

## **NICKEL ASIA CORPORATION ANNOUNCES 80% INCREASE YOY IN ATTRIBUTABLE NET INCOME FOR FIRST THREE MONTHS OF 2022.**

Taguig, May 5, 2022 – Nickel Asia Corporation (NAC) (PSE:NIKL) today announced its unaudited financial and operating results for the three-month period ended March 31, 2022 with an attributable net income (net of minority interest) of P1.05 billion, an 80% increase from P584 million net income reported during the same period last year. Earnings before interest, tax, depreciation and amortization (EBITDA) amounted to P2.20 billion, a 30% increase compared to P1.69 billion in the prior year.

“The global nickel industry continues to labor under a record deficit – with an even larger projected deficit this year as compared to the previous year”, remarked Martin Antonio G. Zamora, President and CEO of Nickel Asia Corporation (NAC; PSE: NIKL). “Coupled with continued strong demand for stainless steel and the accelerating trend in demand in the electric vehicle market, these factors have been beneficial to our metals and mining business”, he added.

Although nickel ore sales volume decreased by 10%, from 2.65 million wet metric tons (WMT) in the first quarter last year to 2.39 million WMT in the same period this year, revenue from the sale of nickel ore increased 17% year-on-year, from P2.85 billion in 2021 to P3.32 billion in 2022, as the weighted average realized price of ore sold increased 22% from \$22.21 per WMT last year to \$27.03 per WMT this year.

Breaking down the ore sales, the Company exported 651 thousand WMT of saprolite and limonite ore to Japanese and Chinese customers at the weighted average price of \$46.90 per WMT in the first three months of the year, compared to 845 thousand WMT at \$45.60 per WMT in the same period last year. Likewise, the Company delivered 1.74 million WMT of limonite ore to the Coral Bay and Taganito HPAL plants, the prices of which are linked to the LME, and realized an average price of \$11.80 per pound of payable nickel. This compares to 1.81 million WMT at \$7.96 per pound of payable nickel in 2021. Expressed in US Dollar per WMT, deliveries to the two HPAL plants generated \$19.58 and \$11.29 in the first quarter of 2022 and 2021, respectively.

Furthermore, as a result of higher LME prices, the Company recognized gain from its equity share in its investments in the two HPAL plants in the amount of P305 million in the first quarter of 2022, a 166% increase compared to P115 million gain in the same period last year.

The realized Peso to U.S. Dollar exchange rate for ore sales was P51.51 compared to P48.38 in the prior year.

Total operating cash costs increased by 8% year-on-year to P1.67 billion from P1.55 billion in 2021. On a per WMT of ore sold basis, total operating cash costs increased to P701 per WMT compared to P583 per WMT last year.

On the Company’s foray into the renewable energy business through Emerging Power, Inc., Mr. Zamora had this to say: “We remain on track to complete Phase 3B of the Subic Solar Project, which would bring its total capacity to 100MW by May of this year, and expect to

begin work on Phase 4 towards the latter part of the year, leading to a total capacity of 200MW by 2024. Further, we have made significant headway with respect to our 1,000MW renewable energy pipeline.”

Mr. Zamora added, “We continue to monitor extraneous factors such as the lockdowns in China that may affect the global supply chain and impact our businesses as well.”

For any questions and/or clarifications, please contact;

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## NICKEL ASIA CORPORATION AND SUBSIDIARIES

### UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

MARCH 31, 2022

(With Comparative Audited Figures as at December 31, 2021)

(Amounts in Thousands)

	March 31, 2022	December 31, 2021
	(Unaudited)	(Audited)
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	P11,108,095	P10,826,806
Trade and other receivables	1,694,147	1,971,096
Inventories	2,624,701	2,242,932
Financial assets at:		
Fair value through profit or loss (FVTPL)	5,140,383	5,266,080
Fair value through other comprehensive income (FVOCI)	645,734	1,122,284
Prepayments and other current assets	2,353,302	2,581,867
<b>Total Current Assets</b>	<b>23,566,362</b>	<b>24,011,065</b>
<b>Noncurrent Assets</b>		
Property and equipment	17,320,869	17,238,357
Investments in associates	4,197,188	3,812,554
Geothermal exploration and evaluation assets	1,863,831	1,849,936
Financial assets at - net of current portion:		
FVTPL	728,783	731,813
Amortized cost	460,000	460,000
Deferred income tax assets - net	375,523	309,746
Long-term stockpile inventory - net of current portion	42,535	42,535
Other noncurrent assets	3,348,792	3,244,876
<b>Total Noncurrent Assets</b>	<b>28,337,521</b>	<b>27,689,817</b>
<b>TOTAL ASSETS</b>	<b>P51,903,883</b>	<b>P51,700,882</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Trade and other payables	P7,016,383	P9,226,190
Short-term debts	1,495,685	1,492,916
Income tax payable	1,351,347	773,450
Other current liability	300,731	300,731
Current portion of:		
Long-term debt	90,545	89,248
Lease liabilities	30,914	35,754
Long-term payable	6,770	6,693
<b>Total Current Liabilities</b>	<b>10,292,375</b>	<b>11,924,982</b>
<b>Noncurrent Liabilities</b>		
Noncurrent portion of:		
Long-term debt	1,002,150	867,111
Lease liabilities	582,309	578,190
Deferred income	40,852	41,899
Provision for mine rehabilitation and decommissioning	827,525	823,962
Pension liability	666,330	624,110
Deferred income tax liabilities	508,958	511,428
<b>Total Noncurrent Liabilities</b>	<b>3,628,124</b>	<b>3,446,700</b>
<b>Total Liabilities</b>	<b>13,920,499</b>	<b>15,371,682</b>

(Forward)

	March 31, 2022	December 31, 2021
	(Unaudited)	(Audited)
<b>Equity Attributable to Equity Holders of the Parent</b>		
Capital stock	₱6,849,836	₱6,849,836
Additional paid-in capital	8,271,900	8,271,900
Other components of equity:		
Share in cumulative translation adjustment	666,750	599,215
Cost of share-based payment plan	476,857	473,442
Asset revaluation surplus	30,470	30,565
Net valuation gains (losses) on financial assets at FVOCI	(525)	3,363
Retained earnings:		
Unappropriated	17,764,413	16,710,460
Appropriated	135,000	135,000
Treasury stock	(134,014)	(134,014)
	<b>34,060,687</b>	<b>32,939,767</b>
<b>Non-controlling Interests (NCI)</b>	<b>3,922,697</b>	<b>3,389,433</b>
<b>Total Equity</b>	<b>37,983,384</b>	<b>36,329,200</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>₱51,903,883</b>	<b>₱51,700,882</b>

**NICKEL ASIA CORPORATION AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED STATEMENTS OF INCOME**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021**  
**(Amounts in Thousands, Except Earnings per Share)**

	2022	2021
	(Unaudited)	
<b>REVENUES</b>		
Sale of ore and limestone	₱3,383,001	₱2,901,043
Services and others	170,755	189,784
Sale of power	139,379	76,753
	<b>3,693,135</b>	<b>3,167,580</b>
<b>COSTS</b>		
Cost of sales	1,086,935	1,047,711
Power generation	96,589	80,276
Services	74,517	97,708
	<b>1,258,041</b>	<b>1,225,695</b>
<b>OPERATING EXPENSES</b>		
General and administrative	267,524	228,693
Excise taxes and royalties	217,727	184,066
Shipping and loading costs	153,896	211,871
	<b>639,147</b>	<b>624,630</b>
<b>FINANCE INCOME</b>	<b>20,305</b>	<b>67,251</b>
<b>FINANCE EXPENSES</b>	<b>(61,320)</b>	<b>(61,146)</b>
<b>EQUITY IN NET INCOME OF ASSOCIATES</b>	<b>305,181</b>	<b>114,926</b>
<b>OTHER INCOME – Net</b>	<b>26,260</b>	<b>11,026</b>
<b>INCOME BEFORE INCOME TAX</b>	<b>2,086,373</b>	<b>1,449,312</b>
<b>PROVISION FOR (BENEFIT FROM) INCOME TAX</b>		
Current	579,409	443,349
Deferred	(80,158)	36,730
	<b>499,251</b>	<b>480,079</b>
<b>NET INCOME</b>	<b>₱1,587,122</b>	<b>₱969,233</b>
Net income attributable to:		
Equity holders of the parent	₱1,053,858	₱584,097
NCI	533,264	385,136
	<b>₱1,587,122</b>	<b>₱969,233</b>
<b>Basic/Diluted Earnings Per Share (EPS)</b>	<b>₱0.08</b>	<b>₱0.04</b>