

# OM HOLDINGS LIMITED

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

October 2022 • Quarterly Investor Presentation Update • ASX:OMH | Bursa:OMH (5298)

## 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](http://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.



# Q3 KEY UPDATES AND FY22 PRODUCTION GUIDANCE

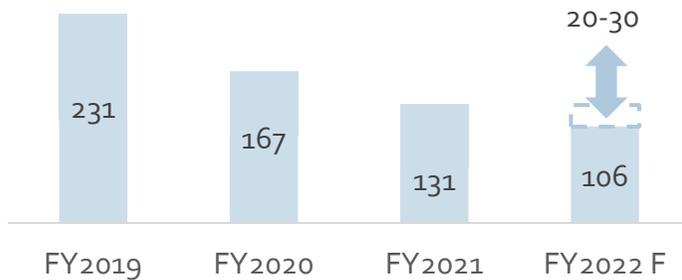
## OM Sarawak Acquisition:

14<sup>th</sup> June: Signed conditional Share Purchase Agreement  
 All conditions precedent satisfied as of 15<sup>th</sup> September  
 Transaction closing date being 60 days after last CP fulfilled

Repaid US\$6.5m  
 to Project  
 Finance

Scheduled major  
 maintenance on  
 track

FeSi Production Volume (kmt)



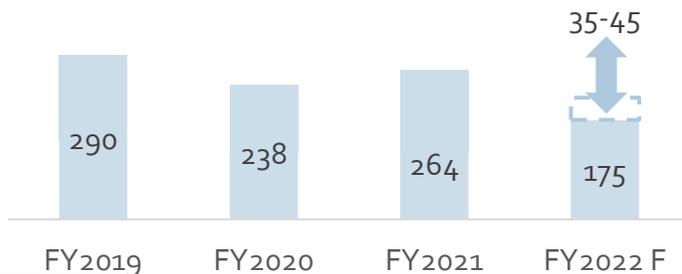
## Mining (Mn Ore)

- Ultra Fines Plant undergoing engineering rectification, delays expected due to long lead time for parts
- Rehabilitation works progressed as planned

## Smelting (FeSi and Mn Alloy)

- 2 furnaces passed performance testing after conversion to Manganese alloy furnaces in August 2022
- Silicon Metal conversion on-going targeting year end
- 2 furnaces completed scheduled major maintenance in Q3, and currently 4 Mn and 6 FeSi furnaces in production. On track to meet 340-360ktpa guidance

Mn Alloy Production Volume<sup>(1)</sup> (kmt)



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

# DEVELOPMENT PLAN 2022 & BEYOND

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

	Pre-COVID	2021	2022 Conversion + Maintenance	Future
 Fesi 65-70 mt / day	10 of 10 230ktpa	~6 of 10 120ktpa	4 to 6 furnaces 110-130ktpa	6 of 6 130-140ktpa
 Mn Alloys 100-110 mt / day	6 of 6 240ktpa	~6 of 6 240ktpa	4 to 6 furnaces 200-220ktpa	8 of 8 300-310ktpa
 MetSi 30-35 mt / day	-	-	-	2 of 2 30ktpa
 Mn Alloys New 33 MVA 200-220 mt / day	-	-	-	2 of 2 150-160ktpa
<b>Total Plant Output (Est.)</b>	470ktpa	360ktpa	340ktpa – 360ktpa	610-640ktpa

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

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



# FERROSILICON MARKET REVIEW

## Price correction leads to 21% quarter-on-quarter Chinese production cuts

### 2021

High power prices around the world, notably in China, leads to massive price spike. New power policies in place with fundamental re-pricing of ferrosilicon.

In Jan 22, newly stabilized prices remain above previous historical peak (2018).

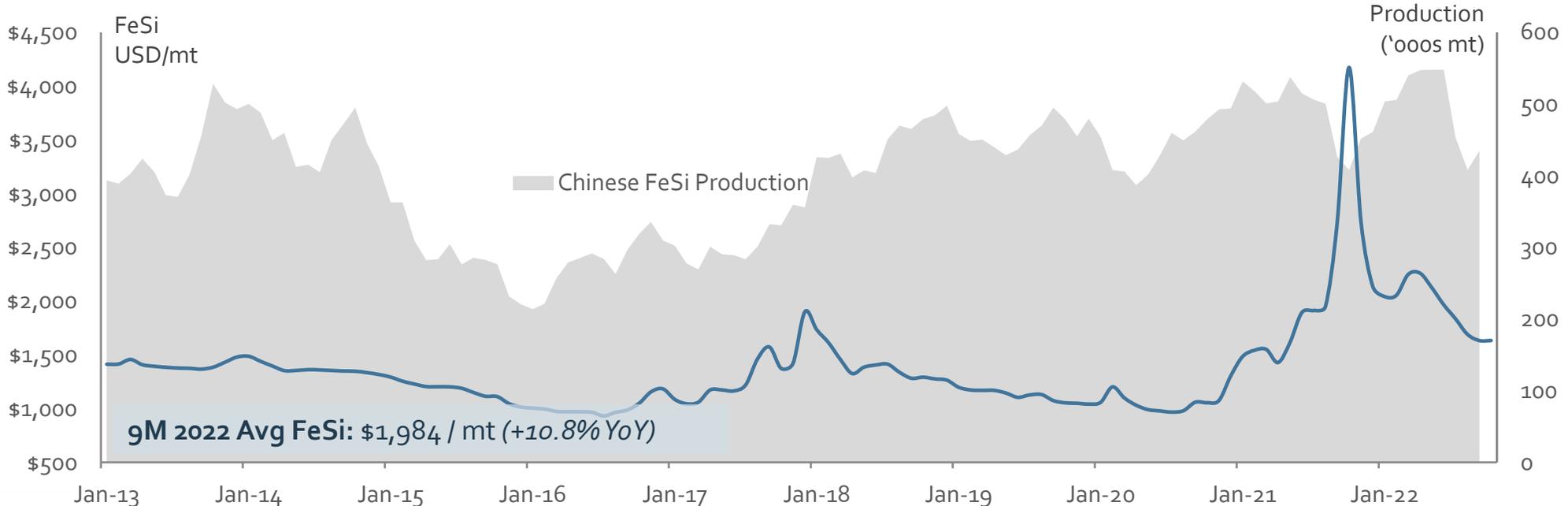
### 2022 H1

Russia was the world's second largest exporter of ferrosilicon in 2021. Given the conflict, this supported ferrosilicon prices.

Asian prices remain largely determined by Chinese export prices at higher production costs.

### 2022 Q3

Prices decreased and stabilized in Q3, driven by destocking as global steel production falls. As a result of low prices, Chinese production falls 21% QoQ.



# MANGANESE ORE AND ALLOY MARKET REVIEW

## Supply remains uncertain with prices supported at higher level

### 2021

SiMn prices rise significantly faster than Mn ore, traditional correlation breaks down with higher margins. Higher EMM prices encouraging substitution for Refined FeMn, restricting supply of bulk alloys.

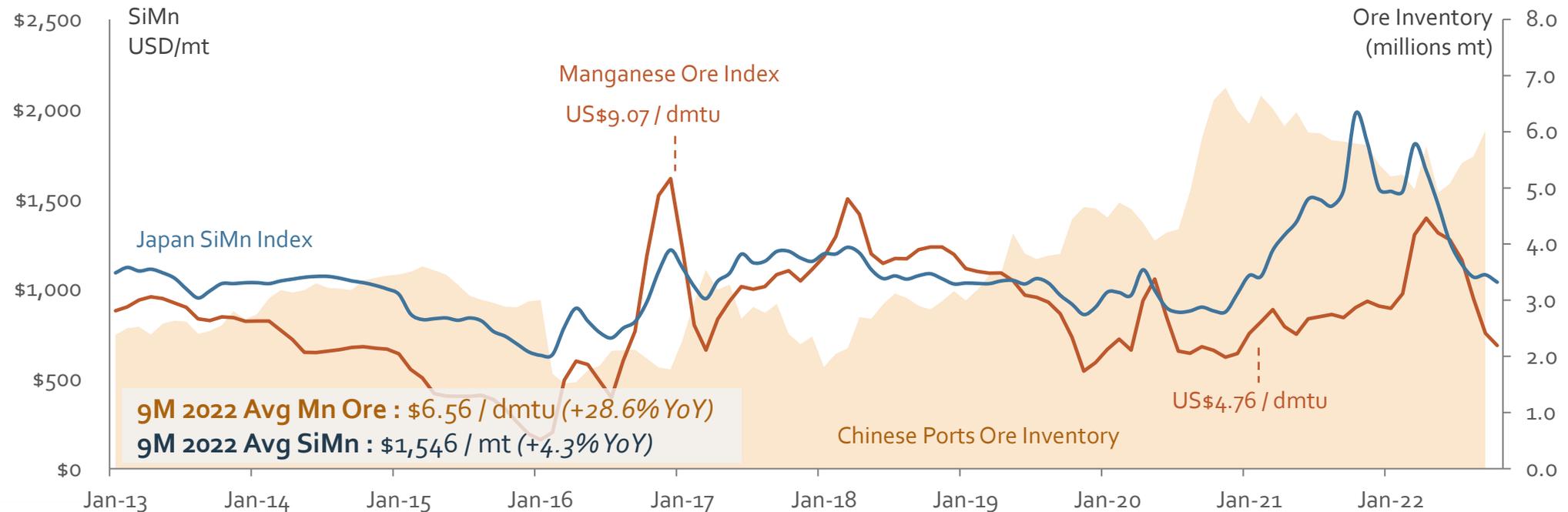
In Jan 22, newly stabilized prices remain above previous historical peak (2016).

### 2022 H1

Ukraine was world's second largest exporter, conflict led to temporary rise in prices. This was due to export disruptions and fall in production in Ukraine.

### 2022 Q3

Prices decreased in Q3, driven by destocking as global steel production falls. Manganese ore prices fell sharply after briefly exceeding \$8 per dmtu, re-establishing a healthy smelting spread.



Source: Fastmarkets MB, S&P Global Platts, the IMnI, and CNFEOL

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

# KEY TAKEAWAYS

OM, now a simpler story

1

## Lowest Cost Quartile Ferroalloy Smelter in the Region<sup>(1)</sup>

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

# OM HOLDINGS LIMITED

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

