

**INFORMATION DISCLOSURE TO THE SHAREHOLDERS OF
PT MERDEKA BATTERY MATERIALS TBK (“COMPANY”)
IN RELATION TO THE PROPOSED CAPITAL INCREASE
WITHOUT PRE-EMPTIVE RIGHTS**

This Information Disclosure was made and addressed to the Company's shareholders in order to comply with Financial Services Authority ("*Otoritas Jasa Keuangan/OJK*") Regulation No.14/POJK.04/2019 concerning Amendments to OJK Regulation No. 32/POJK.04/2015 concerning Increasing Capital for Public Companies by Providing Pre-emptive Rights ("**POJK No. 14/2019**").



PT Merdeka Battery Materials Tbk

Main Business Activities:

Holding company for business groups engaged in nickel and other mineral mining, processing and other related business activities that are vertically integrated in the value chain of strategic minerals and raw materials for electric motor vehicle batteries.

Head Office:

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This Information Disclosure is important for the shareholders of the Company to read and pay attention to in order to make decisions regarding the proposed capital increase without pre-emptive rights.

If you have difficulty understanding the information as stated in this Information Disclosure or are unsure about making a decision, you should consult with a securities broker, investment manager, legal advisor, public accountant or other professional advisor.

Board of Directors and Board of Commissioners of the Company, both individually and jointly, are fully responsible for the completeness and correctness of all information or material facts contained in this Information Disclosure and confirm that the information stated in this Information Disclosure is correct and there are no errors. disclosure of material facts or no material facts not stated which could cause the material information in this Information Disclosure to be incorrect and/or misleading.

This Information Disclosure was published on 30 October 2024

IMPORTANT DATES AND ESTIMATED TIMELINES

The Company intends to conduct Capital Increase without Pre-emptive Rights to the Company's Shareholders ("PMTHMETD I") with the estimated schedule as follows:

1. Notification of the Agenda for the Extraordinary General Meeting of Shareholders ("EGMS") to OJK **23 October 2024**
2. Announcement of the plan to hold the EGMS to the shareholders of the Company via the PT Bursa Efek Indonesia ("**Exchange**") website, the eASY.KSEI website, and the Company's website www.merdekabattery.com **30 October 2024**
3. Announcement of Information Disclosure regarding the PMTHMETD I plan via the Exchange website, eASY KSEI website, and the Company's website www.merdekabattery.com **30 October 2024**
4. The recording date of the shareholders who are entitled to attend the EGMS **13 November 2024**
5. Invitation to the EGMS to the shareholders of the Company via the Exchange website, eASY.KSEI website, and the Company website www.merdekabattery.com **14 November 2024**
6. Announcement of Amendment and/or Additional of Information Disclosure (if any) **4 December 2024**
7. Implementation of the EGMS **6 December 2024**
8. Announcement of the summary of the EGMS minutes via the Exchange website, eASY.KSEI website, and the Company website www.merdekabattery.com **10 December 2024**
9. Submission of EGMS minutes to OJK and BEI **3 January 2025**

I. GENERAL

A. General Information About the Company

The Company, domiciled in South Jakarta, was initially established under the name PT Hamparan Logistik Nusantara based on Deed of Establishment No. 66 dated 20 August 2019, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by the Minister of Law and Human Rights of the Republic of Indonesia ("**MOLHR**") based on Decree No. 0041804.AH.01.01.TAHUN 2019 dated 22 August 2019. The Articles of Association of the Company have been amended several times and most recently amended pursuant to the Deed of Statement of Shareholder Decisions on Amendments to the Articles of Association No. 190 dated 21 June 2024, made before Jose Dima Satria, S.H., M.Kn., Notary in Jakarta, which has been approved by the MOLHR based on Decree No. AHU-0037618.AH.01.02.TAHUN 2024 dated 25 June 2024, and has been notified to the MOLHR as stated in the Receipt of Notification Letter on the Amendments to Articles of Association No. AHU-AH.01.03-0158280 dated 25 June 2024.

Based on the provisions of Article 3 of the articles of association of the Company, the Company's aims and objectives are to engage in holding company activities and other management consulting activities. To achieve the aims and objectives mentioned above, the Company carry out the following business activities

1. Holding Company Activities

Carrying out holding company activities, including ownership and/or control of its subsidiary group; and

2. Other Management Consulting Activities

Other management consulting activities where the main activity (as relevant) is providing assistance with advice, guidance and business operations and other management organizational issues, such as strategic and organizational planning; decisions relating to finances; marketing objectives and policies; human resource planning, practices and policies; scheduling planning and production control.

To achieve the main business activities mentioned above, the Company carry out the following business activities:

1. Providing services as counselors and negotiators in designing corporate mergers and acquisition; and
2. providing services including assistance with advice, guidance, and business operations and other management organizational issues, such as strategic and organizational planning; decisions relating to finances; marketing objectives and policies; human resource planning, practices and policies; scheduling planning and production control. The provision of these services includes financial assistance, advice, guidance and operations for various management functions, agronomic and agricultural economic management consultations in the agricultural and similar fields, design of accounting methods and procedures, cost accounting programs, budget monitoring procedures, provision of funding, advice and assistance for businesses and community services in planning, organizing, efficiency and supervision, management information and others including infrastructure investment study services.

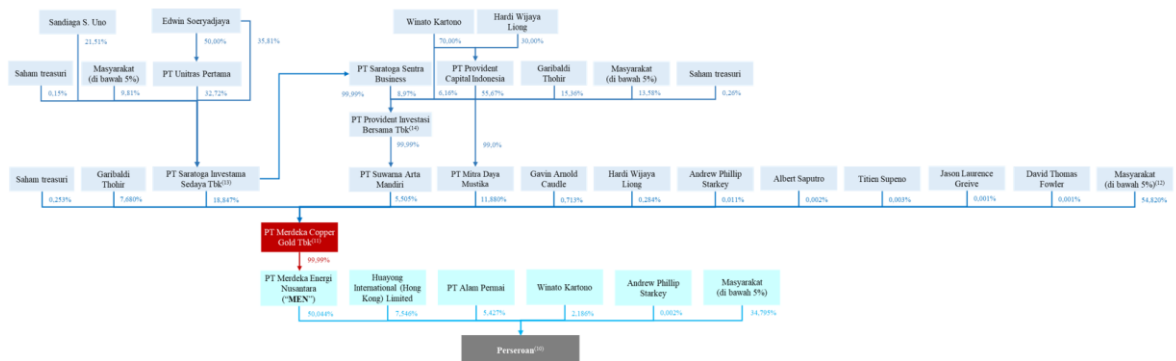
B. Capital and Composition of Company Shareholder

Based on the Deed of Statement of Meeting Resolutions on Amendments to the Company's Articles of Association No. 190 dated 21 June 2024 which has received approval from MOLHR based on Decree No. AHU-0037618.AH.01.02 TAHUN 2024, and has been notified to the MOLHR as stated in the Receipt of Notification Letter on the Changes to the Articles of Association No. AHU-AH.01.030158280 both dated 25 June 2024, the authorized capital of the Company is divided into 430,000,000,000 (four hundred and thirty billion) shares with a nominal value per share of IDR 100 (one hundred Rupiah). Based on List of Shareholders of the Company

on 30 September 2024 issued by PT Datindo Entrycom as the Share Registrar of the Company, the capital structure and composition of the shareholders of the Company are as follows:

SHAREHOLDERS NAME	NUMBER OF SHARES	AMOUNT (Rp)	(%)
Authorized Capital	430,000,000,000	43,000,000,000,000	
Issued and Paid-up Capital			
1) PT Merdeka Energi Nusantara	54,045,287,677	5,404,528,767,700	50.044
2) Huayong International (Hong Kong) Limited	8,149,060,000	814,906,000,000	7.546
3) PT Alam Permai	5,861,079,300	586,107,930,000	5.427
4) Winato Kartono	2,361,003,614	236,100,361,400	2.186
5) Andrew Phillip Starkey	2,316,200	231,620,000	0.002
6) Public	37,576,673,109	3,757,667,310,900	34.795
Amount Issued and Paid-up Capital	107,995,419,900	10,799,541,990,000	100.000
Shares in portfolio	322,004,580,100	32,200,458,010,000	

Following is the chart of the ownership of the Company until individual level as at 30 September 2024



The current controller of the Company is PT Merdeka Copper Gold Tbk, through PT Merdeka Energi Nusantara as the main shareholder of the Company.

C. Composition of the Company's Board of Commissioners and Board of Directors

Based on the Deed of Shareholder Decision Statement No. 54 dated 16 January 2023 which has been notified to the MOLHR as reflected in the Receipt of Notification Letter on the Changes to Company Data No. AHU-AH.01.09-0027503 dated 19 January 2023 and registered in the Company Register at the MOLHR under No. AHU-0012541.AH.01.11.Year 2023 dated 19 January 2023 in conjunction with Deed of Statement of Shareholders Decision on Amendments to the Articles of Association No. 60 dated 20 February 2023 which has been notified to the MOLHR as stated in the Receipt of Notification Letter on the Changes to Company Data No. AHU-AH.01.09-0093759 dated 20 February 2023 and registered in the Company Register at the MOLHR under No. AHU-0036466.AH.01.11.Year 2023 dated 20 February 2023 in conjunction with Deed of Shareholder Decision Statement No. 156 dated 30 June 2023 has been notified to the MOLHR as stated in the Receipt of Notification Letter on the Changes to Company Data No. AHU-AH.01.09-0135091 dated 6 July 2023 and registered in the Company Register at the MOLHR under No. AHU-0126139.AH.01.11.Year 2023 dated 6 July 2023 in conjunction with Deed of Meeting Decision Statement No. 89 dated 20 October 2023 which has been notified to the MOLHR as stated in the Receipt of Notification Letter on the Changes to Company Data No. AHU-AH.01.09-0179842 dated 31 October 2023 and registered in the Company Register at the MOLHR under No. AHU-0218000.AH.01.11.Year 2023 dated 31 October 2023, all made before Jose Dima Satria, S.H., M.Kn., Notary in Jakarta, the composition of the members of the Board

of Directors and Board of Commissioners of the Company on the date this Information Disclosure was published is as follows following:

Board of Commissioners:

President Commissioner : Winato Kartono
Commissioner : Michael W. P. Soeryadjaya
Independent Commissioner : Dr. Didi Achjari, S.E., M.Com., Ak.

Board of Directors:

President Director : Devin Antonio Ridwan
Vice President Director : Jason Laurence Greive
Director : Titien Supeno
Director : Andrew Phillip Starkey

II. INFORMATION REGARDING PLANS TO INCREASE CAPITAL WITHOUT PRE-EMPTIVE RIGHTS

A. Reasons and Objectives of PMTHMETD I

In order to develop the Company's business activities and pursue potential expansion opportunities, the Company may need to strengthen its capital structure. Therefore, the Company intends to issue a maximum of 10,799,541,990 shares or a maximum of 10% (ten percent) of the number of shares that have been issued and fully paid up or the paid up capital stated in the amendment to the articles of association which has been notified and accepted by the authorized Minister on the date of the EGMS announcement ("**New Shares**") through PMTHMETD I in accordance with the approval from the independent shareholders and shareholders who are not affiliated with the Company, members of the board of directors, members of the board of commissioners, major shareholder, or controlling shareholders ("**Independent Shareholders**") approval at the EGMS. Through PMTHMETD I, it is expected that the Company will have funding alternatives for the benefit of the Company. There are no prior approval/reporting from/to creditors of the Company/government agencies or other third parties that required to be obtained or made by the Company in connection with PMTHMETD I.

B. Indicative Period of PMTHMETD I

In accordance with the provisions of Article 8C paragraph (1) letter a POJK No. 14/2019, PMTHMETD I will be conducted within 2 (two) years since the EGMS approving PMTHMETD I.

The implementation of PMTHMETD I will be subject to and will be conducted if it has obtained approval from the Independent Shareholders in EGMS of the Company with due observation to the prevailing laws and regulations in Indonesia.

C. Use of Proceeds Plan from PMTHMETD I

In order to develop the Company's business activities and pursue potential expansion opportunities, the Company may need to strengthen its capital structure. The funds obtained from the PMTHMETD I will be used by the Company as follows:

- a. working capital needs of the Company and Company's group including but not limited to employees cost, professional fees, tax expenses and finance costs; and/or
- b. business development of the Company and Company's group, either in the form of capital expenditure and/or purchase of shares and/or purchase of assets and/or subscription of shares and/or provision of loan as well as other appropriate transaction methods to one or more companies with appropriate industries or related to and/or support the business activities of the Company and Company's group.

The Company will comply with and carry out the consequences stipulated in the Capital Market Laws and Regulation if the use of proceeds plans from PMTHMETD I is qualified as an Affiliate Transaction, Conflict of Interest Transaction, and/or Material Transaction.

The Company also acknowledges the provisions that applicable in Indonesia at the time of implementing PMTHMETD I, including but not limited to the Decree of the Directors of PT Bursa Efek Indonesia No. Kep-00101/BEI/12-2021 regarding Amendment to Regulation Number I-A regarding the Listing of Shares and Equity Securities Other than Shares Issued by Listed Companies, Law No. 40 of 2007 regarding Limited Liability Companies (as amended from time to time).

D. Issuance of New Shares and Price of New Shares

In accordance with the POJK No. 14/2019, PMTHMETD I may only be conducted provided that the Company has obtained approval from Independent Shareholders of the Company through EGMS. The EGMS of the Company will be conducted by complying to the provisions governed in the OJK Regulation No. 15/POJK.04/2020 regarding Plan and Implementation of General Meeting of Shareholders of the Public Companies. The attendance quorum and decision quorum of the GMS shall be as follows:

- a. The meeting may be held if the meeting is attended by more than 1/2 (one-half) of the total shares with valid voting rights owned by Independent Shareholders.
- b. The decision of the meeting as referred to in point a is valid if it is approved by more than 1/2 (one-half) of the total shares with valid voting rights owned by the Independent Shareholders.
- c. In the event that the quorum as referred to in point a is not reached, the second meeting may be held if the meeting is attended by more than 1/2 (one-half) of the total shares with valid voting rights owned by the Independent Shareholders.
- d. The decision of the second meeting is valid if it is approved by more than 1/2 (one-half) of the total shares with valid voting rights owned by the Independent Shareholders who are present at the second meeting.
- e. In the event that the quorum of attendance at the second meeting as referred to in point c is not reached, the third meeting may be held provided that the third meeting is valid and entitled to make decisions if attended by the Independent Shareholders of shares with valid voting rights, in a quorum of attendance determined by the OJK at the request of the Company.
- f. The decision of the third meeting is valid if it is approved by the Independent Shareholders representing more than 50% (fifty percent) of the shares owned by the Independent Shareholders who are present at the third meeting.

PMTHMETD I shall be concluded 2 (two) years after EGMS approving PMTHMETD I is conducted. Furthermore, the Company may only be able increase a maximum of 10% (ten percent) of the fully issued and paid-up capital of the Company as of date of this Information Disclosure.

The exercise price of New Shares PMTHMETD I will refer to Appendix I to the Decree of the Directors of PT Bursa Efek Indonesia No. Kep-00101/BEI/12-2021 regarding Amendments to Regulation Number I-A regarding the Listing of Shares and Equity Securities Other Than Shares Issued by Listed Companies on 21 December 2021. The exercise price of the New Shares of the Company is at least 90% (Ninety percent) of the average closing price of the Company's shares trading on the Exchange for 25 (twenty five) consecutive Exchange Days on the regular market prior to the date of additional share listing resulting from PMTHMETD I to Exchange being submitted.

In the issuance of New Shares from PMTHMETD I, the shareholders of the Company may grant power of attorney and authority to the Board of Commissioners of the Company with substitution rights to declare the realisation of the issuance of share by making amendments to the provisions of articles of association of the Company.

E. Capital Structure and Shareholders Composition Before and After the Implementation of the Proposed PMTHMETD I

In connection with PMTHMETD I, the Company will to issue a maximum of 10,799,541,990 shares or a maximum of 10% (ten percent) of the number of shares that have been issued and fully paid up or paid-up capital as stated in the amendment to the articles of association which has been notified and accepted by the authorized Minister on the date of the EGMS announcement, which will be issued from the Company's portfolio shares with a nominal value of IDR100 per share.

The capital structure and share ownership of the Company before and after the implementation of PMTHMETD I on a pro forma basis with the assumption that the Company issues 10,799,541,990 shares is as follows:

DESCRIPTION	BEFORE PMTHMETD I			AFTER PMTHMETD I		
	NOMINAL VALUE Rp100 PER SHARE			NOMINAL VALUE IDR100 PER SHARE		
	NUMBER OF SHARES	NOMIAL VALUE (Rp)	(%)	NUMBER OF SHARES	NOMIAL VALUE (Rp)	(%)
Authorized Capital	430,000,000,000	43,000,000,000,000		430,000,000,000	43,000,000,000,000	
Issued and Paid-up Capital						
1) PT Merdeka Energi Nusantara	54,045,287,677	5,404,528,767,700	50.044	54,045,287,677	5,404,528,767,700	45.495
2) Huayong International (Hong Kong) Limited	8,149,060,000	814,906,000,000	7.546	8,149,060,000	814,906,000,000	6.860
3) PT Alam Permai	5,861,079,300	586,107,930,000	5.427	5,861,079,300	586,107,930,000	4.934
4) Winato Kartono	2,361,003,614	236,100,361,400	2.186	2,361,003,614	236,100,361,400	1.987
5) Andrew Phillip Starkey	2,316,200	231,620,000	0.002	2,316,200	231,620,000	0.002
6) Public	37,576,673,109	3,757,667,310,900	34.795	37,576,673,109	3,757,667,310,900	31.631
7) PMTHMETD I Investor*	-	-	-	10,799,541,990	1,079,954,199,000	9.091
Total of Issued and Fully Paid-up Capital	107,995,419,900	10,799,541,990,000	100,000	118,794,961,890	11,879,496,189,000	100.000
Remaining Shares Portfolio in	322,004,580,100	32,200,458,010,000		311,205,038,110	31,120,503,811,000	

**On the date of this Information Disclosure is issued, there are no prospective investors that have expressed their intention to subscribe the New Shares to be issued through the Company's PMTHMETD I, therefore the company is unable to provide information regarding any affiliation between the prospective investors and the Company.*

Furthermore, in line with POJK No. 14/2019, the issuance of New Shares through PMTHMETD I must be completed within 2 (two) years from the date of the EGMS which approved PMTHMETD I. The Company will announce to the public and notify the OJK regarding the implementation of PMTHMETD I no later than 5 (five) working days before the implementation of PMTHMETD I through Exchange website and the Company's website.

There is no change of control on the Company after the proposed PMTHMETD I is implemented.

F. Impact of PMTHMETD I

The issuance of New Shares from PMTHMETD I will increase the number of shares issued by

the Company, hence it is expected to increase the stock trading liquidity of the Company's shares. The implementation of PMTHMETD I will also provide additional funds for the Company to support the development of the Company's business activities and strengthen the Company's capital structure. These benefits will indirectly increase added value for the Company's shareholders.

After the implementation of PMTHMETD I becomes effective, the share ownership percentage of the Company's current shareholders will experience dilution by a maximum of 9.1% (nine point one percent).

G. Analysis of the Effect on the Company's Financial Condition and Shareholders

In general, the implementation of PMTHMETD I will have a direct impact on the Company's capital structure and liquidity, thereby providing the Company with additional funds to support the Company's performance. The table below shows an overview of the financial condition of the Company and its subsidiaries as of 30 June 2024 before and after implementation of PMTHMETD I:

DESCRIPTION	UNIT	BEFORE TRANSACTION	ADJUSTMENT	AFTER TRANSACTION
ASSETS				
CURRENT ASSETS				
Cash and cash in banks	USD	247.164.840	65.766.652	312.931.492
Trade receivables - third parties	USD	177.619.585	-	177.619.585
Other receivables - third parties	USD	1.154.591	-	1.154.591
Inventories	USD	202.496.661	-	202.496.661
Prepaid taxes	USD	23.000.281	-	23.000.281
Advances and prepayments - current portion	USD	78.413.727	-	78.413.727
Estimated claims for tax refund	USD	60.003.412	-	60.003.412
Total current assets	USD	789.853.097	65.766.652	855.619.749
NON-CURRENT ASSETS				
Advances and prepayments - non-current portion	USD	45.225.333	-	45.225.333
Advances of investments	USD	11.267.306	-	11.267.306
Investment in associates	USD	51.382.203	-	51.382.203
Right-of-use assets	USD	7.338.184	-	7.338.184
Property, plant and equipment	USD	1.508.525.825	-	1.508.525.825
Mining properties	USD	516.025.381	-	516.025.381
Goodwill	USD	358.694.581	-	358.694.581
Prepaid taxes	USD	7.079.297	-	7.079.297
Deferred tax assets	USD	1.524.116	-	1.524.116
Intangible assets	USD	699.457	-	699.457
Other non-current assets	USD	1.811.929	-	1.811.929
Total non-current assets	USD	2.509.573.612	-	2.509.573.612
TOTAL ASSETS	USD	3.299.426.709	65.766.652	3.365.193.361

LIABILITIES AND EQUITY				
LIABILITIES				
CURRENT LIABILITIES				
Trade payables				
- third parties	USD	199.789.242	-	199.789.242
- related parties	USD	6.490.725	-	6.490.725
Accrued expenses - current portion	USD	49.032.549	-	49.032.549
Taxes payable	USD	3.413.266	-	3.413.266
Dividends payable	USD	7.804.902	-	7.804.902
Contract liabilities	USD	1.416.257	-	1.416.257
Derivative liabilities - current portion	USD	414.255	-	414.255
Borrowings - current portion:				-
- Bank loans and credit facility	USD	26.053.038	-	26.053.038
- Bonds payable	USD	31.945.910	-	31.945.910
- Lease liabilities	USD	1.820.379	-	1.820.379
Total current liabilities	USD	328.180.523	-	328.180.523
NON-CURRENT LIABILITIES				
Accrued expenses - non-current portion	USD	7.957.818	-	7.957.818
Borrowings - net of current portion:				
- Bank loans and credit facility	USD	256.003.092	-	256.003.092
- Loans from shareholder	USD	195.000.000	-	195.000.000
- Loans from shareholder of subsidiary	USD	24.681.300	-	24.681.300
- Lease liabilities	USD	2.782.120	-	2.782.120
- Bonds payable	USD	59.149.022	-	59.149.022
Deferred tax liabilities	USD	91.241.354	-	91.241.354
Post-employment benefits liability	USD	2.339.991	-	2.339.991
Provision for rehabilitation, reclamation and mine closure	USD	6.827.733	-	6.827.733
Derivative liabilities - non-current portion	USD	406.650	-	406.650
Total non-current liabilities	USD	646.389.080	-	646.389.080
TOTAL LIABILITIES	USD	974.569.603	-	974.569.603
EQUITY				
Equity attributable to owners of the parent entity				
Share capital	USD	739.792.644	65.766.652	805.559.296
Additional paid-in capital - net	USD	765.623.482	-	765.623.482
Other comprehensive loss	USD	(258.130)	-	(258.130)
Difference in value from transactions with non-controlling interests	USD	(365.412)	-	(365.412)
Retained earnings				
- Appropriated	USD	3.000	-	3.000

- Unappropriated	USD	47.346.697	-	47.346.697
Total equity attributable to owners of the parent entity	USD	1.552.142.281	65.766.652	1.617.908.933
Non-controlling interests	USD	772.714.825	-	772.714.825
TOTAL EQUITY	USD	2.324.857.106	65.766.652	2.390.623.758
TOTAL LIABILITIES AND EQUITY	USD	3.299.426.709	65.766.652	3.365.193.361

Note: The adjustments are based on the maximum capital increase without pre-emptive rights to the Company's shareholders in the amount of Rp1,079,954,199,000 equivalent to US\$65,766,652 (Bank of Indonesia's middle rate as of 28 June 2024 USD 1 = Rp16,421, source: www.bi.go.id)

The percentage of share ownership of the Company's shareholders after the implementation of PMTHMETD I will experience a maximum dilution of 9.1% (nine point one percent).

III. STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF COMMISSIONERS

- The Board of Directors and Board of Commissioners of the Company are fully responsible for the validity of the whole information contained in this Information Disclosure and emphasize that all material information and opinions expressed in this Information Disclosure are correct and can be accounted for and that there is no other information that has not been disclosed which could cause material information in this Information Disclosure be untrue and/or misleading; and
- The Board of Directors and Board of Commissioners of the Company have reviewed the proposed PMTHMETD I including assessing the risks and benefits of PMTHMETD I for the Company and all shareholders, and believe that PMTHMETD I is one of the best choices for the Company and all shareholders.

IV. ADDITIONAL INFORMATION

To obtain further information regarding the matters mentioned above, the shareholders of the Company can contact the Company during the Company's working hours, which is 9am – 5pm Western Indonesian Time, at the address below:

**PT Merdeka Battery Materials Tbk
Corporate Secretary**

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Initial: