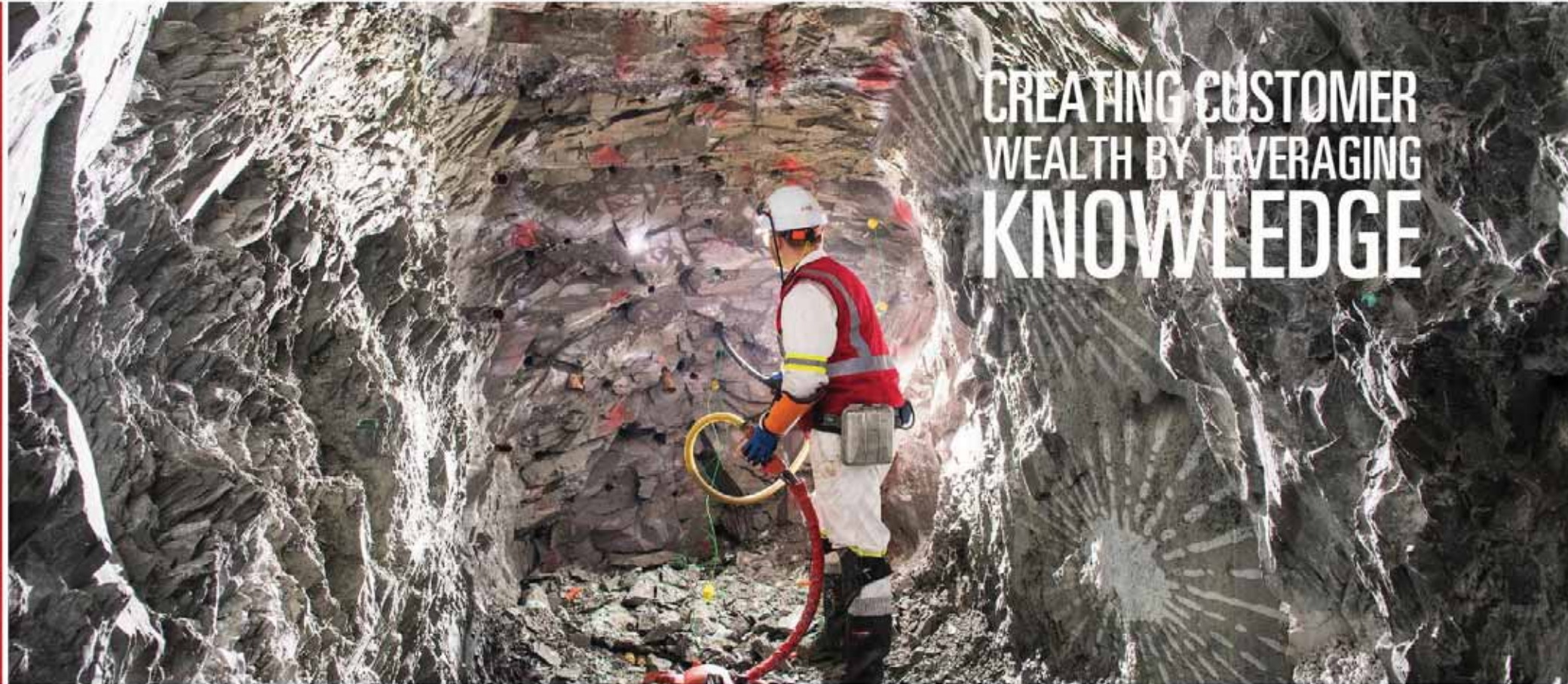




OMNIA HOLDINGS LIMITED

CREATING CUSTOMER
WEALTH BY LEVERAGING
KNOWLEDGE



RESULTS PRESENTATION **FY2017**

AGENDA



CREATING CUSTOMER
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OMNIA AT A GLANCE



AGRICULTURE

Omnia's Agriculture division comprises Omnia Fertilizer and Omnia Specialities



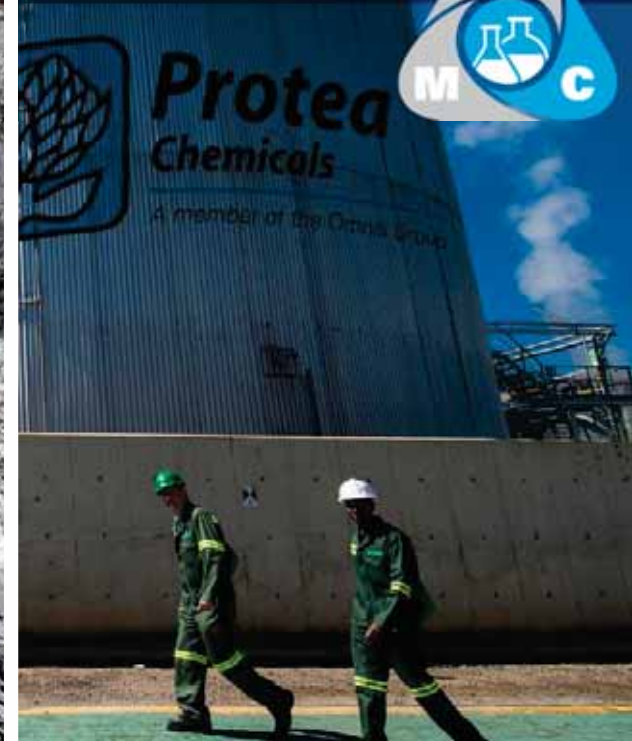
MINING

Omnia's Mining division services the mining industry through BME and Protea Mining Chemicals



CHEMICALS

The Chemicals division's main business is through Protea Chemicals



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OUR VISION AND STRATEGY



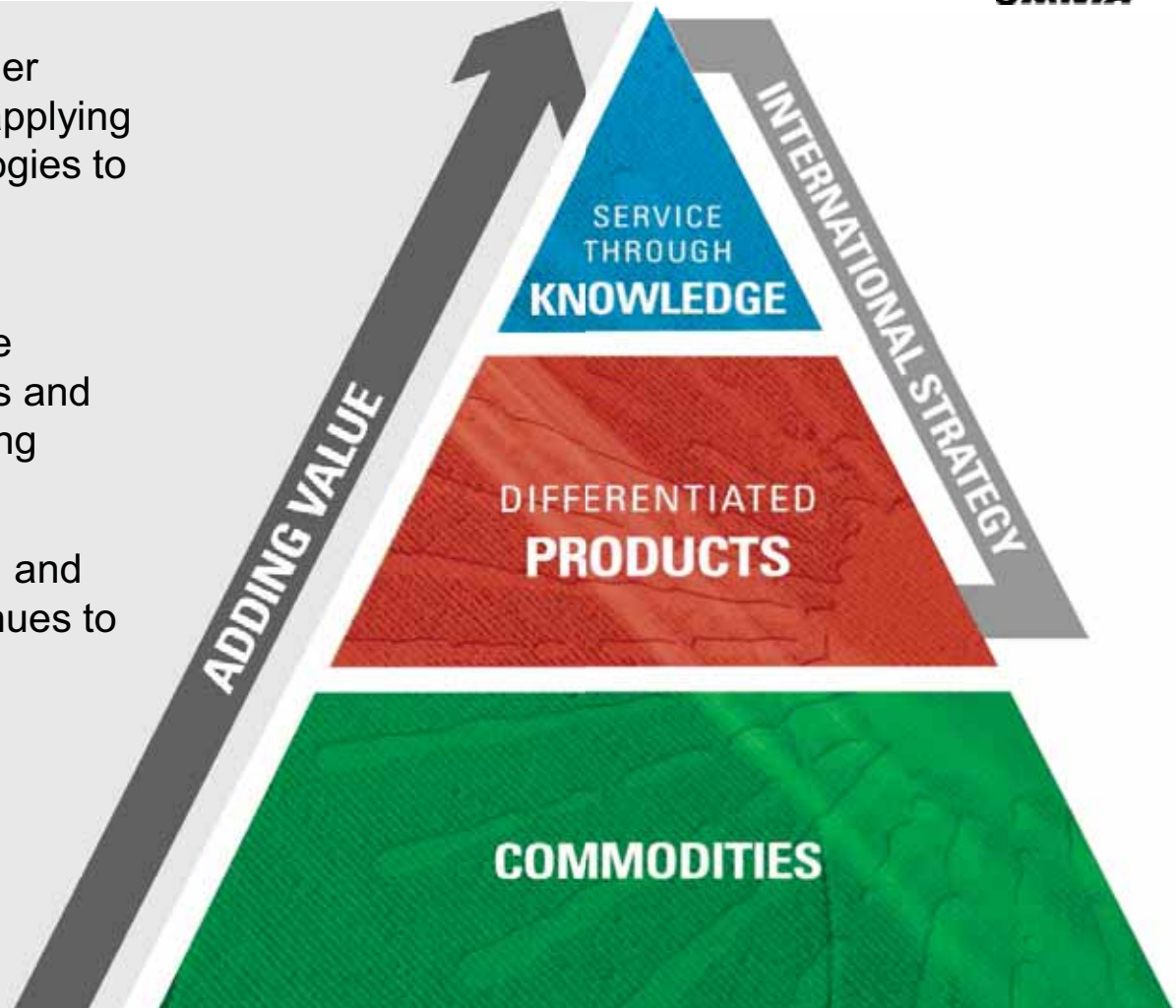
Strategy

- Providing specialised solutions to the agriculture, mining and chemicals markets
- Focusing on unique market offerings that create value for customers and, in so doing, enhances the return for the business and shareholders
- Build strong relationships with customers and suppliers
- Diversifying geographically beyond South Africa, primarily focused on Africa with a growing presence in other international countries
- Identifying and implementing strategic acquisitions to build on the strengths of each division
- Improving on cost competitiveness and efficiencies across all divisions
- Continuously improving on health, safety and environmental practices by following the guiding principles of Responsible Care[®]
- Building a culturally diverse business that respects and promotes the rights of its people
- Building a learning organisation that is well placed to participate in a changing global economy
- Leveraging our intellectual property, systems and technology to create value for customers and shareholders

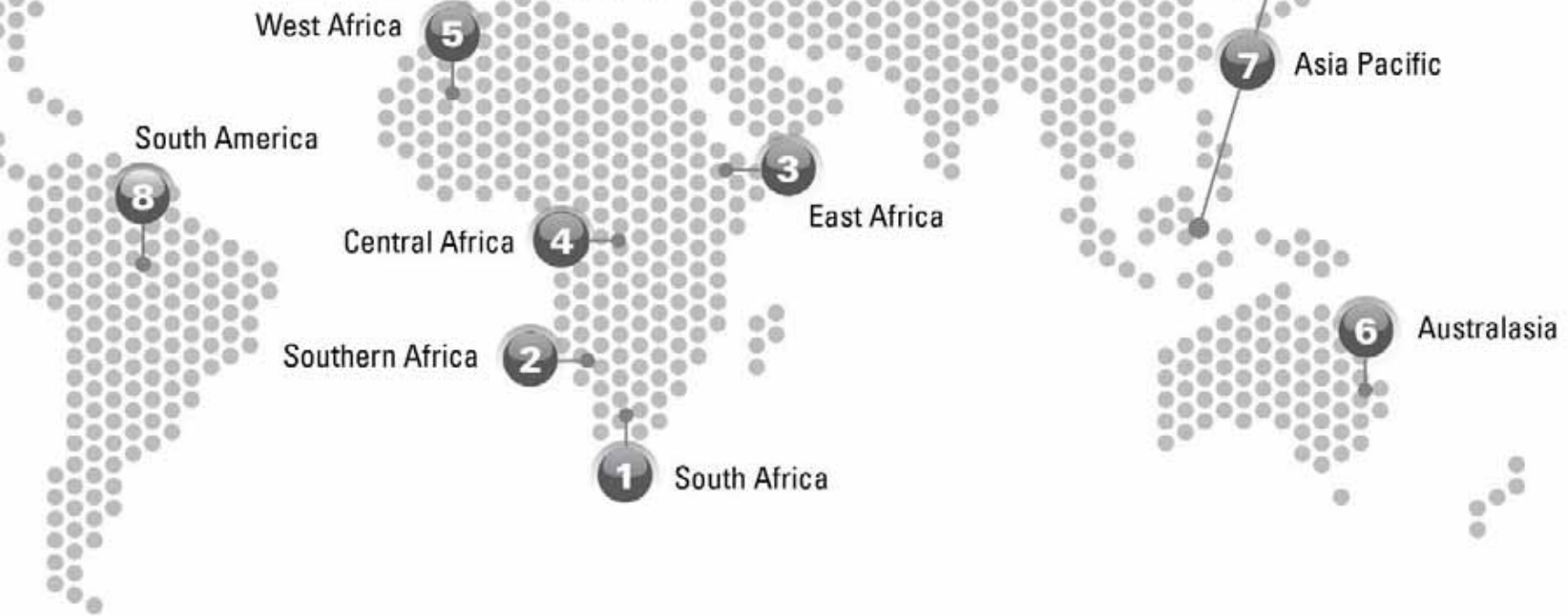
OUR VALUE PROPOSITION



- We differentiate ourselves from other commodity chemical suppliers by applying our intellectual capital and technologies to all key points along our supply and service chains
- This enables Omnia to create value throughout by tailoring our products and services to the specific and changing needs of our customers
- Our business model has been tried and tested over many years, and continues to be fine-tuned as our markets and customers evolve



GEOGRAPHICAL SCOPE



- ▲ Agriculture
- ▲ Mining: BME
- ▲ Mining: Protea
Mining Chemicals
- ▲ Chemicals

Region	Country	Agriculture	Mining: BME	Mining: Protea Mining Chemicals	Chemicals
South Africa	South Africa	▲	▲	▲	▲
	Southern Africa				
Southern Africa	Angola		▲		▲
	Botswana		▲		
	Lesotho		▲		
	Mozambique		▲		
	Namibia		▲	▲	▲
	Zimbabwe	▲	▲		▲
East Africa	Kenya	▲		▲	▲
	Mauritius	▲	▲	▲	▲
	Tanzania		▲		
	Zambia	▲	▲	▲	
Central Africa	DRC		▲	▲	
West Africa	Burkina Faso		▲		
	Guinea		▲		
	Mali		▲		
	Mauritania		▲		
	Senegal		▲		
	Sierra Leone		▲		
Australasia	Australia	▲	▲		
	New Zealand	▲			
Asia Pacific	China	▲			▲
	Indonesia		▲		
South America	Brazil	▲			
	Colombia		▲		

KEY DRIVERS – FY2017



- **Currencies**
 - Stronger SA rand
- **Agriculture division**
 - Growth in international business
 - Record sales volumes in specialities and liquids
 - Higher unit production costs – NAP2 breakdown, lower offtake volumes (BME), key raw material overcharge
 - Close out of trading position in Australia
- **Mining division**
 - Lower international ammonia prices
 - Lower volumes due to mining cycle with signs of recovery
 - Additional overheads – geographic growth, automated production lines and depreciation of Dryden plant
- **Chemicals division**
 - Subdued manufacturing sector
 - Limited price inflation



OVERVIEW OF AUDITED RESULTS



		2017	%	Restated 2016
Revenue	Rbn	16.3	(3)	16.8
Profit before tax	Rm	856	(8)	929
Profit after tax	Rm	592	(8)	642
Basic earning per share	cents	885	(7)	953
Headline earnings per share	cents	881	(7)	944
Total dividend	cents	340	(6)	360
Debt:Equity	%	(1)		(3)

- **FY2016 results restated** downwards by R83 million (pre tax) and R60 million (after tax) linked to a legal dispute with supplier of raw materials to the Agriculture division (IAS 37 accounting treatment)
- **Ungearred** balance sheet at year-end



OTHER KEY FEATURES

- Revenue down 3% to R16.3 billion
- Operating profit down 6% to R1 040 million
- Profit before tax down 8% to R856 million
- Profit after tax of R592 million down 8%
- Headline earnings per share down 7% to 881 cents per share
- Ungearing balance sheet of R90 million
- Cash generated from operations decreased to R1.3 billion (2016: R2.3 billion)
- Credit rating affirmed in August 2016 as A- (long-term) and A1- (short-term), with a stable ratings outlook
- Safety: recordable case rate of 0.54 below target of 0.8

(With reference to restated FY2016 results)



KEY ACQUISITION OF UMONGO PETROLEUM



- Leading distributor of additives, base oils and other related petroleum, oil and lubricant products in South Africa and sub-Saharan Africa
- FY2017 – R1 billion turnover; R77.4 million profit after tax (normalised*)
- Earnings enhancing and strong growth potential for Chemicals division
- Salient terms
 - 90% interest acquired for R780 million, with payment of R618.5 million on closing
 - Three year earn out with maximum of R124.5 million
 - Retained key management
- Closing of transaction remains subject to Competition Commission approval – expected Q4 CY2017



AGRICULTURE OVERVIEW



AGRICULTURE OVERVIEW

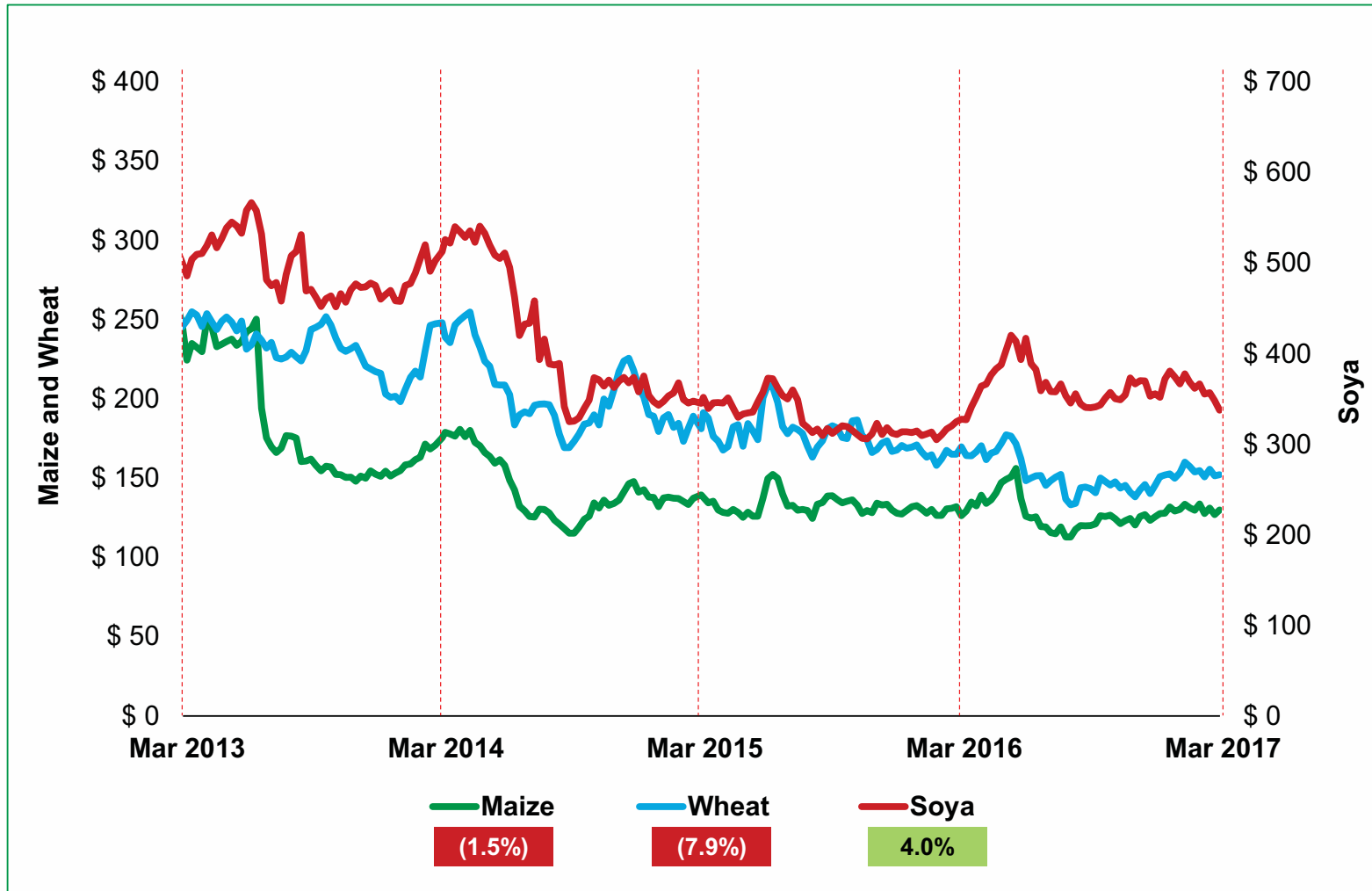


- Volumes up 10%: South Africa +2.5%, International +11.5%
- Record sales of local and international speciality fertilizers
- Strong growth internationally and improved hedging strategies
- Operating margin of **5.4%** (2016: 5.0%) below guidance of 7% to 9%
 - Trading business: loss closed out
 - Pricing dispute with key raw material supplier subject to legal claim, approximately 1% impact on operating margin
 - Higher unit production costs - lower offtake of BME volumes, farmer carry over stock and NAP2 breakdown
 - Unfavourable Ammonia:Urea ratio

		2017	%	Restated 2016
Revenue	Rbn	8.2	(1)	8.2
Operating profit	Rm	438	7	411
Operating Margin	%	5.4		5.0



CROP PRICES – USD PER TONNE

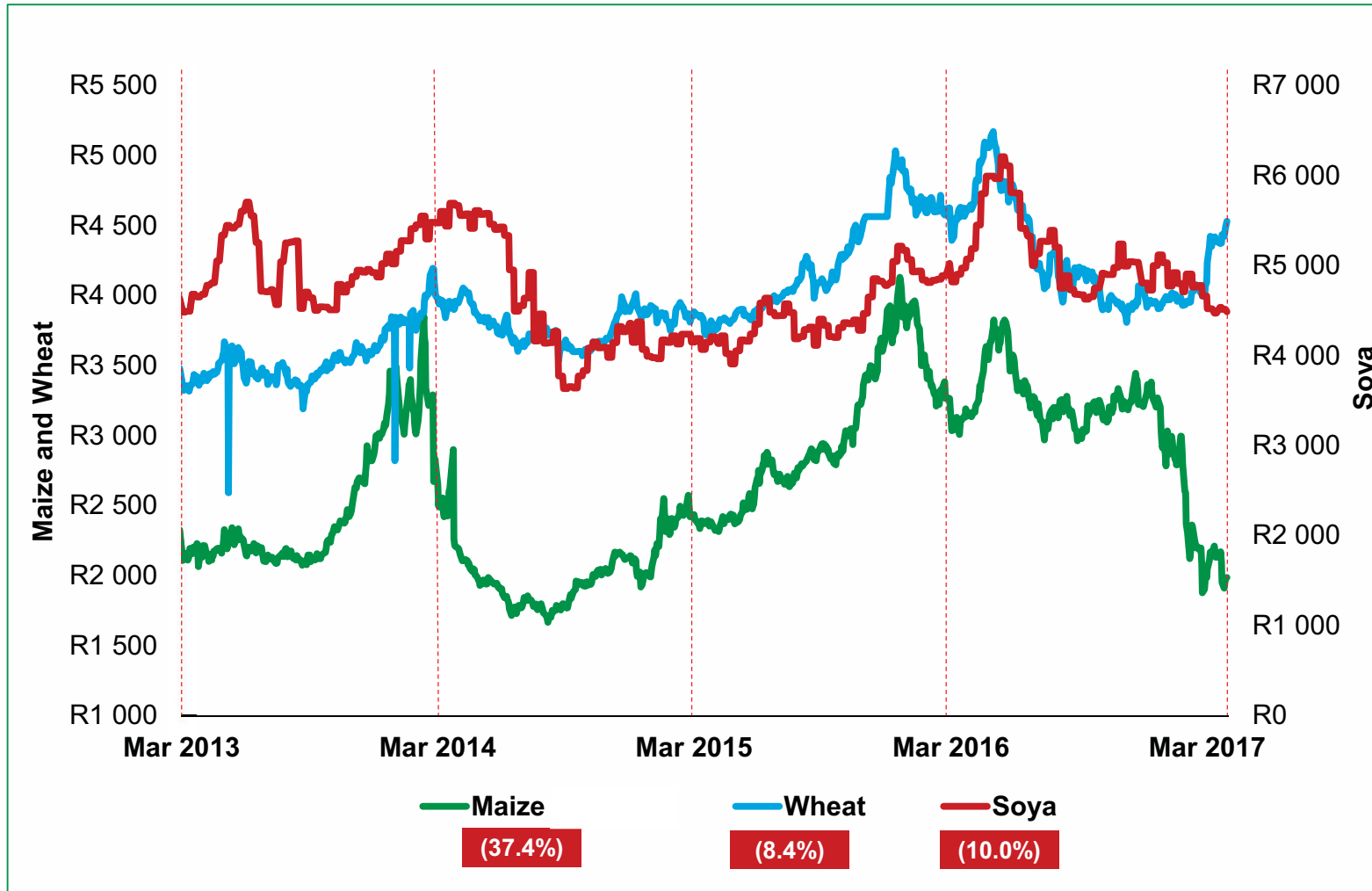


Maize – prices at 31 March – USD	
2013	248
2014	176
2015	140
2016	132
2017	130

Wheat – prices at 31 March – USD	
2013	246
2014	248
2015	181
2016	165
2017	152

Soya - prices at 31 March – USD	
2013	502
2014	513
2015	345
2016	325
2017	338

CROP PRICES – RAND PER TONNE

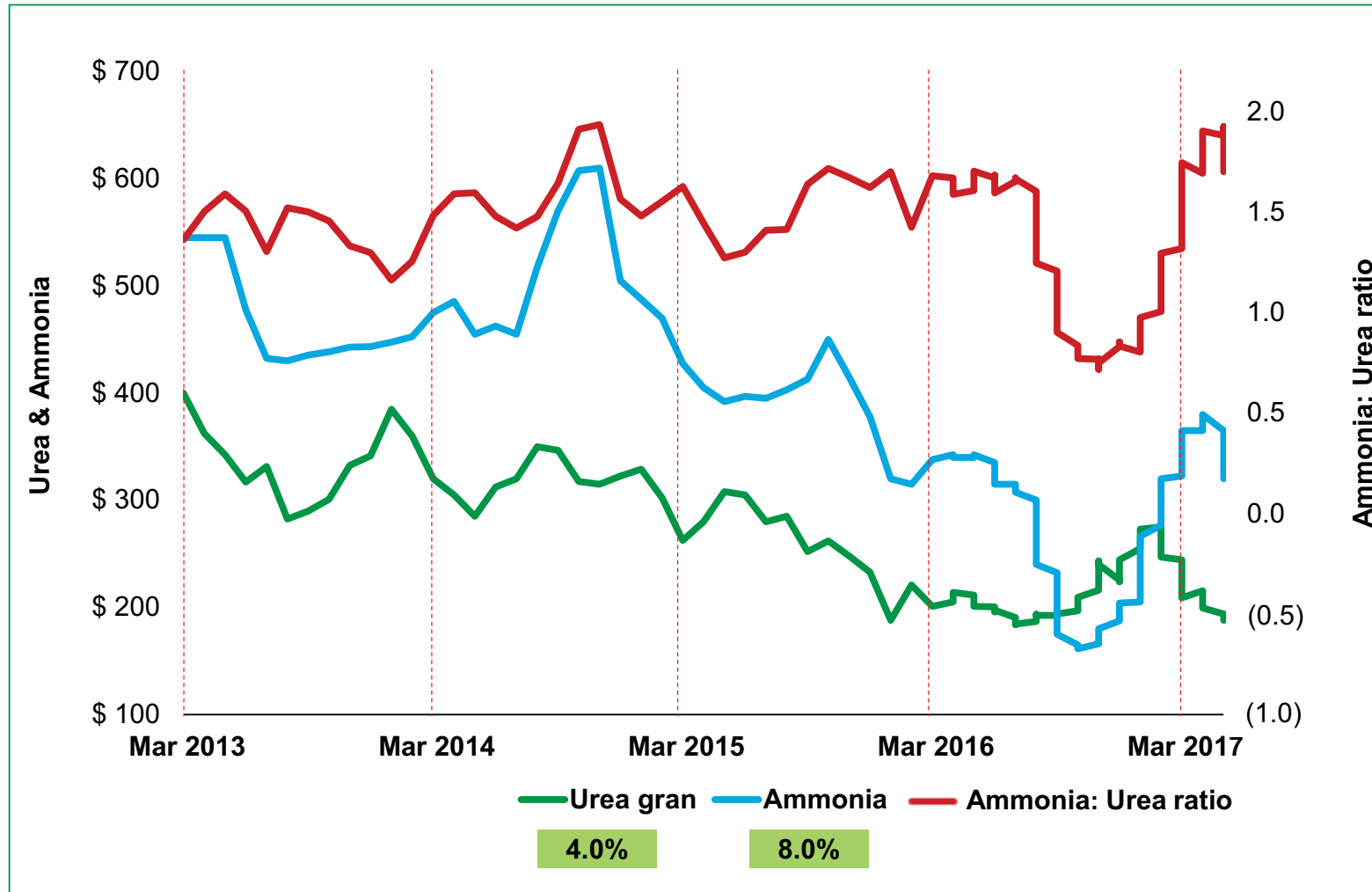


Maize – prices at 31 March – Rand	
2013	2 325
2014	2 650
2015	2 436
2016	3 265
2017	2 044

Wheat – prices at 31 March – Rand	
2013	3 480
2014	3 975
2015	3 883
2016	4 625
2017	4 235

Soya – prices at 31 March – Rand	
2013	4 638
2014	5 473
2015	4 143
2016	5 021
2017	4 518

AMMONIA VS UREA (GRAN) PRICE – USD PER TONNE

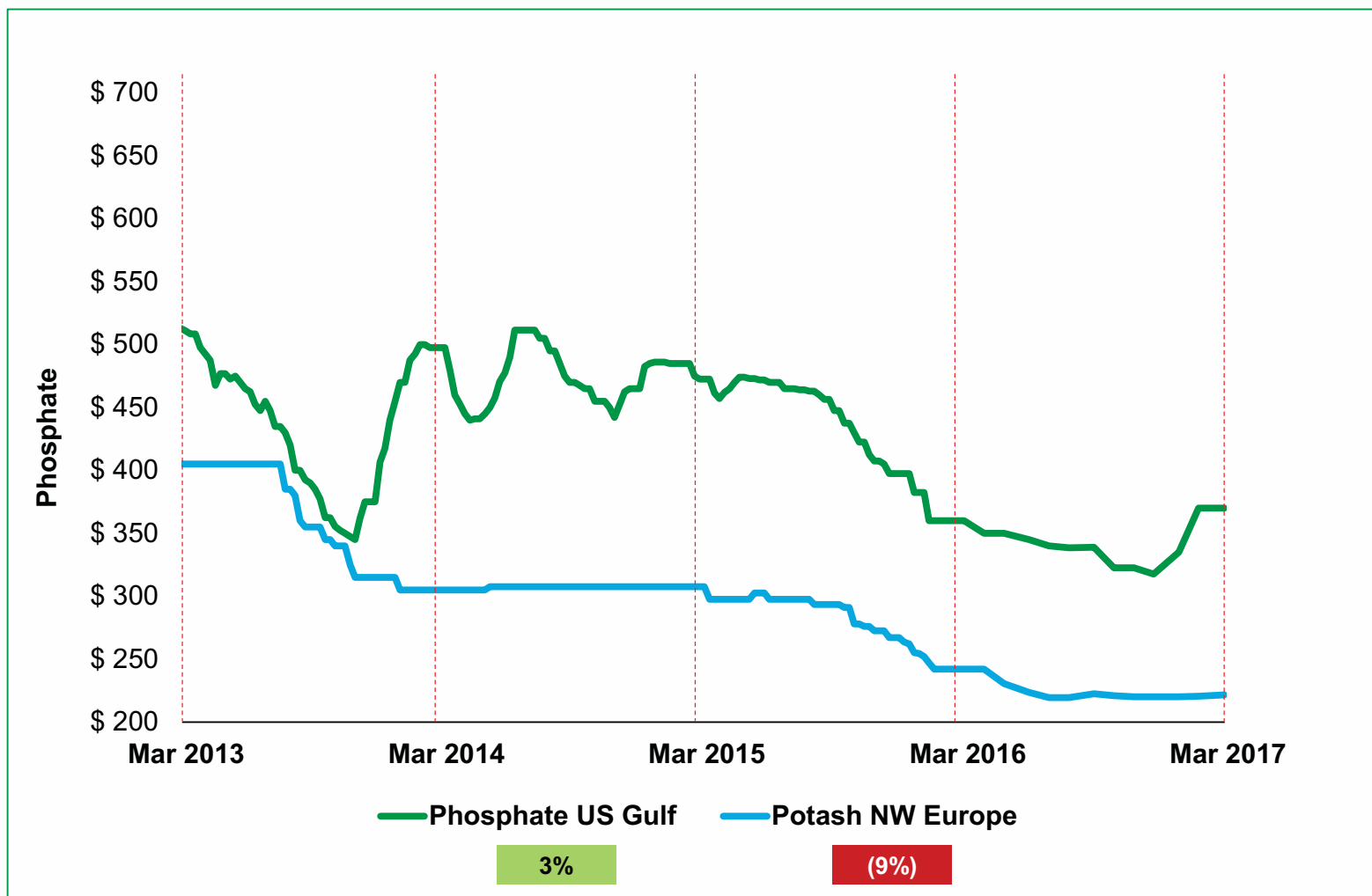


Urea (Gran) – prices at 31 March – USD	
2013	400
2014	320
2015	263
2016	201
2017	209
May 2017	188

Ammonia – prices at 31 March – USD	
2013	545
2014	475
2015	428
2016	338
2017	365
May 2017	320

Ammonia :Urea Ratio – Prices at 31 March	
2013	1.36
2014	1.48
2015	1.63
2016	1.68
2017	1.75
May 2017	1.70

PHOSPHATE AND POTASH PRICES – USD PER TONNE



Phosphate – prices at 31 March – USD	
2013	513
2014	498
2015	473
2016	360
2017	370

Potash – prices at 31 March – USD	
2013	405
2014	305
2015	308
2016	242
2017	222

MINING OVERVIEW



MINING OVERVIEW

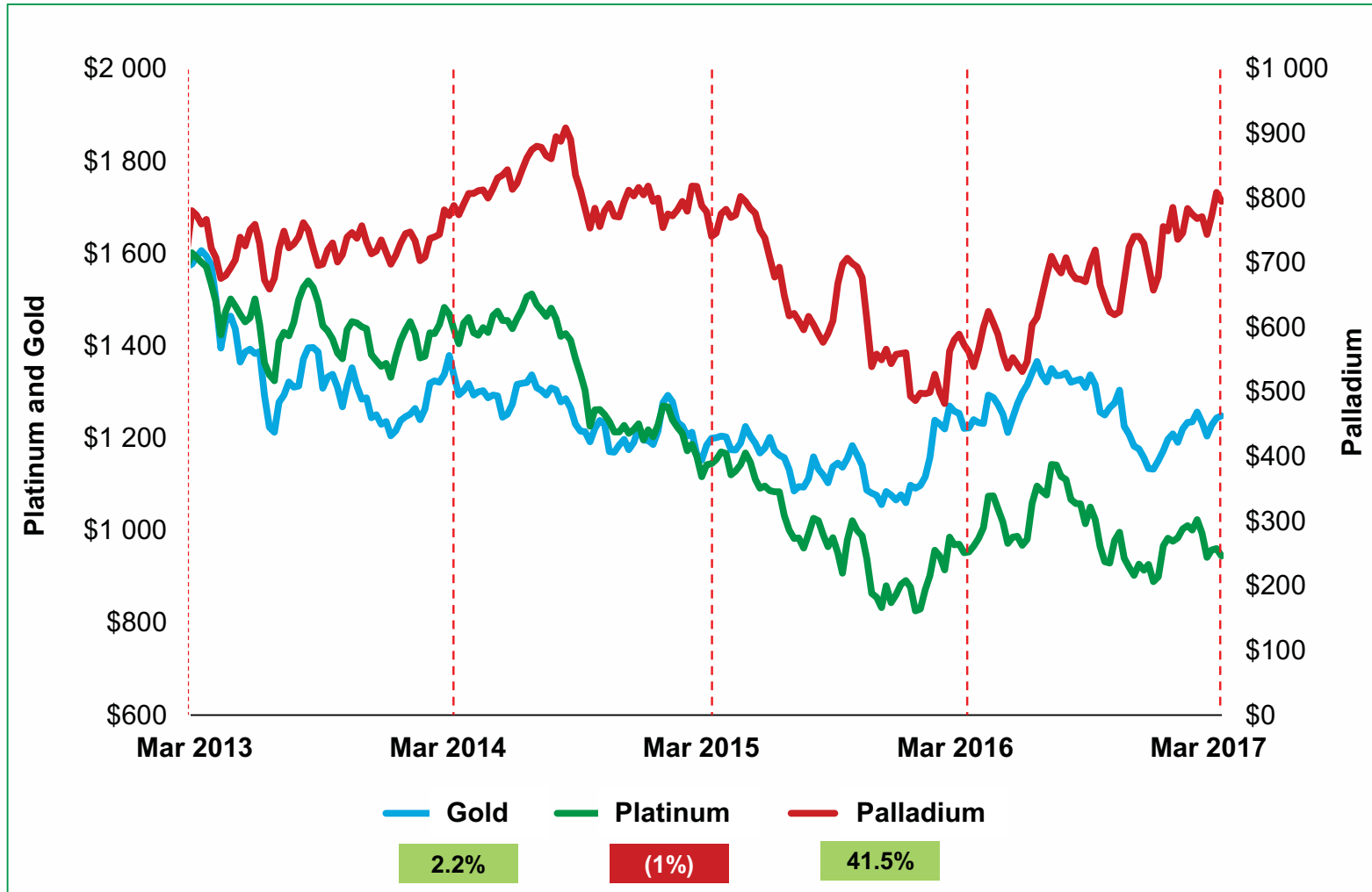


- Overall volumes up 3%
 - 43% increase in AXXIS™ sales volumes
 - Significant increase in Zambia volumes (copper)
 - Offset by mine closures in South Africa and lost business in Botswana and Namibia
- Secured new West African contracts (gold) – positive impact in FY2018
- Continued lower commodity market prices and cost pressures
- Raw material efficiencies offset by higher overheads

		2017	%	2016
Revenue	Rbn	4.4	(4)	4.6
Operating profit	Rm	457	(13)	526
Operating Margin	%	10.4		11.6



PRECIOUS METALS USD PER OUNCE

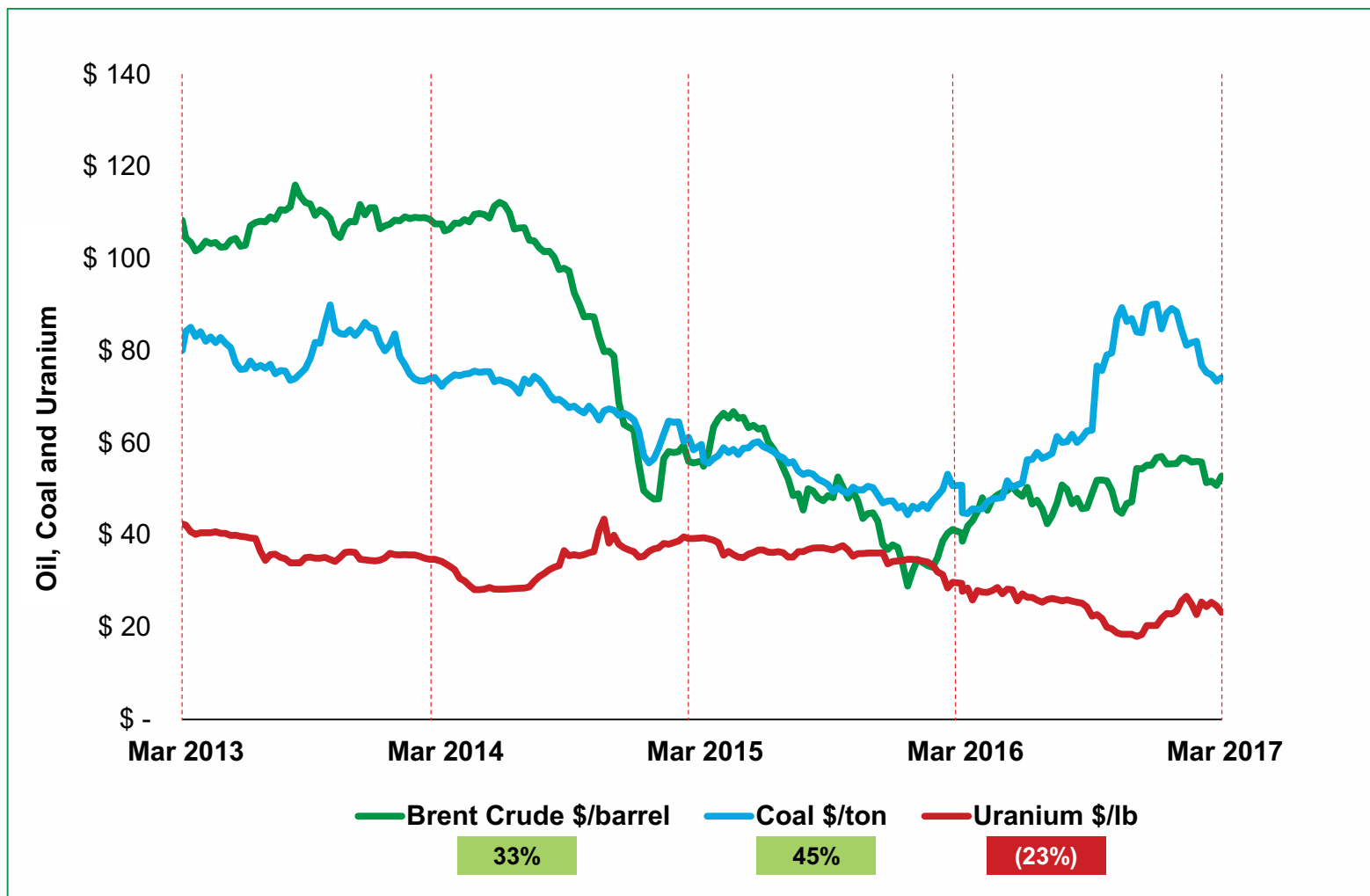


Gold – prices at 31 March – USD	
2013	1 595
2014	1 294
2015	1 200
2016	1 222
2017	1 249

Platinum – prices at 31 March – USD	
2013	1 571
2014	1 405
2015	1 145
2016	954
2017	945

Palladium – prices at 31 March – USD	
2013	767
2014	774
2015	741
2016	562
2017	795

ENERGY/COMMODITY PRICES IN USD

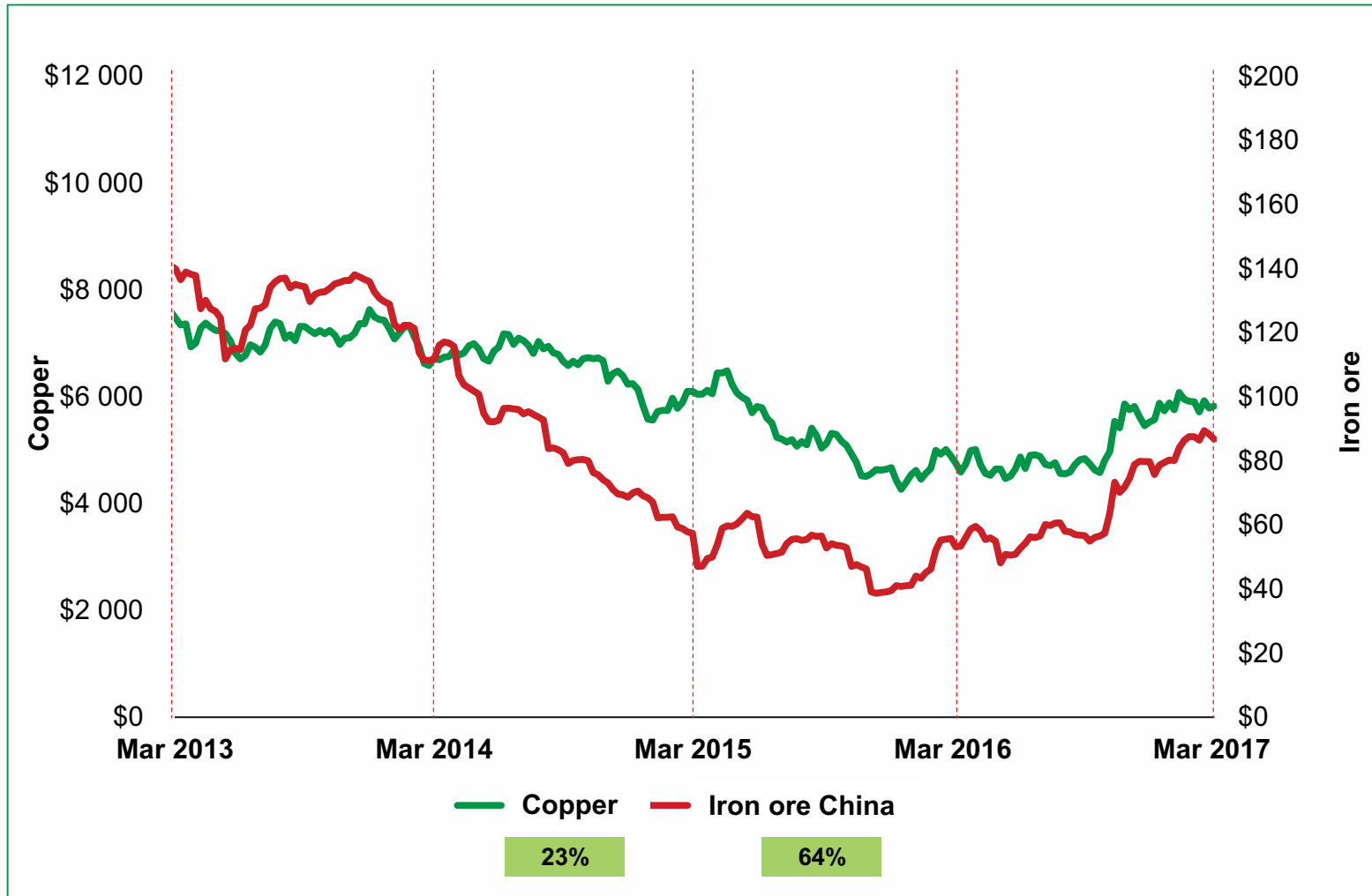


Oil – prices at 31 March – USD	
2013	108
2014	107
2015	56
2016	40
2017	53

Coal – prices at 31 March – USD	
2013	80
2014	72
2015	60
2016	51
2017	74

Uranium – prices at 31 March – USD	
2013	42
2014	34
2015	39
2016	30
2017	23

METAL COMMODITY PRICES IN USD PER TONNE



Copper – prices at 31 March – USD	
2013	7 469
2014	6 730
2015	6 105
2016	4 754
2017	5 824

Iron ore – prices at 31 March – USD	
2013	140
2014	112
2015	57
2016	53
2017	87

CHEMICALS OVERVIEW



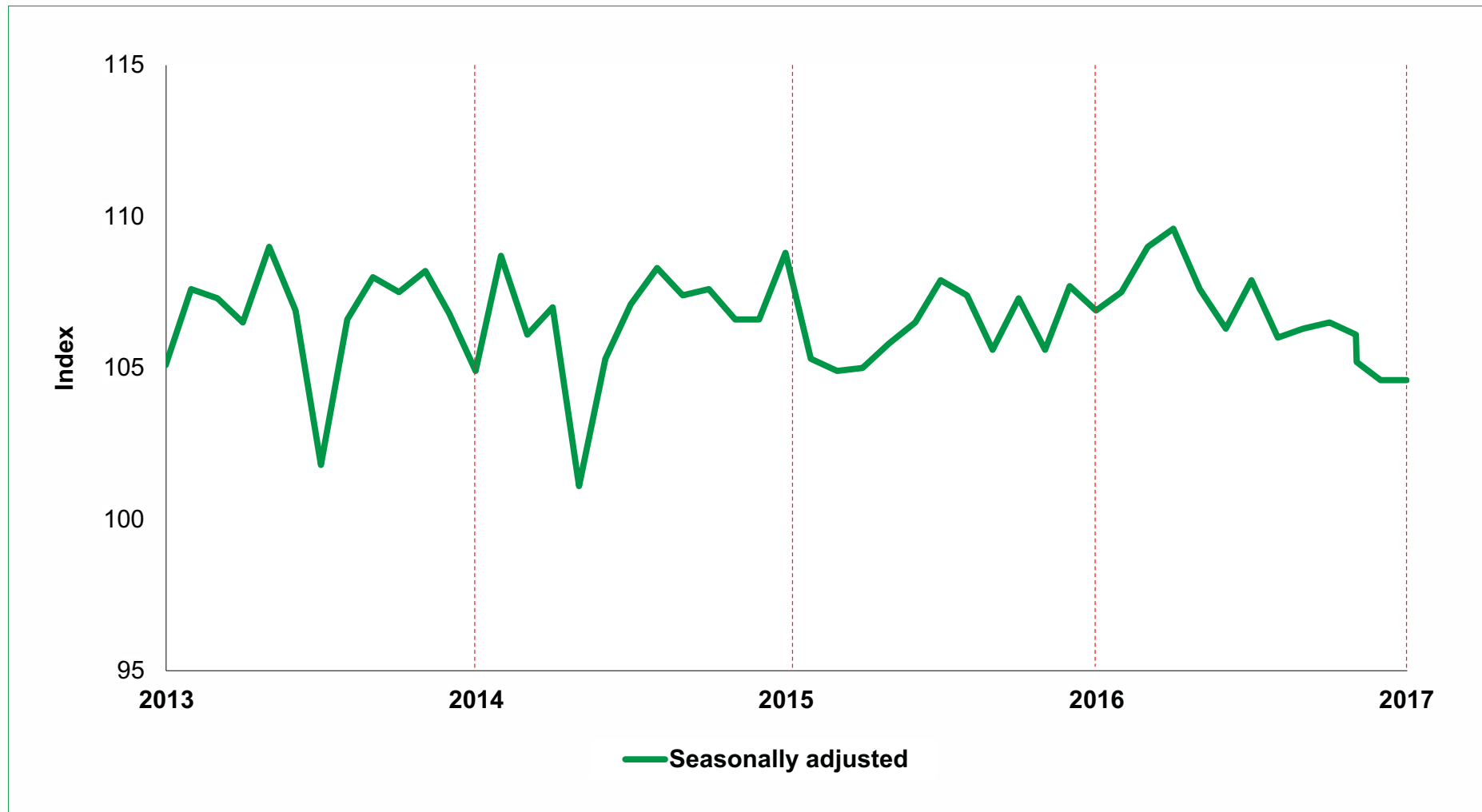
CHEMICALS OVERVIEW

- Volumes down 8%
 - Subdued manufacturing sector, low economic growth
 - Drought affecting animal feeds sector
- Reduced operating margin
 - Lower crude oil and commodity prices
 - Reduced volumes
- Expense base contained

		2017	%	Restated 2016
Revenue	Rbn	3.7	(7)	4.0
Operating profit	Rm	145	(15)	171
Operating Margin	%	3.9		4.3



INDEX OF THE PHYSICAL VOLUME OF MANUFACTURING – SOUTH AFRICA






FINANCIAL OVERVIEW



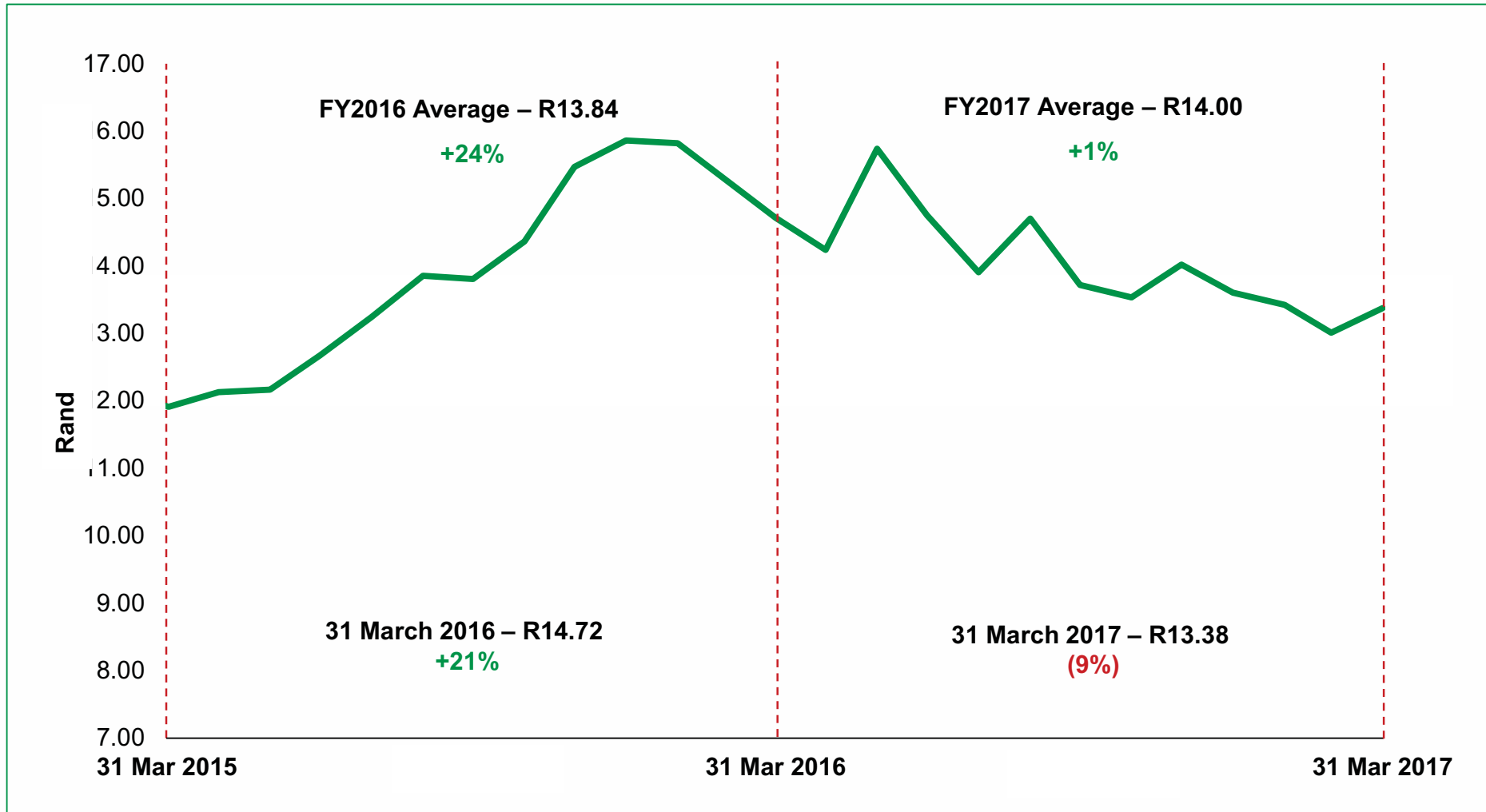
KEY DRIVERS OF REVENUE AND PROFITS



		Revenue	Volumes	Average price
		%	%	%
 Agriculture		(1)	+10	(13)
 Mining		(4)	+3	(7)
 Chemicals		(7)	(8)	+1

- **Exchange rates:** stronger SA rand:US dollar at year end
- **Commodity prices:** mixed
- **Ammonia:Urea ratio:** unfavourable ratio during the year

RAND:USD EXCHANGE RATES



INCOME STATEMENT



- **FY2016 restated** by R83 million (pre tax) and R60 million (after tax)
- **Gross profit** general slow down in sectors and competitive pricing
- **Distribution expenses** higher volumes offset by lower pricing
- **Administrative expenses** new products, technologies, territories and contracts in Mining division
- **Other operating income/(expenses)** foreign exchange income of R46 million (2016: R53 million loss) and insurance claims of R81 million (net of deductibles)

	2017	%	Restated 2016
Rm			
Revenue	16 269	(3)	16 774
Cost of sales	(12 802)	3	(13 220)
Gross Profit	3 467	(2)	3 554
Distribution expenses	(1 551)	-	(1 554)
Administrative expenses	(998)	(13)	(880)
Net other operating income/(expense)	122	>100	(12)
Operating Profit	1 040	(6)	1 108
Gross Margin	21.3	%	21.2
Operating Margin	6.4	%	6.6

INCOME STATEMENT



- **Net finance expense**
 - Finance expense of R251 million (2016: R239 million) - net of interest capitalised on capital projects under construction of R11 million (2016: R24 million)
 - Finance income of R67 million (2016: R60 million) - higher cash balances
- **Income tax expense**
 - Effective tax rate of 30.8% (2016: 30.9%)
 - Mix of profits; high tax rate jurisdictions

	2017	%	Restated 2016
Rm			
Net finance expense	(184)	(3)	(179)
Profit before taxation	856	(8)	929
Income tax expense	(264)	8	(287)
Profit for the year	592	(8)	642
Tax rate		%	30.9
			30.8

SEGMENTAL REVIEW



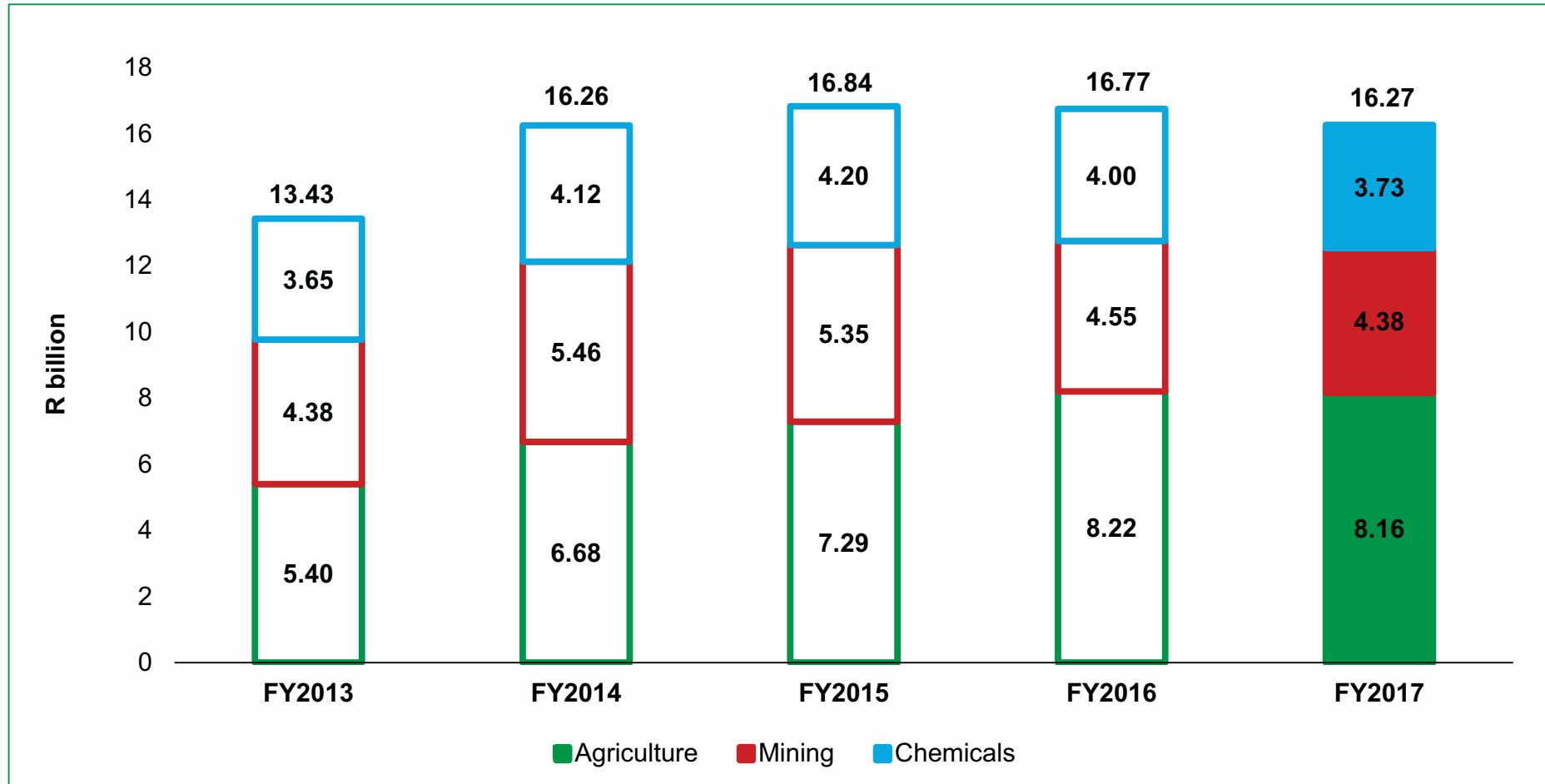
		Guidance 2017*		2017	Restated 2016
	Revenue (external)		Rm	8 159	8 218
	Operating Profit		Rm	438	411
	Operating Margin	7.0 - 9.0	%	5.4	5.0
	Total Assets		Rm	7 368	7 107
	Revenue (external)		Rm	4 378	4 551
	Operating Profit		Rm	457	526
	Operating Margin	12.0 – 14.0	%	10.4	11.6
	Total Assets		Rm	3 033	2 842
	Revenue (external)		Rm	3 732	4 005
	Operating Profit		Rm	145	171
	Operating Margin	3.5 – 4.5	%	3.9	4.3
	Total Assets		Rm	2 364	2 369

* As per H1 FY2017 presentation

SEGMENTAL PERFORMANCE – REVENUE



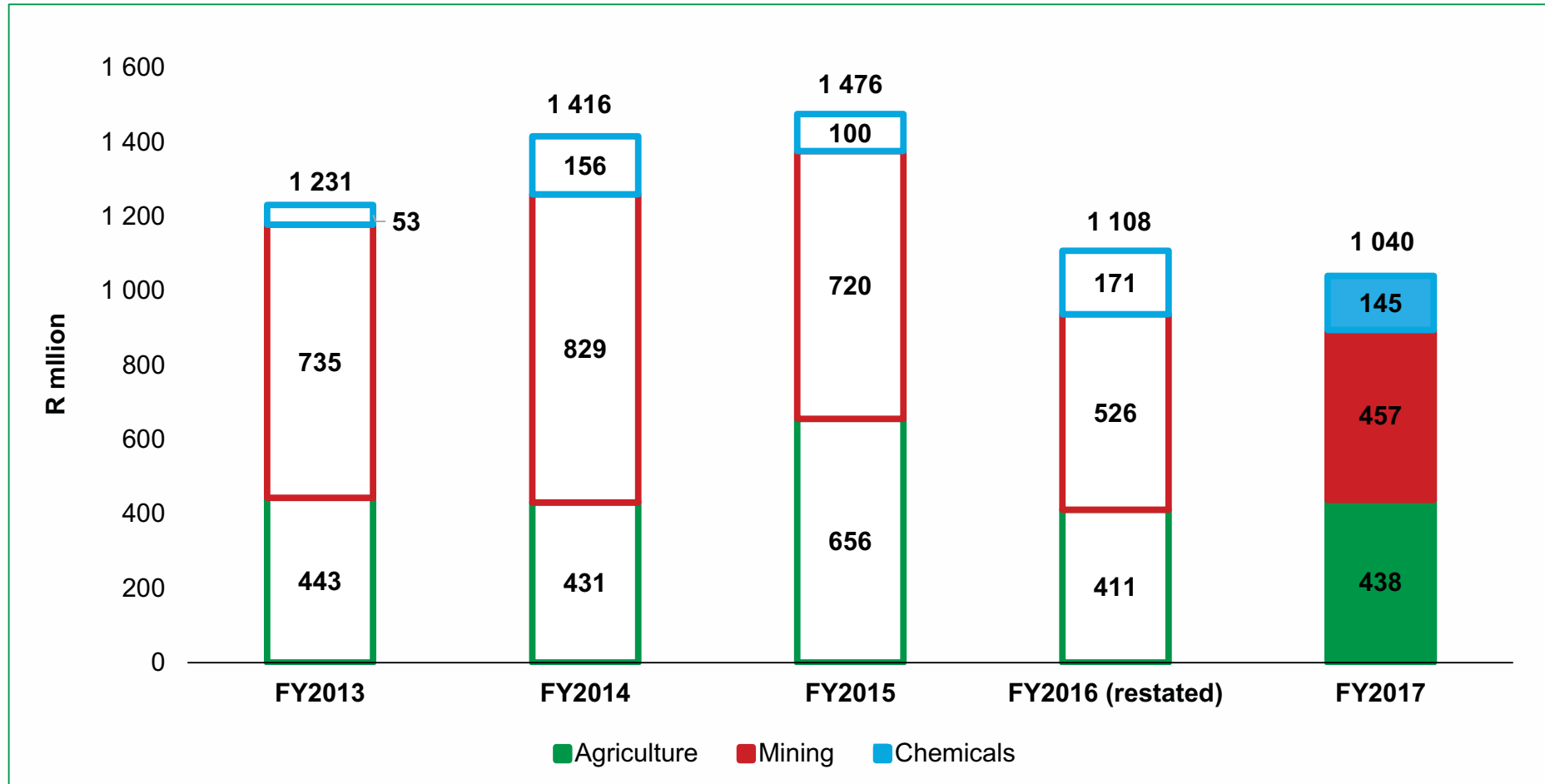
Five year Compound Annual Growth Rate of **8.6%**



SEGMENTAL PERFORMANCE – OPERATING PROFIT



Five year Compound Annual Growth Rate of **3.4%**



BALANCE SHEET – ASSETS



	2017	%	Restated 2016
Rm			
Non-current assets	5 009	7	4 701
Current assets	7 755	2	7 617
Inventories	3 229	(16)	3 850
Trade and other receivables	3 096	-	3 084
Cash	1 302	>100	572
Other	128	15	111
Total Assets	12 764	4	12 318

Non-current assets

- Fixed assets
 - Capital expenditure R696 million
 - Depreciation R366 million
- Intangible assets
 - Capital expenditure R121 million
 - Amortisation R46 million

Current assets

- Inventories – R621 million decrease predominantly due to reduction in excess stock (Agriculture)
- Trade and other receivables – remained flat

BALANCE SHEET – DEBT AND EQUITY



	2017	%	Restated 2016
Rm			
Total equity	7 542	(1)	7 602
Deferred tax	580	3	565
Liabilities	3 430	(10)	3 807
Debt	1 212	>100	344
	12 764	4	12 318
Debt:Equity		%	
	(1.2)		(3.0)
Net cash	90		228

Net movement in equity of R60 million

- Increase - Profit R593 million
- Decrease - FCTR R425 million; Dividends paid R233 million

Debt

- Gross bank overdraft of R1 040 billion offset by cash balances of R1 302 billion
- Includes low interest rate funding for Emerging Farmer programme

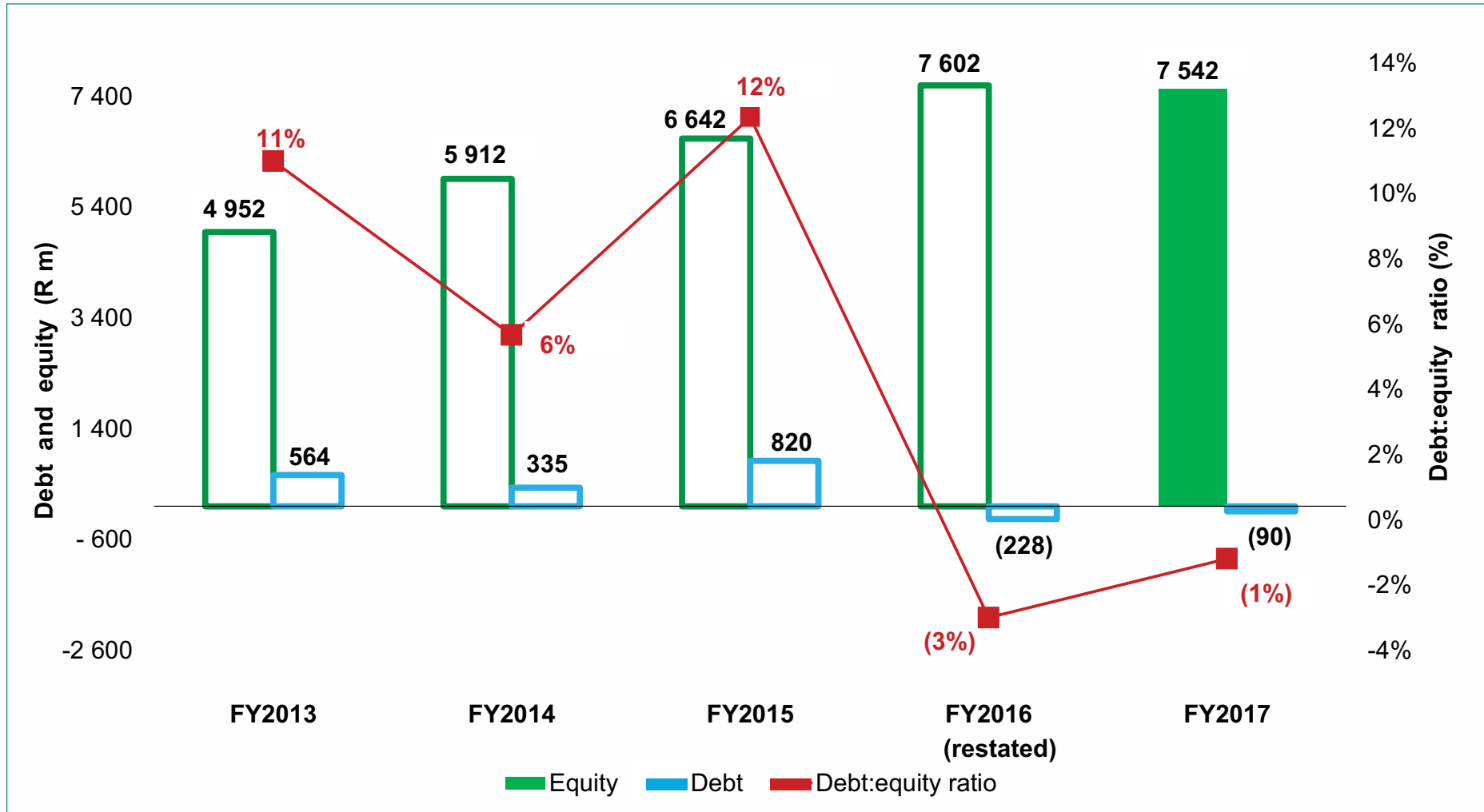
CASH FLOW



- Net cash flow from operating activities **down R955 million**
- Investment in capital expenditure **up R323 million**
- Financing movement (net) – reduction in dividend, additional debt raised
- R90 million net cash positive (including debt of R172 million)

	2017	Restated 2016
Rm		
Cash generated from operations	1 349	2 304
Interest paid	(195)	(203)
Taxation paid	(268)	(245)
Net cash inflow from operating activities	886	1 856
Net cash outflow from investing activities	(772)	(469)
Net cash outflow from financing activities	(139)	(432)
Net (decrease)/increase in cash and cash equivalents	(25)	955
Net cash and cash equivalents at beginning of year	310	(699)
Exchange rate movement	(23)	54
Net cash and cash equivalents at end of year	262	310

DEBT: EQUITY RATIO



PROSPECTS



GROUP OUTLOOK

- SA rand:US dollar volatility
- Strong balance sheet
- Upgrading of IT platforms adding value
- Strong management team and business model
- Continue to improve our safety record
- Growth opportunities
 - Closing Umongo transaction
 - Nitrophosphate plant approved – R670 million
 - Continue to identify and evaluate potential acquisitions
 - Continue to expand markets beyond Africa



OUTLOOK – AGRICULTURE DIVISION



- Ammonia:Urea ratio - expected to improve due to additional merchant ammonia production
- SA rand:US dollar exchange rate – weaker rate has a positive effect on export sales and profit margins
- Nitrophosphate facility - R670 million capital cost; two year build
- Other
 - On-going drive to manage overhead costs and working capital
 - Improvement of production volumes and efficiencies
 - Continue to focus on procurement and hedging strategies
 - Carbon credits – continue to generate



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OUTLOOK – MINING DIVISION

- Mining sector
 - Expected to move off low point in commodity cycle
- International growth
 - West Africa, DRC, Columbia and Australia
 - AXXIS™ sales
- Underground market
 - Portable emulsion pumping system
 - Initiation system
- Protea Mining Chemicals
 - Continued focus on regional growth in Africa



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OUTLOOK – CHEMICALS DIVISION

- International markets
 - Subdued South African manufacturing sector
 - International commodity prices – slow recovery expected
- Growth
 - New business model – continued optimisation
 - Continued focus on developing business model towards value added service
 - Extend product offering to regional African markets
- Acquisitions
 - Operationalise Umongo acquisition






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OPERATING MARGIN



		Target FY2017	Actual FY2017	Target FY2018
		%	%	%
 Agriculture		7.0 – 9.0	5.4	6.0 – 8.0
 Mining		12.0 – 14.0	10.4	12.0 – 14.0
 Chemicals		3.5 – 4.5	3.9	3.5 – 4.5

THANK YOU



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