained higher freight, and costs associated with end of mining
- Similarly reduced contribution from associates due to elevated freight
- Consistent contribution from trading



**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.*

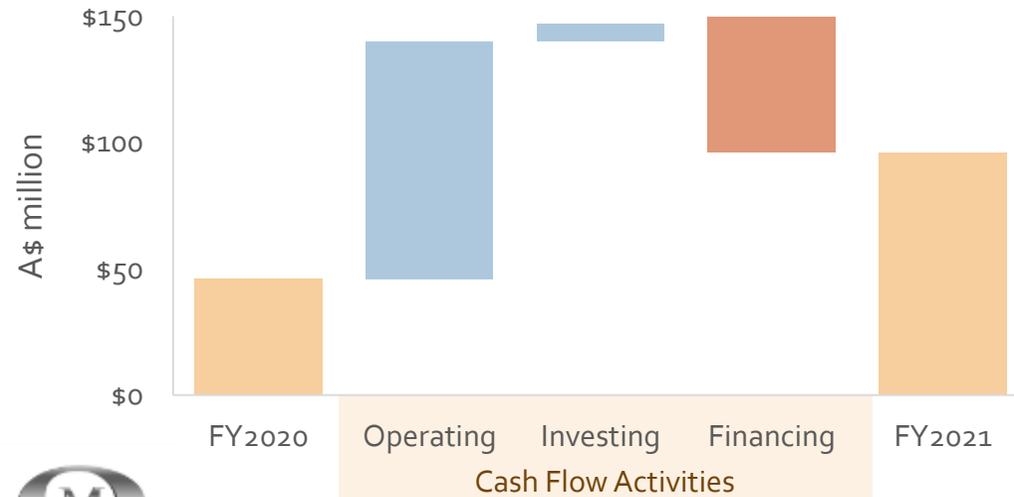
GEARING RATIO LOWERED, POSITIVE CASH POSITION MAINTAINED



Pay down debt, and sustainable dividend

- Repaid ~A\$25.8m to Sarawak project finance loan, redeemed ~A\$14m convertible notes, among other repayments in FY2021
- Gearing ratio of 0.67 times lowest yet since OM Sarawak
- Majority of borrowings associated with OM Sarawak (Project Financing and raw material financing)
- Dividend of A\$0.02 per share declared*

Cash Flow Movements for FY2021



Cash Generation

- Recorded positive operating cash flow of A\$94.2 million, lower than earnings due to increase in inventories
- Minimal CAPEX in FY2021
- Capital investment plans in FY2022 mainly related to furnace conversion, major maintenance, as well as sustaining capex
- Recorded cash and cash equivalent of A\$96.2 million in FY2021



*Exchange rate for dividends to Bursa Malaysia shareholders will be fixed on Record Date 8th Apr 2022

FINANCIAL HIGHLIGHTS

A\$'million	2016	2017	2018	2019	FY2020	FY2021
Revenue	414.2	988.2	1,510.4	1,026.5	784.6	1,040.8
Gross Profit	60.1	209.6	353.3	152.5	96.3	274.5
GP Margin (%)	14.5	21.2	23.4	14.9	12.3	26.4
Adjusted EBITDA*	35.0	186.1	339.7	154.5	78.0	204.0
Profit/(Loss) Before Tax	(8.1)	72.6	236.9	58.9	(4.7)	112.6
Profit Att. To Owners	7.9	92.7	161.7	56.6	5.4	81.9
Shareholders' Funds	139.7	228.0	388.6	424.9	399.6	505.3
Borrowings	617.6	510.7	512.9	473.9	415.0	409.0
Borrowings to Equity Ratio (times)	3.05	1.77	1.14	0.93	0.89	0.67
EPS (AUD cents)	1.08	12.67	22.05	7.69	0.73	11.11
Dividend (AUD cents)	-	-	5.00	2.00	-	2.00



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COMPANY SNAPSHOT

Balancing debt reduction with sustainable dividends

Share Metrics <i>(as at 22nd Feb 2022)</i>	Issued Shares	738.6 million shares
	Share Price	A\$ 0.90 / RM2.90
	52 weeks Low / High	A\$ 0.66 / A\$ 1.25
	Market Capitalization	A\$ 664.7 million

Debt <i>(FY 2021)</i>	Debt Att. To S/H ⁽¹⁾	A\$ 329.9 million
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Cash <i>(FY 2021)</i>	Cash & Cash Equivalent	A\$ 96.2 million
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Earnings & Key Ratios	Enterprise Value	A\$ 898.4 million
	Adj. EBITDA ⁽²⁾	A\$ 204.0 million
	EPS	11.11 cents
	EV : Adj. EBITDA	4.40X
	Price Earning Ratio	8.10x



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%



⁽¹⁾ Debt Att. To Shareholder: 75% of Project Financing facilities plus other trade facilities ⁽²⁾ 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.

DEVELOPMENT PLAN 2022 & BEYOND

Sustained 12 furnace output through end of 2021, major developments for 2022

	Pre-COVID	2021	2022 Conversion + Maintenance	Future
 Fesi <i>65-70 mt / day</i>	10 of 10 <i>23oktpa</i>	~6 of 10 <i>12oktpa</i>	4 to 6 furnaces <i>110-13oktpa</i>	6 of 6 <i>130-14oktpa</i>
 Mn Alloys <i>100-110 mt / day</i>	6 of 6 <i>24oktpa</i>	~6 of 6 <i>24oktpa</i>	4 to 6 furnaces <i>200-22oktpa</i>	8 of 8 <i>300-31oktpa</i>
 MetSi <i>30-35 mt / day</i>	-	-	-	2 of 2 <i>3oktpa</i>
 Mn Alloys New 33 MVA <i>200-220 mt / day</i>	-	-	-	2 of 2 <i>150-16oktpa</i>
Total Plant Output (Est.)	47oktpa	36oktpa	34oktpa – 36oktpa	610-64oktpa

- Workforce shortages, mid-year stoppage
- Sustained 12 furnaces into 2022

- Major maintenance for all furnaces
- Planned leave rotations and slower manpower recovery



KEY TAKEAWAYS

OM, now a simpler story

1

Lowest Cost Quartile Ferroalloy Smelter in the Region⁽¹⁾

Backed by low cost environmentally friendly hydro power from a 20-year PPA agreement with Sarawak Energy and a 10-year tax holiday

2

Prime Beneficiary of Rising Power Prices & Transition to Renewables

Rising global power prices and power liberalization policies in China creates a strong price floor for power intensive ferroalloys

Reliable *Long-term Average Margins*



Stable Production + Growth

3

Largest Producer in the Region, with Growth and Diversification Plans

Prioritize diversification to silicon metal targeting renewable energy, additional 150ktpa Mn alloys production capacity

4

Strong Execution & Operating Track Record

>25 years of operational expertise with owner developed assets, since ASX listing in 1998



Sources:

(1) OMH Prospectus (11 June 2021) & AlloyConsult

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