

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



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18 September 2023

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 slides to be delivered on 19th September 2023 for an Investor Presentation Update organized by Citigroup.

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.

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

OM HOLDINGS LIMITED

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

September 2023 • Investor Presentation • ASX:OMH | Bursa:OMH (5298)

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COMPANY SNAPSHOT

Manganese and silicon smelting company, operating across the value chain

Dual listed on **ASX** (since 1998) and **Bursa** (since 2021) Malaysia, unique exposure

25 years of operational expertise with owner developed assets

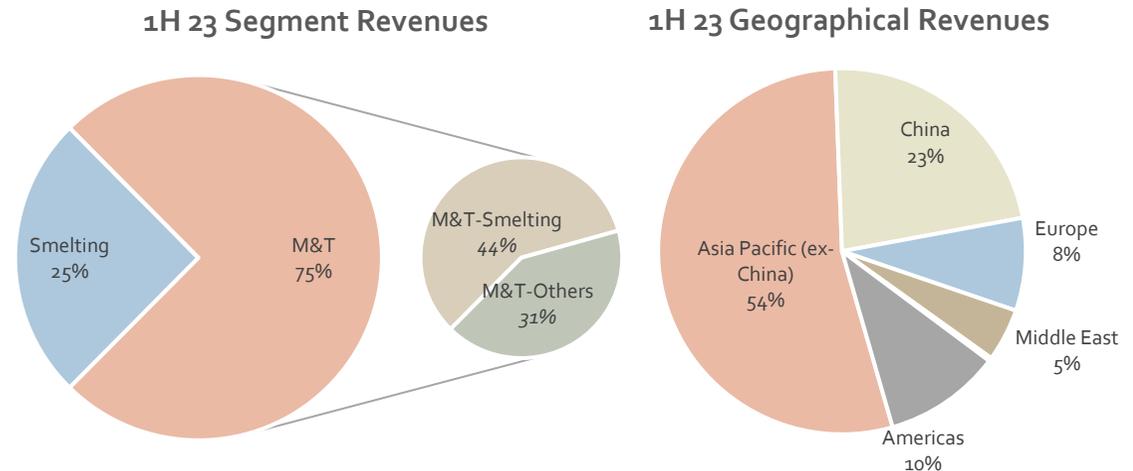
Lowest Cost Quartile Ferroalloy Smelter in the Region

Largest Producer in the Region, with Growth and Diversification Plans

Prime Beneficiary of Rising Power Prices & Transition to Renewables

Key Metrics	
Market Capitalization	US\$ 255.1 million ⁽¹⁾
Total Debt (1H2023)	US\$ 290.2 million
Cash & Cash Equivalent	US\$ 51.7 million
Adj. EBITDA ⁽²⁾ <i>(trailing 12 months)</i>	US\$ 107.7 million
Gross Leverage Ratio	2.69x
Net Leverage Ratio	2.21X

Vertically-integrated Market Leader with Diversified Revenue



⁽¹⁾ Figure converted using the FX assumption of AUD to USD: 0.6412 ⁽²⁾ Adjusted EBITDA is defined as operating profit before depreciation and amortisation, net finance costs, income tax, and other non-cash items. Adjusted EBITDA is not a uniformly defined measure and other companies in similar industries may calculate this measure differently. Consequently, the Group's presentation of Adjusted EBITDA may not be readily comparable to other companies' disclosures.

OUR PRODUCTS

Critical alloying element to steel with a diversification into electronic, chemical and solar industries



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
- 8 manganese alloys furnaces

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
- 6 ferrosilicon furnaces

Products: **Ferrosilicon**



Silicon Metal

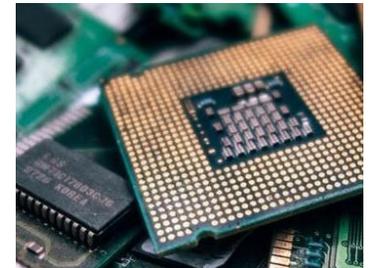
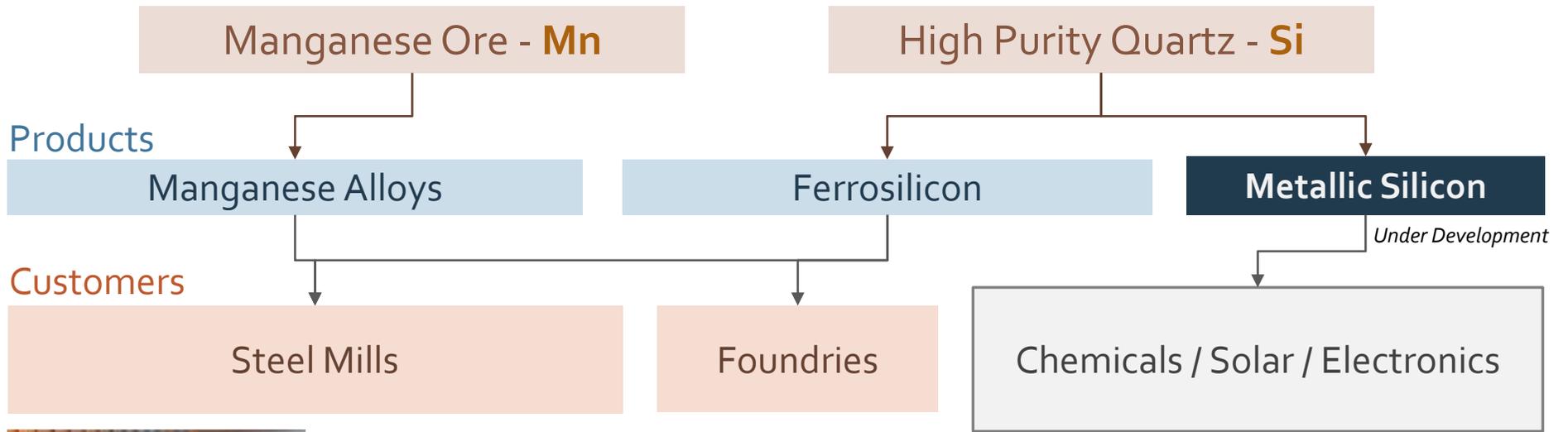
99% Pure **Silicon**

- Used in aluminum, electronic, chemical, and solar sectors
- No known substitute and cannot be recycled
- 2 silicon metal furnaces

Products: **Silicon Metal**



SMELTING: RAW MATERIALS TO CRITICAL ADDITIVES



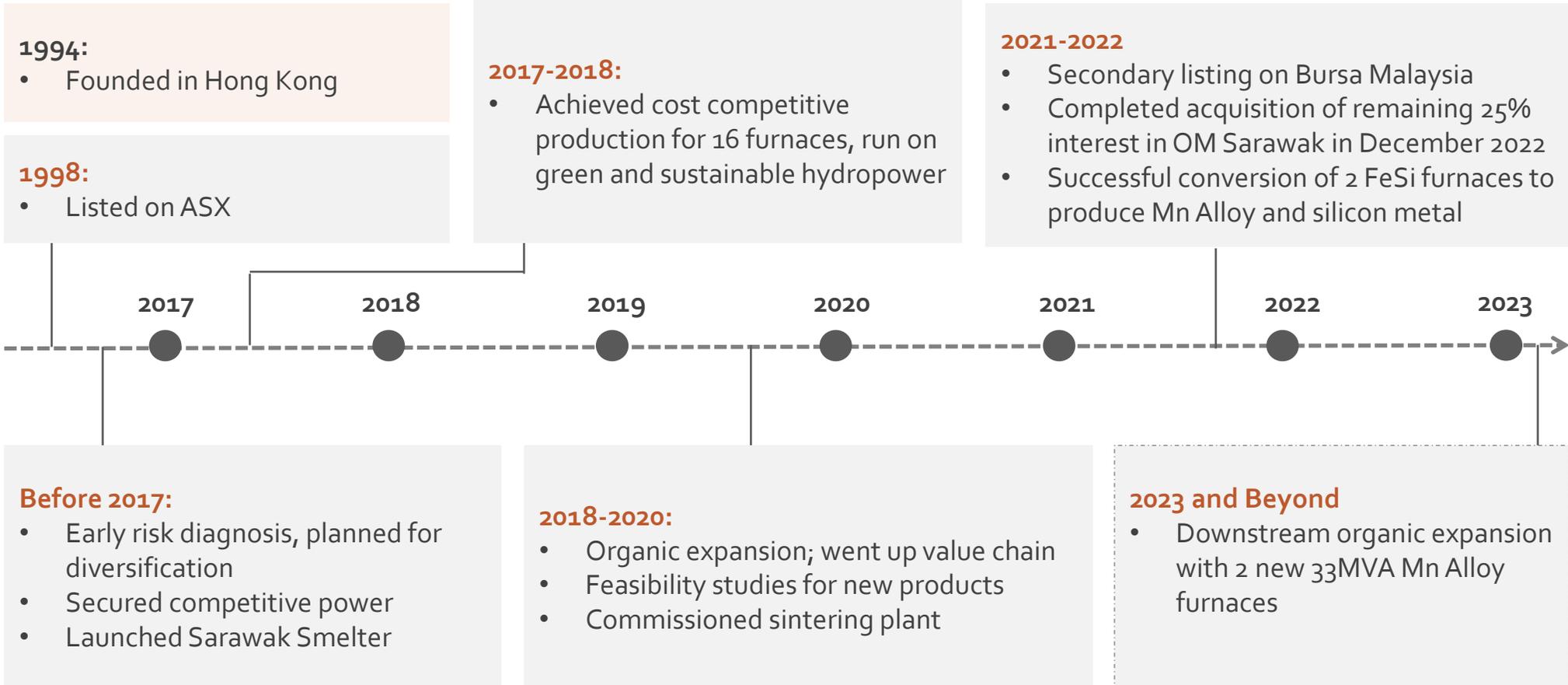
Some of our End Users:

- | | |
|----------------------------------|-----------------------------|
| China Steel Corporation (Taiwan) | JSW (India) |
| Erdemir (Turkey) | POSCO (South Korea) |
| Formosa Ha Tinh Steel (Vietnam) | SSAB (Europe/USA) |
| Hyundai Steel (South Korea) | Tsingshan Steel (Indonesia) |
| JFE Steel Corporation (Japan) | |



BUSINESS MILESTONES

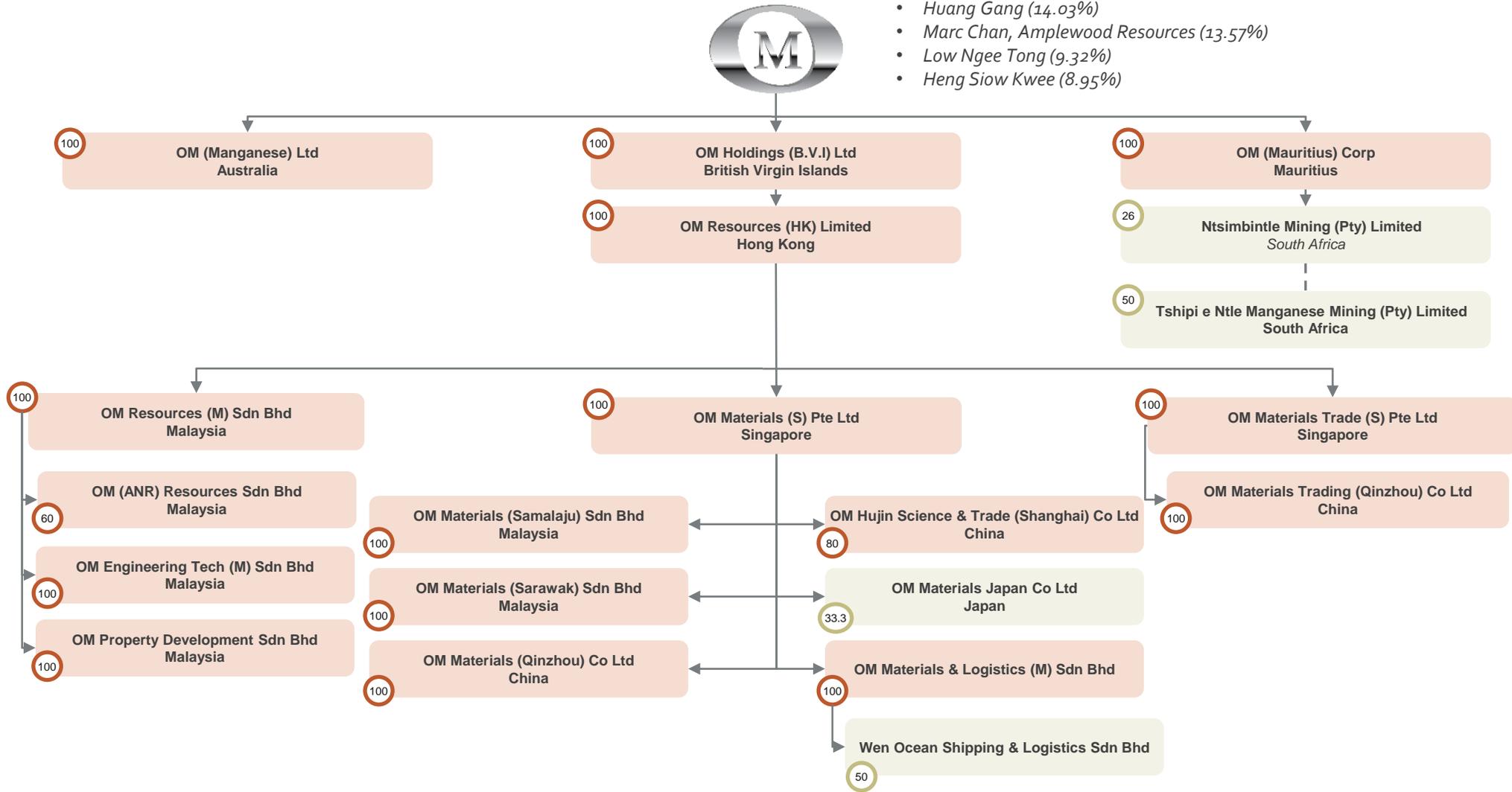
Focusing on organic growth, tapping on the full potential of Sarawak smelter



CORPORATE STRUCTURE

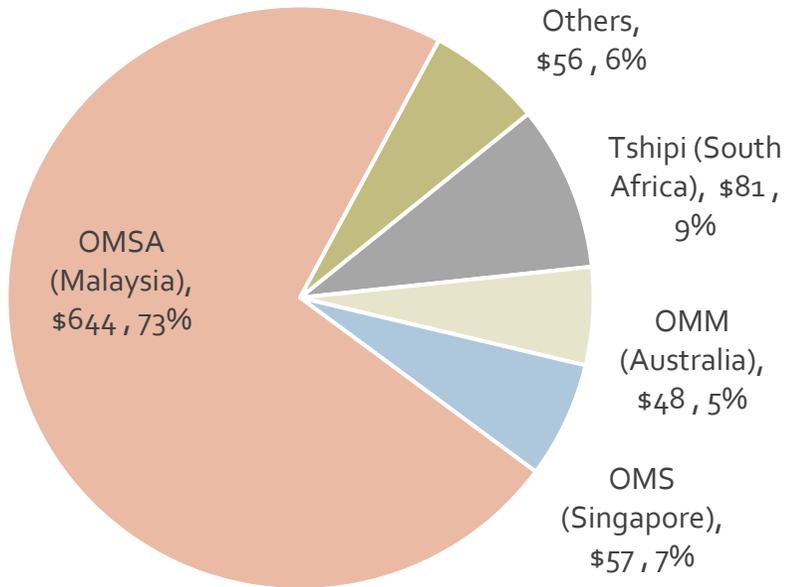
Largest Shareholders (as at 6th October 2022)

- Huang Gang (14.03%)
- Marc Chan, Amplewood Resources (13.57%)
- Low Ngee Tong (9.32%)
- Heng Siow Kwee (8.95%)



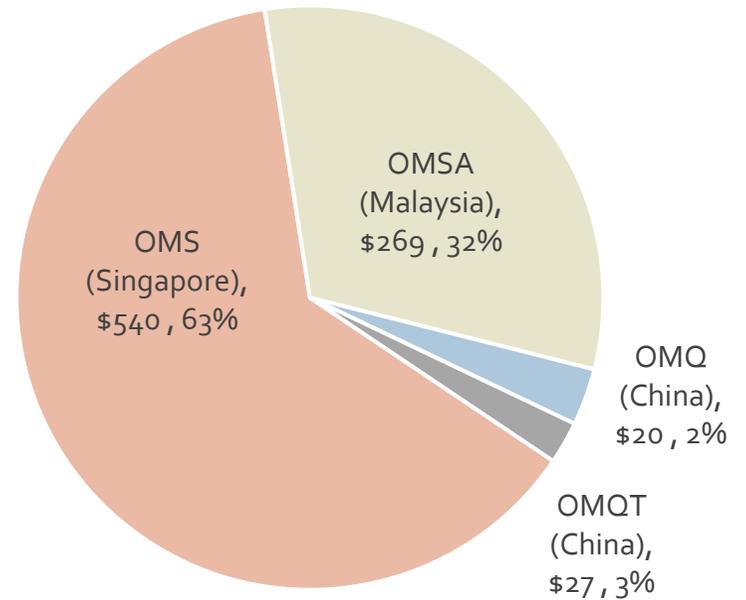
MATERIAL SUBSIDIARIES AND ASSOCIATES

Total Group Assets
as at 31 Dec 2022
US\$886m



*USD Million

Total Group Revenue
FY2022
US\$856.5m



*USD Million



INDUSTRY OVERVIEW



MANGANESE ORE AND ALLOY MARKET REVIEW

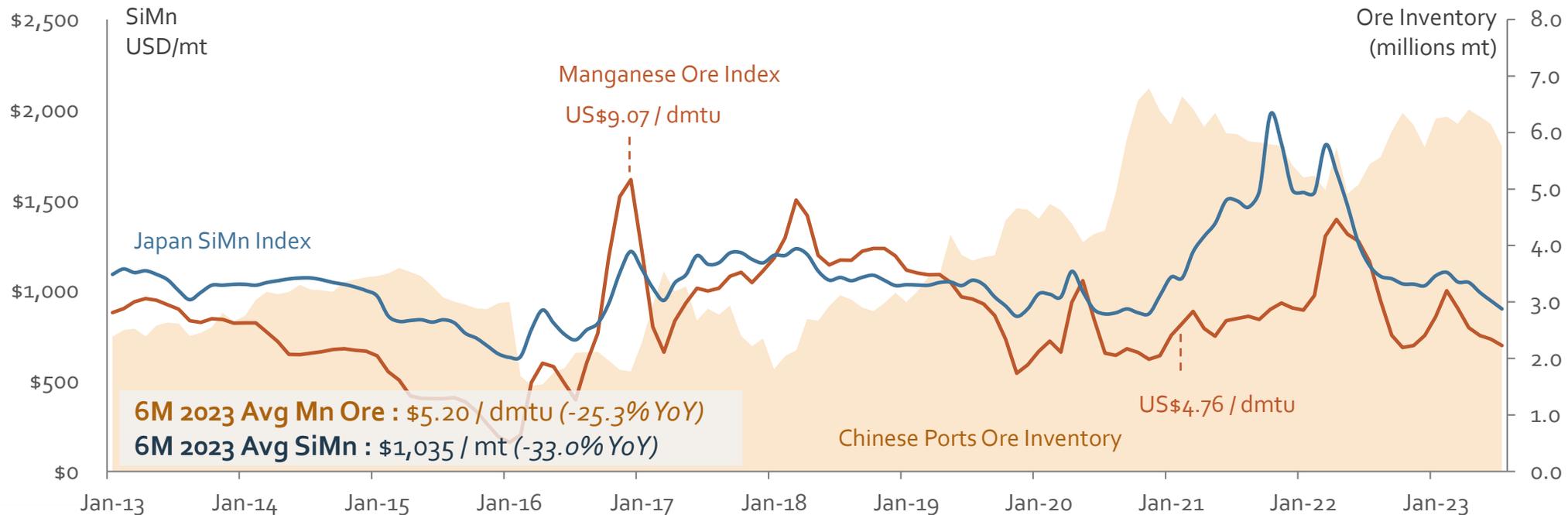
Mn alloy prices retraced to COVID levels, despite power price increase in key production regions

Strong **monthly** contemporaneous **correlation** between Mn Ore and Mn alloys

“Conversion” **margin** between ore and alloy prices **mean-revert**, creating **resilience**

Covid & Russian-Ukraine War: Strong margins with post COVID super-cycle. Price shock post invasion of Ukraine, world’s second largest exporter. Subsequent decline with Ukraine’s output fully displaced by exports from India.

Outlook: Prolonged weakness necessary to shed inventory overhang. Current reduction in global production prepping for cyclical recovery.



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

FERROSILICON MARKET REVIEW

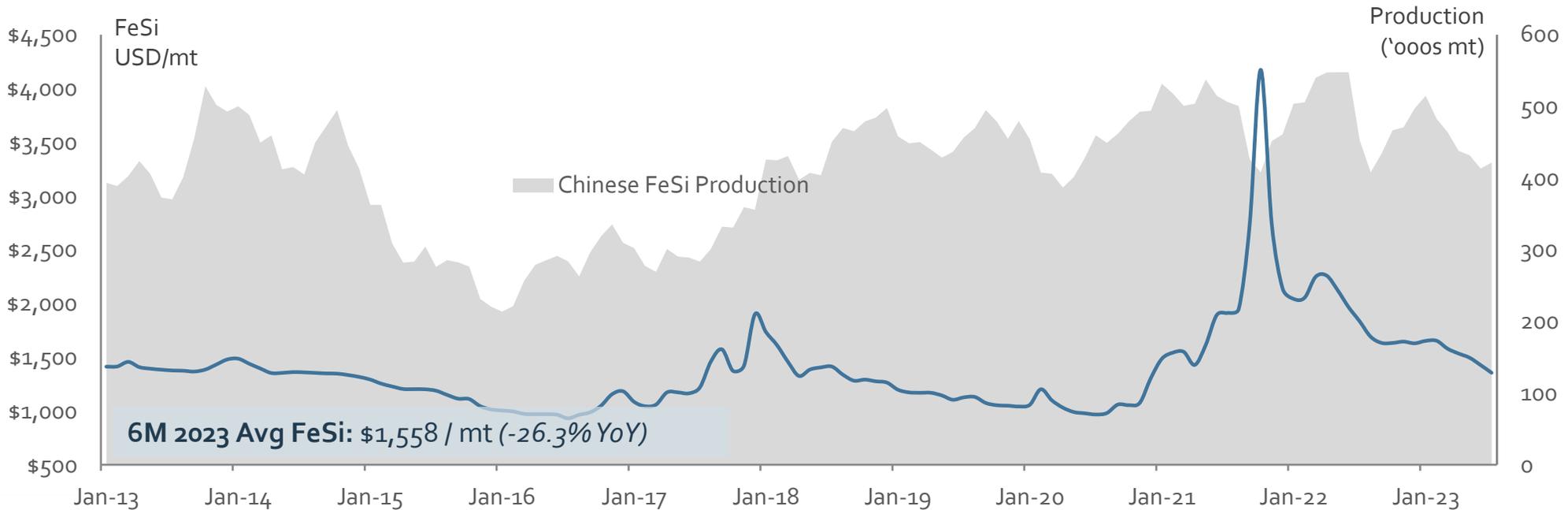
Overall market weakness with prices and Chinese output both declining steadily

Relatively **fixed input costs**, earnings correlate well with absolute prices

Prices follow **typical commodity price cycles**

Covid & Russian-Ukraine War: China coal & power crisis in Q3 2021 led to price surge to historical highs. Post-COVID market supported by structurally higher Chinese power prices with floating industrial power costs. China and Russia top two global exporters, with Russian markets shrinking post invasion.

Outlook: Continued weak market sentiment but well poised for cyclical recovery.



CREDIT HIGHLIGHTS



CREDIT HIGHLIGHTS

The Largest & Lowest Cost Quartile Ferroalloy Smelter in the Region

1

Vertically Integrated Production

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

2

Strategically Located Business with Leading Cost Position

Close to raw materials and Asian steel mills with dedicated port access. Supported by affordable, sustainable hydropower through a 20-year PPA (2013-2033)

3

Well-Invested Asset Base with Profile of Visible Growth

Additional 150ktpa of Mn Alloys by FY26 from currently 400ktpa and further product mix diversification from venture into silicon metal

4

Stable Financial Profile with Conservative Gearing and Prudent Financial Policy

Balance growth and debt repayments against sustainable dividend policy. Gearing ratio aggressively lowered from 4.76x (2015) to 0.71x (1H23)

5

Pioneer in sustainable performance with industry leading performance

Prioritizing sustainability while operating a competitive business, with commitments to environmental and social responsibility

6

Excellent Management with Track Record of Delivering Growth and Performance

>25 years of operational expertise with a solid relationship with shareholders since ASX listing in 1998



KEY OPERATIONS

Smelting & Sintering

Sarawak - Malaysia (100%)

Mn alloy: 333-400ktpa, Ferrosilicon: 120-126ktpa

Sinter ore: ~250ktpa

Silicon Metal: 21-24.5ktpa



KEY OPERATIONS ALL
VERTICALLY INTEGRATED

Exploration & Mining

Australia (100%)

Exploration + Tailings Plant

Tshipi Borwa - South Africa (13%*)

Manganese ore: 3.0-3.6 Mtpa

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

Marketing & Trading

Singapore/China (100%)

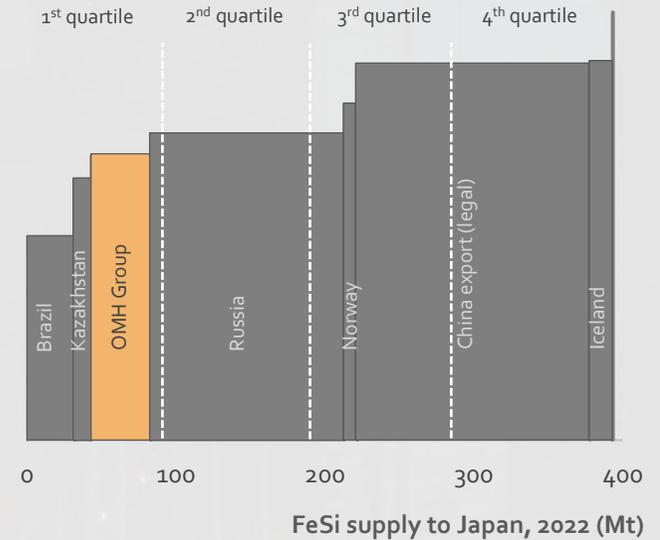
Global sales and procurement

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

...WITH LEADING COST POSITION



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 (2013-2033)
- Hands-on management
- Close proximity to the Asian market

Lowest Quartile Producer • Structural Cost Advantage • Sustainable Hydropower

WELL-INVESTED ASSET BASE...

Cost competitive resource asset, leveraging on management know-how



Raw Materials

- Ready access to raw material sources for quartz and reductants
- Conveniently located along seaborne route for manganese ore exports from South Africa and Australia



Power

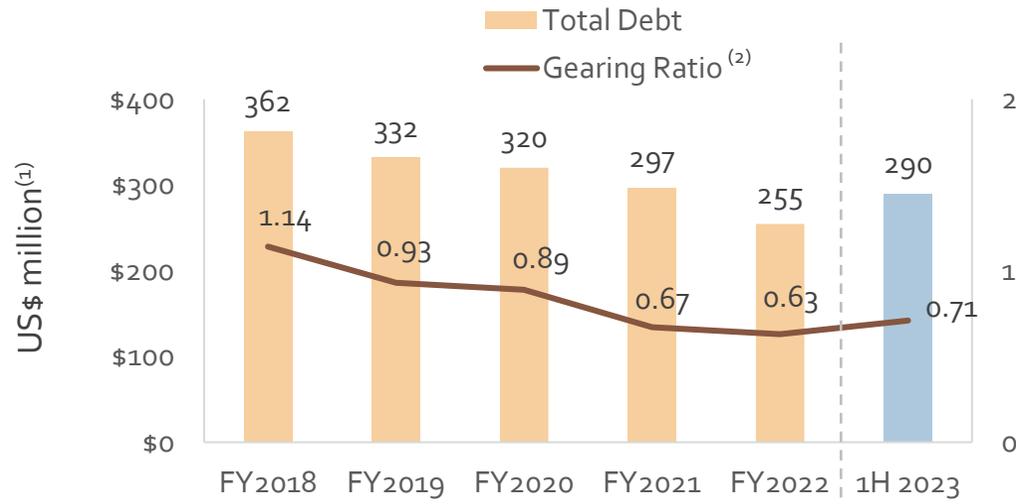
- 350 MW hydroelectric power supply from Sarawak Energy supplying 100% of total production power
- 20-year Power Purchase Agreement (from 2013-2033) competitively priced with fixed escalation
- Stable and clean hydropower supply



Smelting

- Malaysia becoming the world's new ferroalloy production hub, supplying growing Asia (ex. China) steel makers
- No import duties and export taxes
- Export oriented industrial park, with dedicated port facilities

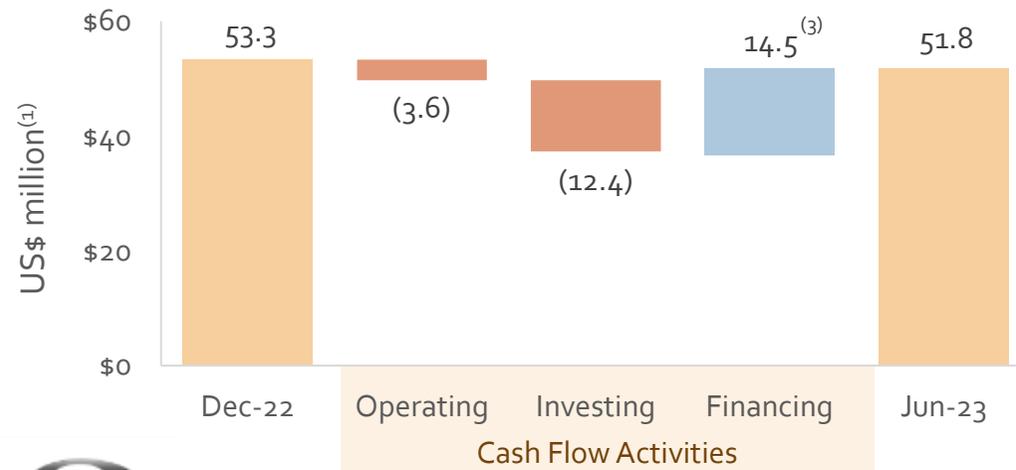
STABLE FINANCIAL PROFILE WITH CONSERVATIVE GEARING



Continue to focus on paying down debt

- Repaid US\$18.6 million comprising Sarawak project finance loan and trade facilities
- Gearing ratio increased due to drawdowns on revolving credit facilities and higher utilisation of trade financing facilities
- Majority of borrowings associated to Sarawak Project Financing, ring-fenced at asset level

Cash Flow Movements for 1H2023



Prudent Cash Management

- Lower operating profit and higher level of inventory resulted in net cash used in operating activities
- Net cash generated from financing activities due to increased drawdowns of financing facilities, in line with marginally higher gearing ratio
- Recorded cash and cash equivalent of US\$51.7 million as at 30 June 2023



(1) FY2018-FY2020 USD Debt converted using in-house rate for the respective years for illustration purposes. Figures are on an approximate basis.

(2) Gearing Ratio is the ratio between total debt and total equity (3) Net cash generated from financing activities included exchange differences on translation of cash & cash equivalents at beginning of period

PIONEER IN THE SUSTAINABLE PERFORMANCE

Clear focus with major targets set for 2023 and beyond



Environmental

- Achieve ISO 14001 in FY2023
- Enhance Air Pollution Control System performance
- Repurpose at least 80% of schedule waste generated by FY2030



Social

- Commit to zero workplace fatality
- Achieve ISO 45001 in FY2023
- Provide internship for at least 5 students from local universities
- Complete >700 manhours training under Management Development Programme
- Ensure minimum 80% of employees receive at least one performance review a year



Governance

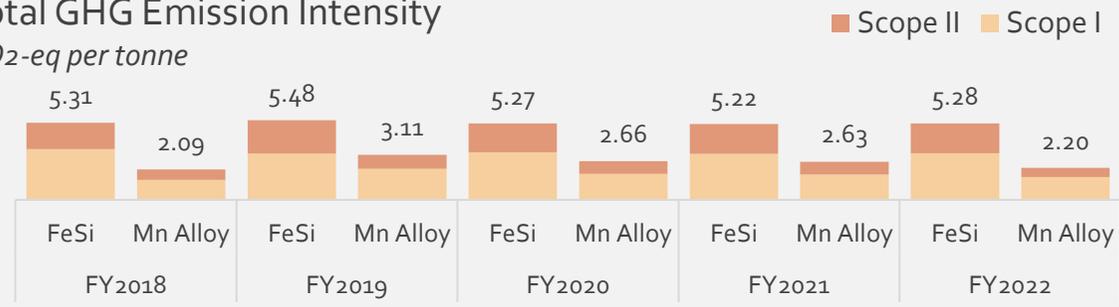
- Extend current Supplier Performance Evaluations by 90% of suppliers
- Establish 1 Local Vendor Programme

Our Sarawak smelting operations are predominantly powered by **hydropower**

Scope II GHG Emission are **75% lower** compared to conventional smelters*



Total GHG Emission Intensity
CO₂-eq per tonne



* According to the IEA, coal powered plants generate just over 900g CO₂/kwh of energy vs hydropower plants, generating 203g CO₂/kwh.

EXCELLENT MANAGEMENT PERSONNEL

Strong track record of delivering growth and performance



LOW NGEETONG
Executive Chairman

- Mr Low is a qualified Mechanical Engineer, having graduated from the National University of Singapore
- Over 42 years of experience in the steel, ferroalloy and building materials industries in Asia
- Chief Executive Officer of OMH since its incorporation and subsequent listing in 1998. In October 2008, Mr Low became the Executive Chairman of OMH



ZAINUL ABIDIN RASHEED
Independent
Deputy Chairman

- Bachelor of Arts (Honours) in Economics and Malay Studies from the University of Singapore
- Mr Zainul was a Member of Parliament (from 1997-2011) and served as the Senior Minister of the State for the Ministry of Foreign Affairs of the Government of Singapore
- Mr Zainul had an illustrious career in journalism which included the positions of Editor of Berita Harian, The Singapore Business, The Sunday Times and Associate Editor of The Straits Times



JULIE ANNE WOLSELEY
Non-Executive Director &
Joint Company
Secretary

- Bachelor of Commerce degree and is a Chartered Accountant
- Principal of a corporate advisory company and has over 31 years of experience as Company Secretary to a number of ASX-listed companies operating primarily in the resources sector
- Her expertise includes corporate secretarial, management accounting, financial and management reporting in the mining industry, IPOs, capital raisings, cash flow modelling and corporate governance



TAN PENG CHIN
Independent
Non-Executive
Director

- Founder, managing director and consultant of Tan Peng Chin LLC until he retired from the firm on 31 December 2015
- Mr Tan's legal expertise includes corporate finance, banking, company and commercial laws, international trade, joint ventures and issues concerning shareholders and directors
- Mr Tan has acted in numerous cross border transactions in the course of his legal career spanning more than 37 years



**DATO' ABDUL HAMID
BIN SH MOHAMED**
Independent
Non-Executive
Director

- A Fellow of the Association of Chartered Certified Accountant
- Previously joined Bursa Malaysia where he rose from Senior Vice President Strategic Planning & International Affairs, subsequently to Deputy President (Strategy and Development) and finally to the position of Chief Financial Officer
- He holds directorships in various companies in Malaysia including Lembaga Tabung Haji (the National Pilgrims Fund Board) and Maybank Investment Bank Berhad (a subsidiary and investment banking arm of Malayan Banking Berhad which is also listed on Bursa Malaysia).



TAN MING-LI
Independent
Non-Executive
Director

- A partner of the Malaysian legal firm, Chooi & Company + Cheang & Ariff. Called to the Malaysian Bar in 1994 and has been in legal practice for over 26 years
- Double degree in Law (Hons) and Science from the University of Melbourne
- Her areas of expertise include corporate and securities laws where she is involved in advising on capital market transactions, mergers and acquisitions, corporate restructuring and corporate finance related work.



FINANCIAL HIGHLIGHTS



KEY FINANCIAL OUTCOMES

01

Steadily improving and stabilizing end market especially with increased demand for low-carbon footprint alloys

02

Robust margin profile despite weaker end market performance

03

Continual de-leveraging profile

04

Prudent financial policy and cash management capabilities

05

One of the best-positioned players with de-risked ramp up capabilities

LTM June 2023

Revenue

US\$709.6m

Gross Profit Margins

20.6%

Loan Repayment ⁽¹⁾

US\$31.5m

As at 30 June 2023

Total Debt

US\$290.2m

Gearing Ratio⁽²⁾

0.71X

Cash & Cash Eq.

US\$51.7m



(1) Loan Repayment for OMSA project loan

(2) Gearing Ratio is the ratio of total debt to total equity

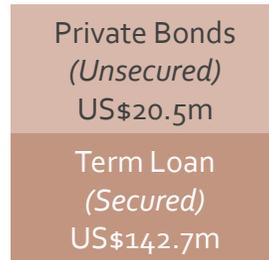
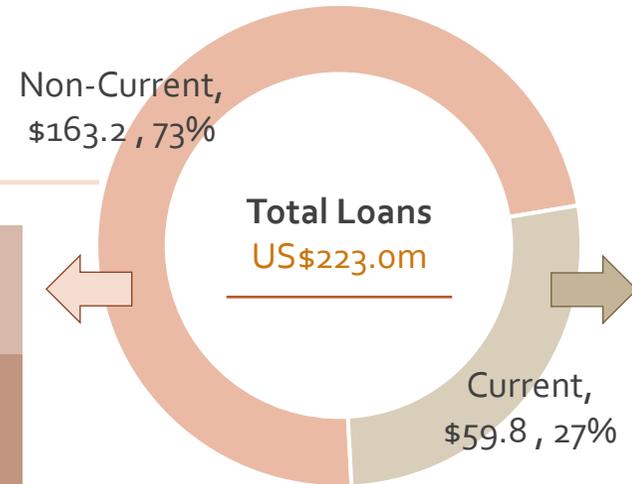
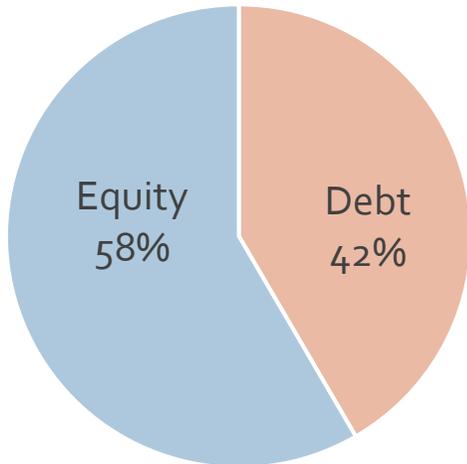
OVERVIEW OF CURRENT CAPITAL STRUCTURE

Company continues to grow with low leverage

Debt to Equity
0.71x

Net Debt To Equity
0.56x

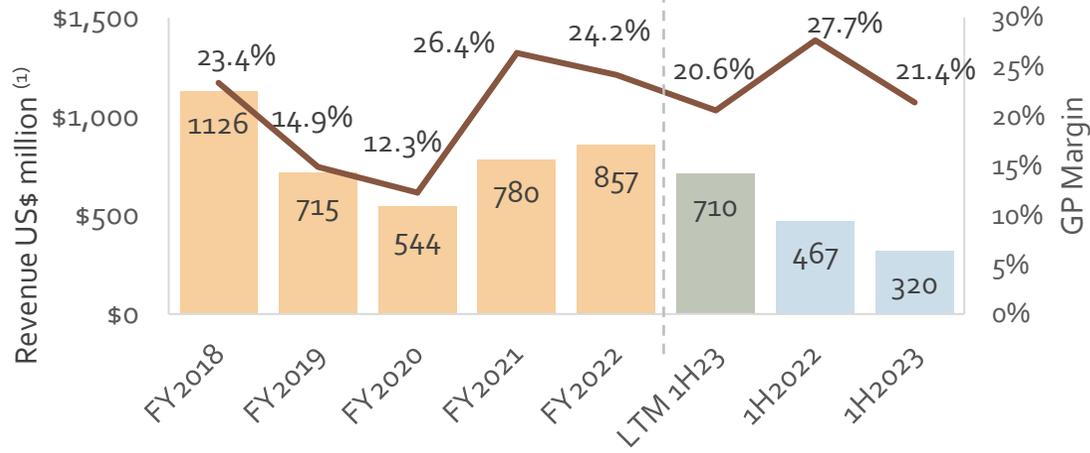
Debt Equity Mix



(1) This also includes structuring and arrangement fee of US\$0.43m that has been paid
 (2) Current debt is repayable within one year while non-current debt is repayable later than one year but not later than 5 years

RECORDED US\$49.8M EBITDA IN 1H 2023

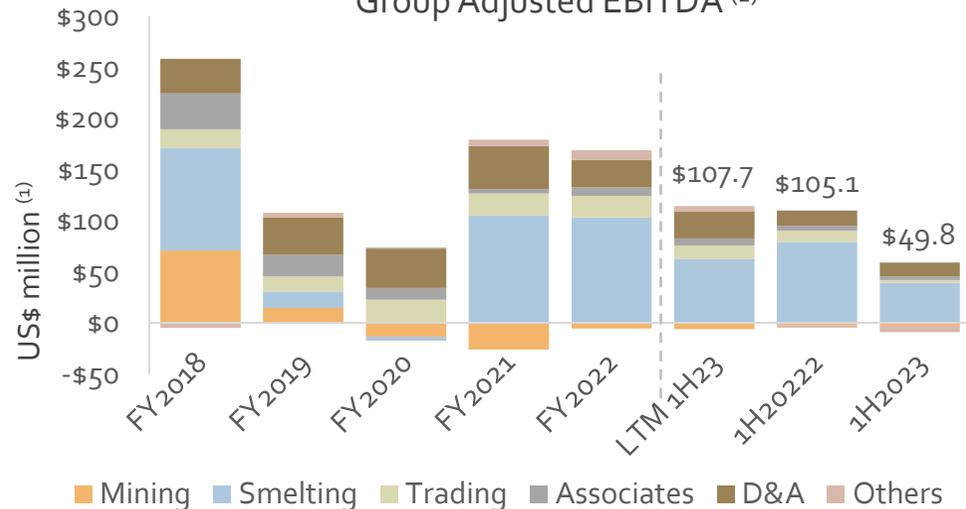
Revenue and GP Margin



1H 2023 Revenue and EBITDA

- Significantly lower average selling prices in 1H 2023 vs 1H 2022.
- Suppressed demand, higher energy costs and a weakening global steel market led to falling prices since 2H 2022, carrying forward into 1H 2023
- Decrease in GP in line with lower revenue earned

Group Adjusted EBITDA (2)



Segment Breakdown

- Lower contribution across all segments due to weaker ore and ferroalloy prices
- Mining segment under care and maintenance since end Jan 2022, pending commissioning of Ultra Fines Plant (UFP)



(1) FY2018-FY2020 USD Revenue and Adjusted EBITDA converted using in-house rate for the respective years for illustration purposes. Figures are on an approximate basis.

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

KEY TAKEAWAYS

OM, now a robust story

STRONG MARGINS

Lowest Cost Quartile Ferroalloy Smelter in the Region⁽¹⁾

Backed by low cost environmentally friendly hydropower from a 20-year PPA agreement (2013-2033) 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

Emissions Reduction

Improved energy efficiency from power generated using waste heat recovery system

Price on Carbon

Industry players prioritize decarbonization 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

APPENDIX



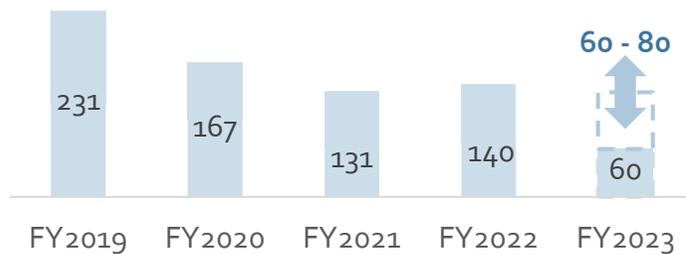
1H23 KEY UPDATES AND FY23 PRODUCTION GUIDANCE

Temporary FeSi production at silicon metal furnaces to increase productivity
Full year production guidance revised

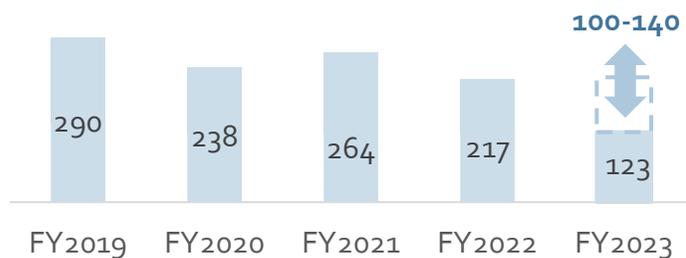
Silicon metal anticipated to resume production in early 2024

Repaid US\$18.6m to Project Finance Lenders

FeSi Production Volume (kmt)



Mn Alloy Production Volume⁽¹⁾ (kmt)



Exploration and Mining (Mn Ore)

- Review of the Ultra Fines Plant rectification plan and financial model is ongoing
- Mine remains under care and maintenance with rehabilitation works progressed as planned

Smelting (FeSi and Mn Alloy)

- 2 Mn Alloy furnaces and 1 FeSi furnace completed major maintenance. Remaining 5 FeSi furnaces to undergo major maintenance works in phases throughout 2H 2023.
- Production base case at similar levels to FY 22. Currently expect to increase operational furnaces in 2H 2023, production guidance revised upwards.
- Production was temporarily suspended at the first MetSi furnace due to furnace not performing as anticipated within the framework of the EPC contract. Expected restart in early 2024.



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

ESG RISK RATING

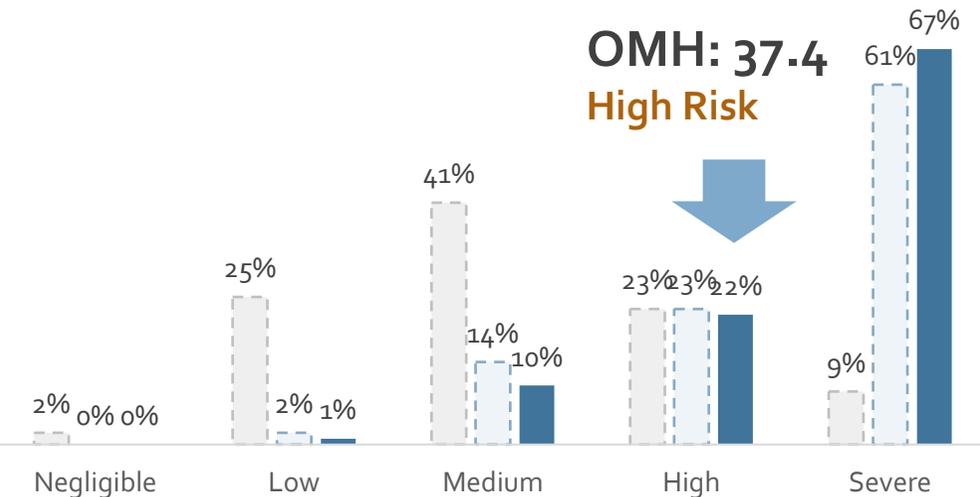
Almost first quartile ESG rating for sub-industry group

RENEWABLE ENERGY FROM HYDROPOWER PLANT

REPURPOSE 80%+ OF SCHEDULED WASTE BY FY2030

ENHANCE AIR POLLUTION CONTROL SYSTEM PERFORMANCE

ESG Risk Rating Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = Top Score)
Global Universe	13791/15636	88 th
Diversified Metals INDUSTRY	71/226	32 nd
Diversified Metals Mining SUBINDUSTRY	47/186	26 th



OM HOLDINGS LIMITED

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

