



## Global Ferronickel Holdings, Inc.

### **Global Ferronickel Holdings, Inc. 1H2019 Net Income soars more than 25x to P105.3Mn**

**Manila, Philippines/ August 13, 2019.** Global Ferronickel Holdings, Inc. (PSE: FNI), the second largest Nickel ore exporter in the country, increased its net income by more than 25x to Php 105.3 million for the first half of 2019 as against the Php 4.0 million it recorded in the same period last year. Revenue grew by 24.1% year-on-year to Php 1,774.8Mn from Php 1,430.6Mn in 1H2018.

“We have taken advantage of favorable weather conditions and the improving prices of Nickel and Nickel ore. Our commitment to excellence and growing expertise in the mining business have allowed us to increase our revenue and improve on our profitability,” said FNI President Dante R. Bravo.

From January to June 2019, FNI shipped 33 vessels of Nickel ore, equivalent to 1.8 million WMT, which is 16.9% higher than the ore shipment during the same period last year. With the Company’s deliberate push for the sale of higher-grade Nickel ores to take advantage of better prices, the resulting product mix for 1H2019 stood at 39% low-grade and 61% medium-grade as against 43% low-grade and 57% medium-grade in 1H2018. Moreover, FNI has shipped two vessels of 1.65% Nickel ores compared to just one vessel in 2018. Average realized prices increased by 14.8% for low-grade ores and 1.6% for medium-grade ores. On the other hand, the corresponding average cash cost registered at Php796 per WMT, a 5.8% increase from the prior period. Despite the increase, margins remained healthy as the increase in top-line surpasses the increase in the overall cost. The Company posted better EBITDA and Net Income margins at 20.3% and 5.9%, respectively, as against the previous period’s margins of 17.5% and 0.3%, respectively.

Systematic operations, boost in mining capacity due to the increasing number of mining equipment, proper planning and foresight, efficient stockpiling, and having the flexibility to adapt to changing day-to-day situations, enabled the Company to achieve favorable outcomes. As testament to its operational excellence, FNI closed the first half of the year at a net dispatch position of approximately US\$ 215,000.

“Despite the challenges we’ve faced in recent years, we continue to thrive and remain positive in the overall health of the industry. Given the limited Nickel supply and increasing end-product demand worldwide, we believe that the demand-supply fundamentals bode well for the Company,” said Bravo.

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