



May 14, 2024
PRESS RELEASE

NICKEL ASIA CORPORATION ANNOUNCES 202 MILLION NET INCOME FOR FIRST QUARTER OF 2024

Taguig, May 14, 2024 – Nickel Asia Corporation (NAC) (PSE: NIKL) today announced its unaudited financial and operating results for the three-month period ended March 31, 2024, with an attributable net income (net of minority interest) of P202 million, lower than the P970 million reported during the same period last year.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to P1.05 billion against ~~P~~2.21 billion in the prior year.

Revenues from ore sales declined by 41 percent to P2.09 billion from P3.55 billion last year, due to lower ore prices resulting from the oversupply situation faced by the nickel industry. The Company's operating mines sold a combined 2.61 million wet metric tons (WMT) of nickel ore during the period, slightly higher than last year's 2.39 million WMT.

The weighted average nickel ore sales price during the period decreased by 48 percent to \$13.84 per WMT against \$26.80 per WMT in the same period last year. The company realized P56.13 per US dollar from these nickel ore sales, a 2 percent increase from P54.80 last year.

Breaking down the ore sales, the Company exported 0.61 million WMT of saprolite ore at the average price of \$25.57 per WMT during the period from 0.60 million WMT at \$50.37 per WMT in the same period last year.

Likewise, the Company delivered 2 million WMT of limonite ore to the Coral Bay and Taganito high-pressure acid leach (HPAL) plants, the prices of which are linked to the London Metal Exchange (LME) and realized an average price of \$7.53 per pound of payable nickel equivalent to \$10.27 per WMT. This compares to 1.79 million WMT at \$11.98 per pound equivalent to \$18.84 per WMT last year.



NAC also recognized losses from its combined equity share in investments in the two HPAL plants in the amount of P193.90 million against P252.12 million income in the prior year.

Renewable Energy

For the First Quarter of 2024, Emerging Power, Inc.'s (EPI) subsidiary, Jobin SQM, Inc. (JSI) increased generation by 19.3 percent to 44,881-megawatt hours due to a significant increase in overall capacity. Last February 28, 2024, JSI successfully opened an additional 72-MWp in Sta. Rita, Subic, thereby expanding capacity to 172-MWp.

Higher revenues and effective cost management kept EBITDA margin at 79 percent and resulted in a 4-percent increase in EBITDA to P160 million.

EPI is focused on expanding its business portfolio

Pre-development activities on Northern Palawan Power Generation Corporation's solar project in Subic-Cawag are almost complete with construction of the proposed 145-MWp plant expected to begin by the third quarter of this year and commercial operations scheduled to start by fourth quarter of 2025.

In addition, Greenlight Renewables Holdings, Inc., EPI's joint venture with Shell Overseas Investments B.V., is implementing its solar power project in Leyte, with an initial 120-MWp slated to be completed by the first quarter of 2025.

As to the modular-type geothermal project of EPI's affiliate, Biliran Geothermal, Inc., the initial 2-MW turbines have been installed and energization activities are ongoing. This paves the way for the next phase of the 10-MW capacity expansion, with the goal of attaining full capacity of 50-MW in the medium term.

"The long-term prospects for the nickel industry remain positive with the market's growing preference for nickel in the stainless steel and EV battery industries. As the global energy transition gains momentum, we expect the nickel oversupply to



eventually turn into a deficit and thereafter trigger a resurgence in nickel prices. Furthermore, we remain on track to achieve our twin goals of becoming a premiere ESG investment and a Top 25 company in the Philippine Stock Exchange by 2025," said NAC President and CEO Martin Antonio G. Zamora.

"Our three new nickel projects, namely Dinapigue, Bulanjao, and Manicani, will set the stage for growth in our operations. Together, they are poised to significantly bolster our nickel ore sales volumes in the coming years. Also, our diversification into renewable energy is proceeding according to plan. With EPI solar capacity now at 172-MWp and almost 400-MWp in the immediate pipeline, our role as stewards of our country's natural resources takes on even greater significance," he added.

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About Nickel Asia Corp.

Nickel Asia Corp. (PSE: NIKL) is a diversified natural resources development company in the Philippines, comprising six operating and two exploratory mines and interests in the country's only two high-pressure acid leach (HPAL) plants and in a renewable energy subsidiary. At NAC, our aim is to contribute to sustainable national development by adopting our ESG roadmap in order to achieve the highest standards in the responsible utilization of our country's natural resources. Our mines produce two types of ore: saprolite and limonite. Our saprolite ore is used as feed for ferronickel and nickel pig iron smelters in Japan and China while most of our limonite ore is processed domestically by the Coral Bay and Taganito HPAL projects. Our renewable energy subsidiary aims to engage in power generation exclusively from renewable sources. In a short period of time, we have built up a portfolio of renewable energy service contracts across solar, wind and geothermal, which are at various stages of development. Through our operations and along with our partners of over 2,000 employees across communities, we aim to bring products that would move the world towards a progressive and sustainable future, always conscious of being stewards of the environments where we operate. Learn more at www.nickelasia.com and follow us on Twitter, Facebook, and LinkedIn.



NICKEL ASIA CORPORATION AND SUBSIDIARIES

UNAUDITED INTERIM CONDENSED CONSOLIDATED

STATEMENTS OF FINANCIAL POSITION

MARCH 31, 2024

(With Comparative Audited Figures as at December 31, 2023)

(Amounts in Thousands)

	March 31, 2024	December 31, 2023
	(Unaudited)	(Audited)
ASSETS		
Current Assets		
Cash and cash equivalents	₱13,490,586	₱15,482,465
Trade and other receivables	1,551,564	1,571,932
Inventories	3,715,857	3,037,699
Financial assets at:		
Fair value through profit or loss (FVTPL)	1,313,097	1,291,477
Fair value through other comprehensive income (FVOCI)	484,939	469,914
Amortized cost	35,000	35,000
Prepayments and other current assets	2,132,296	1,600,071
Total Current Assets	22,723,339	23,488,558
Noncurrent Assets		
Property and equipment	19,564,999	18,692,297
Investments in associates	5,360,995	5,484,980
Geothermal exploration and evaluation assets	1,900,353	1,896,637
Financial assets at - net of current portion:		
FVTPL	971,523	968,493
Amortized cost	375,000	375,000
Deferred income tax assets - net	425,049	439,600
Other noncurrent assets	6,751,561	6,581,244
Total Noncurrent Assets	35,349,480	34,438,251
TOTAL ASSETS	₱58,072,819	₱57,926,809
LIABILITIES AND EQUITY		
Current Liabilities		
Trade and other payables	₱2,491,858	₱2,940,279
Short-term debts	5,839,588	5,848,095
Income tax payable	431,229	321,993
Current portion of:		
Long-term debt	332,521	345,764
Lease liabilities	42,205	54,346
Other current liability	513,722	479,722
Total Current Liabilities	9,651,123	9,990,199
Noncurrent Liabilities		
Noncurrent portion of:		
Long-term debts	2,316,040	2,341,836
Lease liabilities	789,102	779,075
Deferred income	32,472	33,519
Provision for mine rehabilitation and decommissioning	916,547	909,551
Pension liability	429,383	388,720
Deferred income tax liabilities	389,294	378,923
Total Noncurrent Liabilities	4,872,838	4,831,624
Total Liabilities	14,523,961	14,821,823

(Forward)

	March 31, 2024	December 31, 2023
	(Unaudited)	(Audited)
Equity Attributable to Equity Holders of the Parent		
Capital stock	₱6,999,974	₱6,999,974
Additional paid-in capital	9,205,802	9,205,802
Other components of equity:		
Share in cumulative translation adjustment	928,609	869,185
Cost of share-based payment plan	154,296	154,296
Asset revaluation surplus	29,704	29,799
Net valuation losses on financial assets at FVOCI	(1,791)	(1,315)
Retained earnings:		
Unappropriated	19,202,523	19,000,052
Appropriated	135,000	135,000
Treasury stock	(134,014)	(134,014)
	36,520,103	36,258,779
Non-controlling Interests (NCI)	7,028,755	6,846,207
Total Equity	43,548,858	43,104,986
TOTAL LIABILITIES AND EQUITY	₱58,072,819	₱57,926,809

See accompanying Notes to Unaudited Consolidated Financial Statements.

NICKEL ASIA CORPORATION AND SUBSIDIARIES**UNAUDITED INTERIM CONDENSED CONSOLIDATED
STATEMENTS OF INCOME****FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023****(Amounts in Thousands, Except Earnings per Share)**

	2024	2023
	(Unaudited)	
REVENUES		
Sale of ore and limestone	₱2,087,830	₱3,546,870
Services	323,071	272,210
Sale of power	249,928	223,294
	2,660,829	4,042,374
COSTS		
Cost of sales	1,161,685	1,225,332
Services	204,987	176,431
Power generation	132,548	121,092
	1,499,220	1,522,855
OPERATING EXPENSES		
General and administrative	319,991	319,878
Shipping and loading costs	159,550	174,089
Excise taxes and royalties	143,274	229,965
	622,815	723,932
FINANCE INCOME	158,244	109,160
FINANCE EXPENSES	(119,083)	(123,379)
EQUITY IN NET INCOME (LOSS) OF ASSOCIATES	(193,896)	252,120
OTHER INCOME (CHARGES) – net	173,679	(90,726)
INCOME BEFORE INCOME TAX	557,738	1,942,762
PROVISION FOR (BENEFIT FROM) INCOME TAX		
Current	158,379	491,539
Deferred	14,435	(38,899)
	172,814	452,640
NET INCOME	₱384,924	₱1,490,122
Net income attributable to:		
Equity holders of the parent	₱202,376	₱969,688
NCI	182,548	520,434
	₱384,924	₱1,490,122
Basic/Diluted Earnings Per Share (EPS)	₱0.01	₱0.07

See accompanying Notes to Unaudited Consolidated Financial Statements.