



108172018000390

**SECURITIES AND EXCHANGE COMMISSION**

SECBuilding,EDSA,Greenhills,MandaluyongCity,MetroManila,Philippines  
Tel:(632) 726-0931 to 39 Fax:(632) 725-5293 Email: mis@sec.gov.ph

**Barcode Page**

The following document has been received:

**Receiving Officer/Encoder** : Ramon L. Legaspi  
**Receiving Branch** : SEC Head Office  
**Receipt Date and Time** : August 17, 2018 09:40:43 AM  
**Received From** : Head Office

Company Representative

Doc Source

**Company Information**

SEC Registration No. AS94003992  
Company Name GLOBAL FERRONICKEL HOLDINGS, INC.  
Industry Classification  
Company Type Stock Corporation

**Document Information**

Document ID 108172018000390  
Document Type 17-C (FORM 11-C:CURRENT DISCL/RPT)  
Document Code 17-C  
Period Covered August 17, 2018  
No. of Days Late 0  
Department CFD  
Remarks

AS09403992

SEC Registration Number

GLOBAL FERRONICKEL HOLDINGS INC

formerly:

SOUTHEAST ASIA CEMENT HOLDINGS

INC

(Company's Full Name)

7 F CORPORATE BUSINESS CENTER 151

PASEO DE ROXAS COR ARNAIZ ST

MAKATI

(Business Address: No. Street City/Town/Province)

Atty. Noel Lazaro  
(Contact Person)

(632) 5118229  
(Company Telephone Number)

Month Day  
(Fiscal Year)

17 - C  
(Form Type)

Month Day  
(Annual Meeting)

(Secondary License Type, If Applicable)

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings  
Domestic Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

Remarks: Please use BLACK ink for scanning purposes.



**Global Ferronickel Holdings, Inc.**

**Global Ferronickel Holdings, Inc. records profits of P3.98 million in the first half of 2018**

**Manila, Philippines/ August 16, 2018.** Global Ferronickel Holdings, Inc. (FNI) today announced net income of ₱3.98 million for the period January to June 2018 as against ₱151.76 million in the same period last year. Revenue fell by 23.2% year-on-year to ₱1,430.60 million due to the lower prices of nickel ore during the same period in 2017. The average realized nickel ore price for the first six months ended June 30, 2018 is US\$17.59 per WMT compared to US\$19.44 per WMT during the same period in 2017. Despite the decline in revenues, the Company managed to maintain its gross profit margin at 45%.

Shipment volume decreased by 19% to 1.55 million WMT in the first six months of 2018 from 1.91 million WMT in the same period last year. The decrease in shipment volume was due to the Company's decision to shift its focus towards higher-grade nickel ores that required more preparation, especially in anticipation of such shipments for the second half of the year, in order to maximize profitability.

"It is the first time in the past several years that we are pushing for shipment of higher-grade nickel ores with 1.65% nickel content to take advantage of its relatively high price with better margin," said FNI President Atty. Dante R. Bravo. "Despite a very challenging first half of the year, measures to boost operational efficiency and our ability to adapt to the changing market conditions continue to enable us to achieve positive results."

The resulting product mix of 43% low-grade ore and 57% medium-grade ore in 2018 versus the previous years' mix of 63% and 37% respectively, led to an average revenue per vessel of ₱51 million, which is just 4% lower compared to the same period in 2017.





## Global Ferronickel Holdings, Inc.

The Company's total cash operating cost per unit slightly improved by 3% year-on-year, notwithstanding the increase in excise tax on minerals that took effect on January 1, 2018, which doubled its rate from 2% to 4% of gross revenue. The improvement in operating costs is mainly attributable to the reduction in royalty and contractor rates that were renegotiated in the 2<sup>nd</sup> quarter of 2018. Another favorable factor that impacted the bottom line is the US dollar appreciation over the Philippine peso.

In the first quarter of 2018, Platinum Group Metals Corporation (PGMC), the Company's operating arm in Surigao del Norte, signed supply contracts for the delivery of a total of 4.6 million WMT to Guangdong Century Tsingshan Nickel Industry Co. Ltd., Baosteel Resources International Co. Ltd., and Baiyin International Investment Ltd., which represent about 84% of its revised target shipment volume of 5.5 million WMT in 2018. Mining higher-grade nickel ore entails more processing activities which results in lower volume of shipment but would yield to higher average realized margin.

###

**Contact:**

Luigi I. Avanceña: 0998-544-7046  
liavancena@gfni.com.ph