

**MINUTES OF THE  
ANNUAL GENERAL MEETING OF THE  
SHAREHOLDERS OF NICKEL ASIA CORPORATION**

*Held on 02 June 2023, at 10:00 a.m.  
via remote communication  
presided from 28F NAC Tower 32nd Street,  
Bonifacio Global City, Taguig, 1634 Metro Manila*

**Shareholder Attendance:**

76.69% of the Company's outstanding capital stock

**Director present at the Company's principal office:**

Gerard H. Brimo, *Director, Chairman*  
Martin Antonio G. Zamora, *Director, President and CEO*

**Directors present via remote communication:**

Ms. Maria Patricia Z. Riingen, *Director, Vice Chairman*  
Mr. Shiro Imai, *Director, Chairman of the Related Party Transactions Committee*  
Mr. Yusuke Niwa, *Director*  
Mr. Leonides Juan Mariano C. Virata, *Director*  
Ms. Florencia G. Tarriela, *Lead Independent Director, Chairman of the Audit Committee*  
Atty. Angelo Raymundo Q. Valencia, *Independent Director, Chairman of the Board Risk Oversight Committee*  
Mr. Harvey T. Ang, *Director*

**Officers present at the Company's principal office:**

Maria Angela G. Villamor, *Senior Vice President - Finance and Revenue Management Group; Chief Financial Officer; Treasurer*  
Atty. Barbara Anne C. Migallos, *Corporate Secretary*  
Atty. Georgina Carolina Y. Martinez, *Senior Vice President – Corporate Support and Compliance Services; Chief Compliance Officer; Chief Compliance Officer; Chief Governance Officer; Assistant Corporate Secretary*

**Others present via remote communication:**

Sycip Gorres Velayo & Company, *External Auditors (represented by Ms. Eleanore A. Layug)*

**I. CALL TO ORDER**

The Chairman, Mr. Gerard H. Brimo, called the meeting to order and presided over the same. The Corporate Secretary, Atty. Barbara Anne C. Migallos, recorded the minutes of the proceedings.

The Chairman welcomed the stockholders to the 2023 Annual Stockholders' Meeting (the "Meeting") of Nickel Asia Corporation (the "Company"), held via remote communication. He then proceeded to introduce the incumbent Directors of the Company: Mr. Martin Antonio G. Zamora, President and CEO; Ms. Maria Patricia Z. Riingen, Vice

Chairman; Mr. Shiro Imai, Chairman of the Related Party Transactions Committee; Mr. Yusuke Niwa; Mr. Leonides Juan Mariano C. Virata; Ms. Florencia G. Tarriela, Lead Independent Director and Chairman of the Audit Committee; Atty. Angelo Raymundo Q. Valencia, Independent Director and Chairman of the Board Risk Oversight Committee; and Mr. Harvey T. Ang.

The Chairman proceeded to introduce Ms. Maria Angela G. Villamor, Senior Vice President and Chief Financial Officer, and Atty. Barbara Anne C. Migallos, Corporate Secretary, who were present with the Chairman and the President at the Company's principal office where the meeting was presided from.

The Chairman also acknowledged the representatives of the Company's independent external auditors, Sycip Gorres Velayo & Company (SGV & Co.) who attended the meeting remotely.

## **II. PROOF OF REQUIRED NOTICE OF THE MEETING**

The Chairman then inquired whether the Notices of the Meeting were properly sent to stockholders. The Corporate Secretary certified that in accordance with SEC rules, the Notice with the Agenda, together with the Definitive Information Statement approved by the SEC was posted on the website of the Corporation on 11 May 2023. The Notice and Agenda was also published in print and online in Business Mirror and The Manila Times for two (2) consecutive days, on 13 May 2023 and 14 May 2023.

## **III. CERTIFICATION OF QUORUM AND EXPLANATION OF VOTING PROCEDURE**

The Corporate Secretary certified that there are present via remote communication, or represented by proxy, 76.69% of the outstanding capital stock of the Company. Accordingly, there was a quorum for purposes of the meeting.

The Corporate Secretary explained that as indicated in the Notice of the Meeting, stockholders may participate and attend the meeting only by remote communication. A dedicated email address was disclosed consistent with SEC rules so that stockholders would be able to register or to submit proxies on or before 23 May 2023. Shareholders who did so were considered present at the Meeting.

### **Voting Procedure and General Protocol**

At the request of the Chairman, the Corporate Secretary explained the protocol and voting procedure for the meeting.

1. The required quorum for an annual stockholders' meeting is the presence in person or by proxy of stockholders representing a majority of the outstanding capital stock. As earlier stated, there is a quorum for today's meeting.

2. Only the items on the Agenda and in the Definitive Information Statement will be voted upon. As stated in both the Notice and Definitive Information Statement, stockholders may cast their votes through an online ballot which must be submitted on or before 23 May 2023 to the dedicated email address. Voting instructions were provided in the Definitive Information Statement.

Proxy forms, which contain each item on the Agenda that requires shareholders' vote, were also made available in the Company website, for use by the shareholders for today's meeting.

3. In the election of directors, cumulative voting may be adopted. The nine (9) nominees with the greatest number of votes will be elected directors.

The names of each of the nominees are stated in the online voting form, and in the proxy. The shareholder may vote for all of the nominees, or withhold a vote for all or for certain nominees. Votes are cast and counted in accordance with the shareholders' instructions, as reflected in the proxies.

4. The Company's stock transfer agent, Stock Transfer Service, Inc. tabulated the votes. As necessary, such tabulation is subject to the review by SGV & Co., the Company's independent external auditor.
5. The results of the voting on each item will be announced when the particular item is taken up. A tabulation of results will be posted on the Company's website after the Meeting.
6. Stockholders were requested to submit their questions on or before 29 May 2023, through the dedicated email address that was provided to shareholders. Management will endeavor to answer all the questions. If, due to time constraints, we are not able to answer all the questions, responses to remaining questions will be sent via email.

#### **IV. APPROVAL OF MINUTES OF PREVIOUS MEETING**

The Chairman announced that the first item on the Agenda was the reading and approval of the Minutes of the Annual General Stockholders' Meeting held on 3 June 2022 (the "2022 AGM"). The Minutes of the 2022 AGM were posted on the Company's website five business days after that meeting. At the request of the Chairman, the Corporate Secretary presented the resolution for approval:

***"RESOLVED,** that the reading of the Minutes of the Annual Meeting of Stockholders held on 3 June 2022 be as it is hereby dispensed with, and that said Minutes are hereby approved."*

According to the Corporate Secretary, based on the tabulation of votes, stockholders representing 76.69% of the Company's outstanding capital stock voted in favor of the proposed resolution.

The Chairman declared the motion carried and announced that the Minutes of the Stockholders' Meeting held on 3 June 2022 were hereby approved.

## **V. ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR 2022**

The next item on the Agenda was the approval of the Annual Report and of the Company's Audited Financial Statements and the Notes thereto for the year ended 31 December 2022. Copies of the report and the audited financial statements were previously distributed to the shareholders in accordance with pertinent SEC rules.

The President and Chief Executive Officer, Mr. Martin Antonio G. Zamora, presented the highlights of the Annual Report, followed by the Senior Vice President and Chief Financial Officer, Ms. Maria Angela G. Villamor, who presented the financial and operating highlights.

### *The President's Report*

After laying the foundation for a more resilient and sustainable direction for the Company in 2021, the President said that the fruits of the initiatives in 2022 are already being reaped.

Guided by the OneNAC Vision to contribute to sustainable national development by adopting the Environmental, Social, and Governance (ESG) roadmap to achieve the highest standards in the responsible utilization of the country's natural resources, two clear targets were set for 2025: to be the premier ESG investment in the Philippines, and to be counted among the Top 25 PSE-listed companies in terms of market capitalization.

Since incorporating ESG into the very fabric of the Company's business, it has come a long way toward achieving its goals and staying true to its mission. The President announced that the Sustainalytics Risk rating of the Company improved to 34.8 from 43.7, placing the Company from the Severe Risk category to the High-Risk category. The target by the end of the year is to reach the Medium Risk category, which is just five points away from the current rating.

In terms of ESG, the Company's goals include the following: (1) to increase the renewable energy capacity to 1 gigawatt by 2028, (2) to reduce scopes 1 and 2 greenhouse gas emissions by 42% by 2030 against the 2021 baseline, (3) to achieve zero waste to landfill by 2030, and (4) to attain Net Zero Carbon by 2050.

As a testament to the Company's exemplary work, the President announced that two of the Company's mines were conferred the Presidential Mineral Industry Environment Award, the highest award given by the President of the Philippines for the

best in the Philippine mining industry. Additionally, the corporate governance performance of the Company was recognized by the Institute of Corporate Directors during the 2022 ICD awards, where NAC received two Golden Arrows for its ASEAN Corporate Governance Scorecard.

Moreover, in April 2023, the Company was honored to be awarded Best Basic Materials Company in the Philippines by FinanceAsia. The Company received a Gold citation, and was one of only four companies in the Basic Materials Company sector recognized this year. These achievements are a testament to the Company's commitment to operational excellence, and its deep understanding that the privilege to extract the country's mineral resources comes with an immense responsibility to utilize these resources for the greater good.

How the Company impacts the lives of the communities and people is best exemplified by its actions as a responsible corporate citizen. In terms of tax payments, the group paid PhP6.6 billion into the national and local government coffers for 2022. In terms of social support, the Social Development and Management Program (SDMP) projects and Corporate Social Responsibility (CSR) programs amounted to an expenditure of PhP200 million. Further, the Company paid PhP197.5 million in royalties to support indigenous communities.

In terms of operations, the five operating subsidiaries achieved a total sales volume of 15.9 million wet metric tons (WMT) of nickel ore.

Exports of saprolite and limonite ore amounted to 8.2 million and 266,000 WMT, respectively. On the other hand, 7.8 million WMT of low-grade limonite ore were sold to its associate companies, Coral Bay Nickel Corp. (CBNC) and Taganito HPAL Nickel Corp. (THPAL).

Due to higher ore sales and a stronger US Dollar, consolidated revenues grew to PhP28 billion. This includes PhP792 million in services and other activities provided by Rio Tuba and Taganito operations to the HPAL plants, and PhP610 million in electricity sales from Emerging Power, Inc. (EPI).

Attributable net income for the year amounted to PhP7.9 billion, which includes the share of the earnings of the Coral Bay and Taganito HPAL plants amounting to PhP942.1 million.

On March 14, 2023, the Board of Directors approved a regular cash dividend of 17 cents per common share. The amount of PhP2.38 billion was paid on April 12, 2023 to shareholders of record as of March 29, 2023.

On nickel outlook, while there is a projection of a temporary surplus up to 2026/27 due to the strong supply growth of nickel production in Indonesia, the hypergrowth of electric vehicles (EV) is projected to put a strain on the nickel market by 2027/28. By 2030, the EV sector alone is projected to consume about 1.3 million tons of nickel.

The mass adoption of EVs, which is aligned with achieving the world's net-zero objectives, affirms the Company's growing relevance during this period. It is expected that nickel-rich batteries will be the dominant EV battery type because of its higher quality, in the form of higher energy density and greater storage capacity, and economical price point.

EPI successfully expanded the operations of its subsidiary, Jobin-SQM Inc. (JSI), adding another 38-megawatts to the Sta. Rita Solar Power Plant's total solar generation capacity, which is now at 100-megawatts. JSI also increased its generation by 56% to 79,022-megawatt hours, resulting in a 79% increase in its revenues of PhP609.5 million. Higher revenues and effective cost management kept EPI's EBITDA margin at 65%.

The Company continued to expand its RE footprint. In September 2022, JSI began developing and constructing an additional 72-megawatt farm, set to operate by the last quarter of this year. Another long-term land lease agreement with Subic Bay Metropolitan Authority was secured for the construction of a 130-megawatt solar power plant. EPI already began pre-development activities, and construction is expected to commence by the end of 2023.

To further accelerate the country's energy transition, EPI partnered with Shell Overseas Investments BV to jointly develop, own, operate, and maintain onshore renewable energy projects through Greenlight Renewables Holdings, Inc. Greenlight is scheduled to launch its first project in the second semester of 2023.

The government implemented policies to accelerate investments in the RE sector, such as those under the 2008 Renewable Energy Act, the Coal Moratorium, and Renewable Portfolio Standards. The government's policies aim to increase RE's contribution to the grid to 35% by 2030 and 50% by 2040, up from the current 21%.

Indeed, 2022 marked a new beginning for the Company. With NAC on the cusp of something lasting and transformational, the Company remains committed to driving growth through products and services that contribute to creating a green economy. Mining and renewable energy are critical components in building a sustainable future. In both areas, management is confident that the Company has what it takes to succeed.

The President ended his report by expressing his gratitude for the hard work and dedication of the management of NAC, the directors for their vast expertise and invaluable guidance, and the shareholders for their continuous support. As a new year begins, management is confident that they will be able to face any challenges head-on and remain steadfast towards achieving their twin goal, together as one NAC.

### *Financial and Operating Highlights*

Ms. Villamor first reported on the key business drivers of the Company's financial performance. Total Shipments Volume, Realized Prices, and Forex Rates are the main drivers of revenue, while Costs per WMT sold is a measure of cost efficiency, and the Share in the net earnings of CBNC and THPAL measure the performance of the Company's investments in downstream processing.

In 2022, the Company completed shipments of 15.94 million WMT, which is 11% lower compared to 2021. The strong Ni LME, however, favored the pricing of Hpal Deliveries. Together with higher cobalt credits, the Average Realized Price of Hpal Deliveries increased by 55%. As a result, the Weighted Average Realized Price for all sales for the year reached \$29.17 per WMT. The weak peso, which averaged PhP54.22 to a dollar in 2022, also benefitted the Company with higher revenues in peso conversion.

Total Costs per WMT Sold of PhP853 increased by 12% compared to the previous year, which was mainly due to the increase in fuel prices. The strong Ni LME also benefitted CBNC and THPAL with higher earnings. The Company's share in the income of these associates amounted to PhP1.024 billion, or a 201% increase compared to the share in 2021, equivalent to 13% of the attributable income for the year.

As a result of these key business drivers, Total Revenues for the year reached PhP28 billion, or 102% of the 2021 total revenues. Net income for the year amounted to PhP10.87 billion, which represents a 39% net income margin. Income to the equity holders of the parent amounted to PhP7.9 billion, resulting in an Earnings Per Share of PhP0.58.

The Company's strong financial position was mainly driven by strong profitability and the repositioning of AFS Investments. At the end of 2022, combined Cash, Cash Equivalents and AFS Investments reached PhP14.7 billion, or 29% of total assets, while Current Assets stood at PhP20.9 billion, or 42% of total assets. Liquidity significantly increased with the doubling of the Working Capital ratio, as Current Assets amounted to four times the Current Liabilities. Post dividend payments, the Company's Equity increased to PhP40.5 billion from PhP36.3 billion in the previous year.

The Company's cash position remained robust with operations generating cash of PhP12.7 billion, of which PhP4.8 billion was spent on the capital expenditures requirements of the mining and RE businesses. In September 2022, the Company acquired an additional 6.25% interest in CBNC for PhP1.5 billion. The Company also shifted financial assets to cash as part of risk management of about PhP2.1 billion. In 2022, the Company paid dividends in the amount of PhP8.2 million to both equity holders of the parent company and minority shareholders in key subsidiaries. Net borrowings amounting to PhP1.2 billion were made to finance the 38-megawatt expansion of JSI. Thus, at the close of 2022, the Company has cash and cash equivalents of PhP10.8 billion.

*Open Forum*

The Chairman then asked the Corporate Secretary to inform the stockholders of any questions received. The Corporate Secretary confirmed that there were no questions received from the stockholders.

At the request of the Chairman, the Corporate Secretary presented the resolution for approval:

*“RESOLVED, that the Annual Report, together with the Audited Financial Statements and the notes thereto of the Corporation for the year ended 31 December 2022, be as they are hereby approved.”*

The Corporate Secretary stated that based on the tabulation of votes, stockholders owning a total of 76.69% of the Company’s outstanding capital stock voted in favor of the approval of the proposed resolution.

The Chairman then declared that the motion was carried. The Company’s Annual Report and the Audited Financial Statements and the notes thereto for the year ended 31 December 2022 were approved, ratified and confirmed.

#### **VI. RATIFICATION AND APPROVAL OF ACTS OF THE BOARD OF DIRECTORS AND EXECUTIVE OFFICERS**

The Chairman said that the next item on the Agenda is the ratification and approval of the acts of the Board of Directors and executive officers during the year 2022. The Corporate Secretary presented the resolution for approval:

*“RESOLVED, that all acts, contracts, proceedings, elections and appointments made or taken by the Board of Directors, and Executive Officers and management of the Corporation during the past year and up to today’s meeting, as set forth in the Minutes of the Meetings of the Board of Directors, and/or all acts and proceedings performed or taken pursuant thereto, be as they are hereby, approved, ratified and confirmed.”*

At the Chairman’s request, the Corporate Secretary informed the stockholders that based on the tabulation of votes, shareholders representing 76.69% of the Company’s outstanding capital stock, have voted in favor of the approval and ratification of the acts of the Board of Directors and Officers of the Company during the past year.

The Chairman declared the motion carried. The resolution to ratify and approve all of the acts of the Board of Directors and/or Officers of the Corporation during the past year was approved.

#### **VII. APPOINTMENT OF INDEPENDENT AUDITORS**

The Chairman said that the next item on the Agenda is the appointment of the Company’s independent external auditors. He said that the Audit Committee



recommended the appointment of Sycip Gorres Velayo & Company as independent auditors of the Company for 2023, and the Board of Directors approved and accepted the recommendation. The Corporate Secretary presented the resolution for approval:

*“RESOLVED, that accounting firm of Sycip, Gorres Velayo & Company, as recommended by the Audit Committee and the Board of Directors, be appointed as the external auditor of the Corporation for the year 2023 and until its successor is duly appointed.”*

At the Chairman’s request, the Corporate Secretary informed the stockholders that based on the tabulation of votes, shareholders representing 76.57% of the outstanding capital stock, voted in favor of the appointment of Sycip Gorres Velayo & Company as the independent external auditors of the Company for 2023.

The Chairman declared the motion carried. The appointment of Sycip Gorres Velayo & Company as independent external auditors of the Company for 2023 was approved.

#### **VIII. ELECTION OF DIRECTORS**

The Chairman said that the next item on the Agenda is the election of directors for the ensuing year, at least two of whom must be independent directors.

The Corporate Secretary reported that there were nine (9) nominees for the nine (9) seats on the Company’s Board of Directors for election at this Meeting. The Nominations Committee screened the nine (9) nominees including the nominees for independent directors and thereafter prepared a Final List of qualified candidates, which was incorporated in the Information Statement for today’s meeting. The following are the nominees:

1. Gerard H. Brimo
2. Martin Antonio G. Zamora
3. Maria Patricia Z. Riingen
4. Shiro Imai
5. Yusuke Niwa
6. Leonides Juan Mariano C. Virata
7. Florencia G. Tarriela (Independent Director)
8. Angelo Raymundo Q. Valencia (Independent Director)
9. Harvey T. Ang

The Chairman asked the Corporate Secretary to inform the body of the votes cast for each of the nine (9) nominees to the nine (9) seats on the Company’s Board of Directors.

The Corporate Secretary reported that all nine (9) nominees for the nine (9) seats on the Board received sufficient votes to elect them as Director of the Company.

According to the Corporate Secretary, the tabulation of votes showing the exact numbers of votes received will be posted on the Company's website after the meeting.

The Chairman then declared that the following have been elected as Directors of the Company:

1. Gerard H. Brimo
2. Martin Antonio G. Zamora
3. Maria Patricia Z. Riingen
4. Shiro Imai
5. Yusuke Niwa
6. Leonides Juan Mariano C. Virata
7. Florencia G. Tarriela (Independent Director)
8. Angelo Raymundo Q. Valencia (Independent Director)
9. Harvey T. Ang

**IX. OTHER MATTERS**

The Chairman asked if there were any other matters or business that the shareholders wished to raise. None of the shareholders came forward with questions or concerns.

**X. ADJOURNMENT**

There being no other matters to discuss, on motion made and duly seconded, the meeting was thereupon adjourned.

Prepared by:

**BARBARA ANNE C. MIGALLOS**  
*Corporate Secretary*

Attest:

**GERARD H. BRIMO**  
*Chairman*

***Nickel Asia Corporation***  
***Minutes of the Annual Stockholders' Meeting***  
***Held on 02 June 2023***