

# OM HOLDINGS LIMITED

(ARBN 081 028 337)

(Malaysian Registration No. 202002000012 (995782-P))

Incorporated in Bermuda



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18 May 2023

ASX Market Announcements

ASX Limited

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SYDNEY NSW 2000

Dear Sir/Madam

## **OM HOLDINGS LIMITED ("OMH") PRESENTATION**

Please find attached a copy of the OMH Investor Presentation slides to be delivered at the Annual General Meeting on 18<sup>th</sup> May 2023.

Yours faithfully

**OM HOLDINGS LIMITED**

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**Joint Company Secretary**

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

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ASX Code: OMH | Bursa Code: OMH (5298)

# OM HOLDINGS LIMITED

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# A MANGANESE & SILICON COMPANY

**Manganese** and **silicon** smelting company, with vertical exposure in **mining** and **trading**

350MW sustainable **hydro-power** with **prices locked in for 10 years**

Dual listed on ASX and Bursa Malaysia, unique exposure

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



# FY2022 FINANCIAL HIGHLIGHTS

Presentation currency changed from **AUD** to **USD** with effect from 1 Jan 2022

Revenue

**US\$856.6m**

FY2021 **US\$779.9m**

Loan Repayment <sup>(1)</sup>

**US\$66.0m**

FY2021 **US\$38.3m**

Cashflow from Operations

**US\$197.0m**

FY2021 **US\$70.2m**

Adj. EBITDA

**US\$163.0m**

FY2021 **US\$152.8m**

Profit att. to owners

**US\$67.8m**

FY2021 **US\$61.5m**

Profit per share

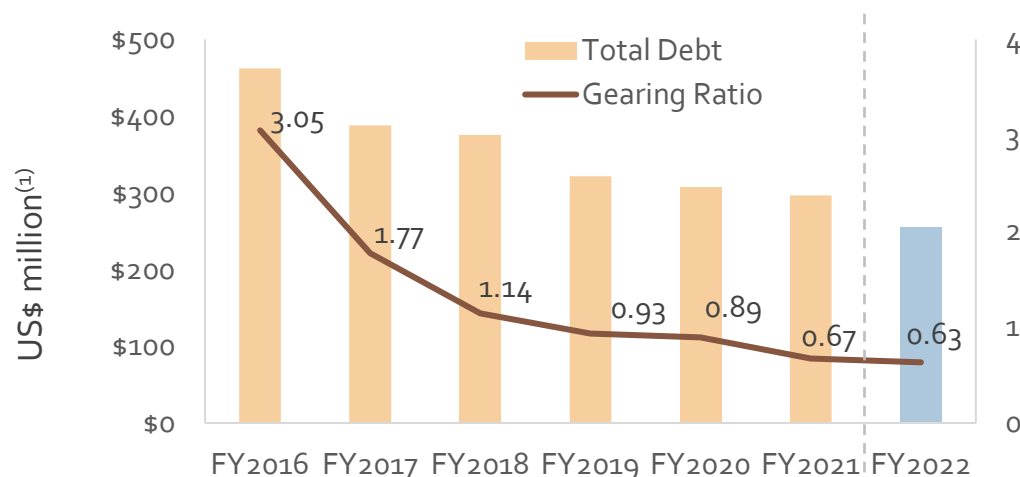
**9.21 cents**

FY2021 **8.35 cents**



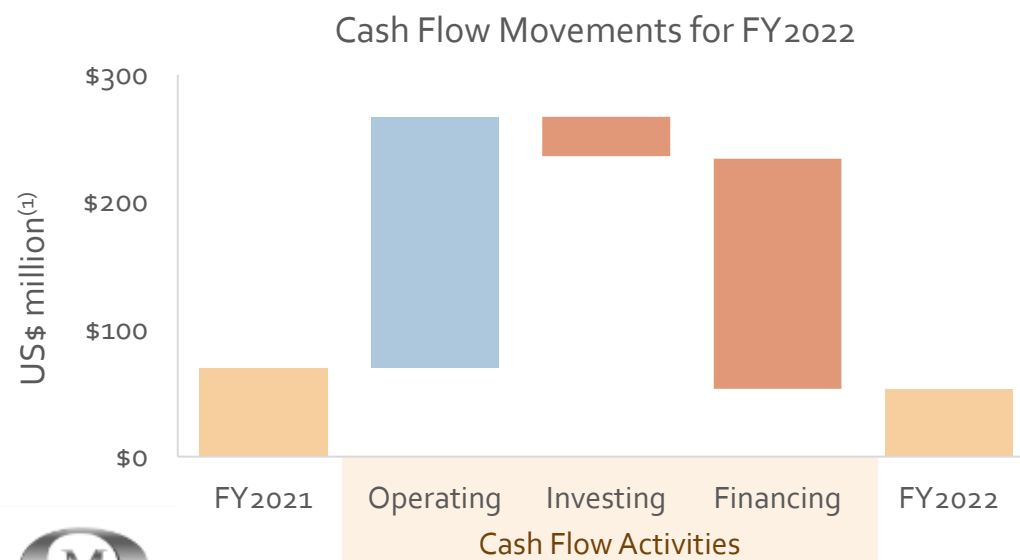
<sup>(1)</sup> Loan Repayment includes the repayment of project financing and trade financing, as well as settlement of shareholders loans and interests as part of the consideration to acquire the non-controlling interests in OM Sarawak

# GEARING RATIO LOWERED, POSITIVE CASH POSITION MAINTAINED



## Continue to focus on paying down debt

- Repaid US\$66.0 million comprising Sarawak project finance loan, trade facilities and shareholders loans and interests
- Gearing ratio decreased to 0.63 times
- Majority of borrowings associated to Sarawak Project Financing, ring-fenced at asset level



## Prudent Cash Management

- Recorded positive operating cash flow of US\$197.0 million
- Significant cash outflow for financing activities due to acquisition of remaining 25% interest in key Malaysian operating subsidiaries
- Recorded cash and cash equivalent of US\$53.3 million for FY2022



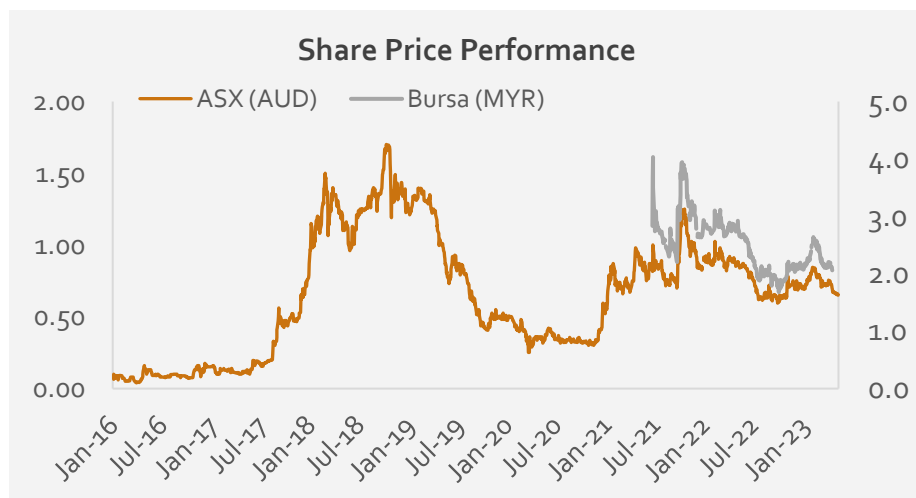
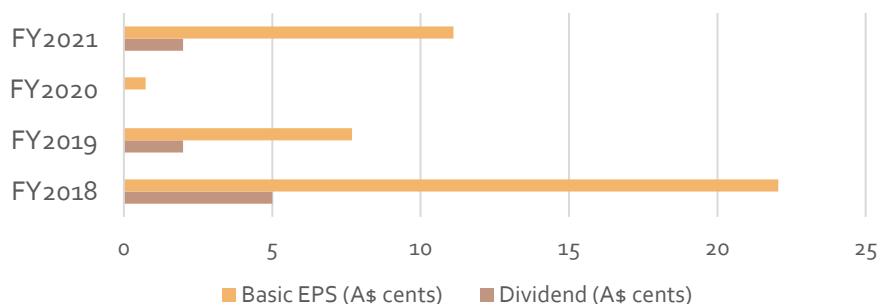
<sup>(1)</sup> FY2018-FY2021 USD Debt and Cash Flows converted using in-house rate for the respective years for illustration purposes. Figures are on an approximate basis.

# COMPANY SNAPSHOT

## Sustainable dividend policy for our growth phase

### Dividend Policy announced March 2023

*Distribute 10% to 30% of NPAT, subject to a cap of 50% of Free Cash Flow and other considerations*



### Share Metrics

(as at 12<sup>th</sup> May 2023)

Issued Shares	738.6 million shares
Share Price	A\$ 0.66 / RM1.95
52 weeks Low / High	A\$ 0.58 / A\$ 0.88
Market Capitalization	US\$ 326.3 million <sup>(1)</sup>

### Debt

(FY2022)

Total Borrowings	US\$ 254.7 million
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### Cash

(FY2022)

Cash & Cash Equivalent	US\$ 53.3 million
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### Earnings & Key Ratios

Enterprise Value	US\$ 527.7 million
Adj. EBITDA <sup>(2)</sup>	US\$ 163.0 million
EPS	US 9.21 cents
EV : Adj. EBITDA	3.24x
Price Earning Ratio	4.80x



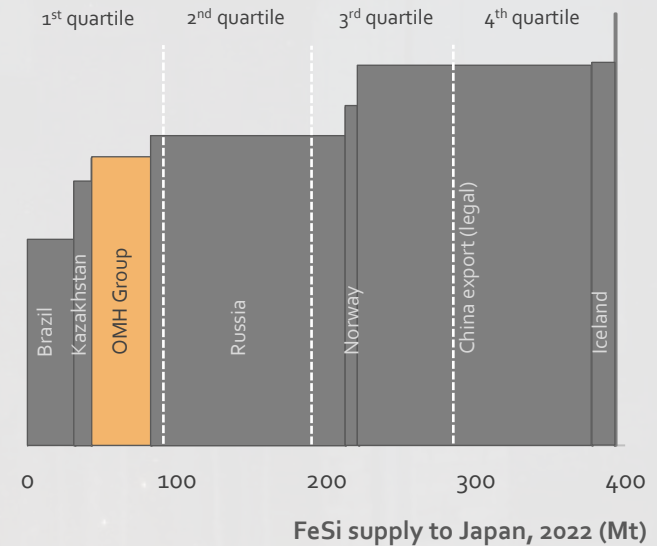
<sup>(1)</sup> Figure converted using the FX assumption of AUD to USD: 0.6693 <sup>(2)</sup> Adjusted EBITDA is defined as operating profit before depreciation and amortisation, impairment write-back/expense, net finance costs, income tax and other non-cash items. Adjusted EBITDA is not a uniformly defined 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.



# SMELTING – AT THE HEART OF WHAT WE DO



FeSi Production (CIF Japan)  
Cash Cost Comparison 2022






- 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



# MAJOR DEVELOPMENT PLAN 2023 & BEYOND

Maintenance works continue in 2023, working towards silicon metal commissioning

	2022 Conversion + Maintenance	2023	Future
 Fesi 65-70 mt / day	4 to 6 furnaces 110-130ktpa	5 to 6 furnaces 110-130ktpa	6 of 6 130-140ktpa
 Mn Alloys 100-110 mt / day	4 to 6 furnaces 200-220ktpa	5 to 6 furnaces 200-220ktpa	8 of 8 330-400ktpa
 MetSi 35-40 mt / day	-	1 to 2 furnaces 11-24ktpa	2 of 2 21-25ktpa
 Mn Alloys New 33 MVA 200-220 mt / day	-	-	2 of 2 150-160ktpa
<b>Total Sarawak Plant Output (Est.)</b>	~360ktpa	320-370ktpa	630-725ktpa
	<ul style="list-style-type: none"> <li>Major maintenance for all furnaces</li> <li>Planned leave rotations and slower manpower recovery</li> </ul>	<ul style="list-style-type: none"> <li>Major maintenance continued with furnaces ramping up in stages</li> <li>Sustaining capex US\$10-15m</li> </ul>	



# KEY TAKEAWAYS

OM, now a simpler story

## STRONG MARGINS

### 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

### 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

## STABLE OUTPUT + GROWTH

### Largest Producer in the Region, with Growth and Diversification Plans

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

### Strong Execution & Operating Track Record

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

### Heat recycling

Generate more power by recycling exhaust heat

### Price on Carbon

Industry players prioritize de-carbonization in 5 year plans

Carbon tax border adjustment to realize value of hydro

### Cash flows post growth

Cash distribution to increase post-growth



Sources:

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

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