**OMH HOLDINGS LIMITED**

**MEDIA RELEASE**

# OM HOLDINGS LIMITED POSTS RECORD FY2018 FINANCIAL PERFORMANCE ON INCREASED PRODUCTION AND ROBUST MARKET PRICES

## HIGHLIGHTS

- **EBITDA up from A$186.1 million to A$339.7 million**
- **Revenue increased by 53% to A$1.51 billion**
- **Profit after tax doubled to A$184.7 million**
- **Net asset value per ordinary share increased to 61.24 cents from 39.34 cents**
- **Consolidated cash position increased to A$91.8 million from A$34.4 million**
- **Borrowings to equity ratio decreased to 1.14 from 1.77**

***25 February 2019*** - ASX-listed **OM Holdings Limited**, ("**OMH"**, the **"Company**" or, together with its subsidiaries the "**Group**"); a vertically integrated manganese mining, smelting and trading company, today announced an 82% EBITDA increase to A$339.7 million in FY2018 from A$186.1 million in FY2017. This was due to higher volumes of production and trading, supported by robust commodity prices over FY2018. The Group's revenue from operational activities for FY2018 was A$1.51 billion, representing a 53% increase over the A$988.2 million for FY2017.

Net profit after tax for FY2018 doubled to A$184.7 million as compared to A$91.4 million for FY2017.

The outstanding financial results were underpinned by the Group's wholly owned Australian subsidiary OM (Manganese) Ltd ("**OMM**") returning to a full year of mining and production in FY2018, and the Group's 75% owned smelter operated by OM Materials (Sarawak) Sdn. Bhd. ("**OM Sarawak**") running 16 furnaces at full production exceeding design capacity from June 2018. The final ferrosilicon ("**FeSi**") furnace had commenced production on 1 June 2018.

Commenting on the Group's FY2018 financial performance, OMH Executive Chairman, Mr Low Ngee Tong, said, *"I am pleased to report to shareholders the Group's exceptional operating and financial performance for FY2018. We achieved significant improvements in earnings from increased mining and smelting volumes, supported by our cost efficient position which we continue to strengthen. We've also managed to improve our financial position by reducing debt and achieving a solid level of consolidated cash. We will continue to focus on building organically and aim for sustainable growth for the Group."*

The Group's financial position continued to improve in FY2018, with the borrowings to equity ratio declining to a low of 1.14 as at 31 December 2018, from 1.77 as at 31 December 2017.

Net asset backing per ordinary share of the Group increased to 61.24 cents as at 31 December 2018 as compared to 39.34 cents per ordinary share as at 31 December 2017, representing an increase of approximately 56% (or 21.90 cents per ordinary share).

Net cash generated from operating activities increased to A$179.6 million in FY2018 compared to the net cash generated of A$133.8 million for FY2017. Consolidated cash position was A$91.8 million as at 31 December 2018 as compared to A$34.4 million as at 31 December 2017.

Mr Low added, *"Given the strong performance and surplus cash flow generated in FY2018, I am pleased to announce that the Board has resolved to declare a final dividend of A$0.02 per share for FY2018, in addition to the interim dividend of A$0.03 per share that was declared for the half year of FY2018 and paid to shareholders on 26 October 2018. I wish to thank all our shareholders, fellow directors and employees, partners and bankers for their support and trust in us, and in making 2018 an exceptional year for the Group. In times of changing market conditions, the Group will focus on ensuring that our strategy remains updated and relevant, and will continue our commitment to good execution and sound operations, in order to deliver long term sustainable value to all our shareholders."*

~End~

*This media release is to be read in conjunction with the Company's FY2018 Financial Statement Announcement posted on the ASX on 25 February 2019.*