

**INFORMATION DISCLOSURE TO SHAREHOLDERS RELATED
TO AFFILIATED TRANSACTION
PT MERDEKA BATTERY MATERIALS TBK (THE "COMPANY")**

This Information Disclosure to Shareholders (as defined below) is made to provide an explanation to the public in connection with the loan agreement between the Company and PT Merdeka Tsingshan Indonesia which is a Controlled Entity of the Company.

The Transaction is an Affiliated Transaction as stipulated in the Regulation of the Financial Services Authority of Republic of Indonesia No. 42/POJK.04/2020 on Affiliated Transaction and Conflict of Interest Transaction.

THE INFORMATION AS STATED IN THIS INFORMATION DISCLOSURE IS IMPORTANT TO BE READ AND ATTENTION BY THE SHAREHOLDER OF THE COMPANY.

IF YOU HAVE DIFFICULTIES UNDERSTAND THE INFORMATION AS SET FORTH IN THIS INFORMATION DISCLOSURE, YOU SHOULD CONSULT WITH A LEGAL COUNSEL, A PUBLIC ACCOUNTANT, A FINANCIAL ADVISOR OR ANY OTHER PROFESSIONAL.

THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE COMPANY DECLARE THAT ALL INFORMATION OR MATERIAL FACTS CONTAINED IN THIS INFORMATION DISCLOSURE ARE COMPLETE AND TRUE AND NOT MISLEADING.

THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE COMPANY DECLARE THAT THIS AFFILIATED TRANSACTION DOES NOT CONTAIN ANY CONFLICT OF INTEREST.



PT MERDEKA BATTERY MATERIALS TBK

Business Activities

Holding company for business groups engaged in nickel and other mineral mining, processing and other related business activities that are vertically integrated

Domiciled in South Jakarta, DKI Jakarta, Indonesia

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This Information Disclosure
is issued in Jakarta on 18 November 2024

DEFINITION

- “Affiliation”** : Means the parties as referred in Article 1 number 1 UUPM as amended by UUP2SK, namely:
- a. family relationships due to marriage up to the second degree, both horizontally and vertically, namely the relationship of a person with:
 1. husband or wife;
 2. parents of the husband or wife and the husband or wife of the children;
 3. grandparents of the husband or wife and the husband or wife of the grandchildren;
 4. siblings of the husband or wife along with the husband or wife from their siblings; or
 5. the husband or wife of the sibling of the person concerned.
 - b. family relationships due to descent up to the second degree, both horizontally and vertically, namely the relationship of a person with:
 1. parents and children;
 2. grandparents and grandchildren; or
 3. siblings of the person concerned.
 - c. relationship between a party and employees, director or commissioner of the party;
 - d. relationship between 2 (two) companies which there is 1 (one) or more members of the same board of directors, management, board of commissioners, or supervisors are the same;
 - e. relationship between a company and a party, whether direct or indirect, by any means, controlling or controlled by the company or that party in determining the management and/or policies of the company or the concerned party;
 - f. relationship between 2 (two) or more companies controlled, whether direct or indirect, by any means, in determining the management and/or policies of the company by the same party; or
 - g. relationship between the company and a major shareholder, that is a party that directly or indirectly owns at least 20% (twenty percent) of the shares with voting rights of the company.
- “Conflict of Interest”** : The difference between the economic interests of a public company and the personal economic interests of members of the board of directors, members of the board of commissioners, major shareholders, or controlling entities that may be harmful to the public company concerned.
- “Indonesia Stock Exchange”** : The regulator in the capital market for stock exchange transactions, which in this case is held by PT Bursa Efek Indonesia, is domiciled in South Jakarta.
- “MOLHR”** : Minister of Law and Human Rights of the Republic of Indonesia.
- “MTI”** : PT Merdeka Tsingshan Indonesia, domiciled in South Jakarta, is a limited liability company established and operated under the laws of the Republic of Indonesia.
- “Financial Services Authority” or “OJK”** : An independent state institution, which has the functions, duties and authorities to regulate, supervise, examine and investigate as referred to in the Law No. 21 Year 2011 on the Financial Services Authority, as amended by UUP2SK.
- “Shareholders”** : Parties who have the benefit of the shares of the Company, both in the form of scripts and in collective custody which is kept and administered in the securities account at the Indonesian Central Securities Depository, which is registered in the Shareholders Register of the Company which is

	administered by the Securities Administration Bureau appointed by the Company.
“Independent Appraiser” or “KJPP”	: Public Appraisal Services Office of Iskandar dan Rekan, an independent appraiser registered with the OJK who have been appointed by the Company to conduct an assessment of the fair value and/or fairness of the Transaction.
“Controlling Entity”	: Means the Controlling Entity as referred in POJK 9/2018, namely the party who, either directly or indirectly: <ul style="list-style-type: none"> a. owns shares in a public company of more than 50% (fifty percent) of all shares with voting rights that have been fully paid up; or b. has the ability to determine, either directly or indirectly, in any way the management and/or policies of a public company.
“Agreement”	: Loan Agreement made by and between the Company with MTI which is made on 14 November 2024, along with any changes, additions and replacements, which may be made later.
“Company”	: PT Merdeka Battery Materials Tbk, domiciled in South Jakarta, is a publicly listed company whose shares are listed on the Indonesian Stock Exchange, which is established and operated based on the laws of the Republic of Indonesia.
“POJK 9/2018”	OJK Regulation No. 9/POJK.04/2018 regarding Public Company Takeover.
“POJK 17/2020”	: OJK Regulation No. 17/POJK.04/2020 regarding Material Transactions and Changes in Business Activities.
“POJK 35/2020”	OJK Regulation No. 35/POJK.04/2020 regarding Assessment of Material Transactions and Changes in Business Activities.
“POJK 42/2020”	: OJK Regulation No. 42/POJK.04/2020 regarding Affiliated Transactions and Conflict of Interest Transactions.
“Rupiah” or “Rp” or “IDR”	: References to Rupiah which is the legal currency of the Republic of Indonesia.
“SCM”	: PT Sulawesi Cahaya Mineral, domiciled in South Jakarta, is a limited liability company established and operated under the laws of the Republic of Indonesia.
“Affiliated Transaction”	: Any activity and/or transaction conducted by a public company or a controlled entity with an Affiliation of a public company or an Affiliation of a member of the board of directors, member of the board of commissioners, the major shareholders, or the controlling entity, including any activity and/or transaction conducted by a public company or controlled entities for the benefit of affiliation of public company or Affiliation of member of the board of directors, member of the board of commissioners, major shareholders or Controlling Entities.
“Conflict of Interest Transaction”	: Transactions that are carried out by public companies or controlled entities with any party, both with affiliation and parties other than affiliations that contain a conflict of interest.
“USD” or “US\$”	: Reference to the United States Dollar which is the legal currency of the United States.

“UUP2SK” : Law No. 4 of Year 2023 on Financial Sector Development and Strengthening, State Gazette of the Republic of Indonesia No. 4 of Year 2023, along with all its implementing regulations.

“UUPM” Law No. 8 of Year 1995 on Capital Markets and its implementing regulations.

INTRODUCTION

In order to comply with the provisions of POJK 42/2020, the Board of Directors of the Company announces Information Disclosure to provide information to the Shareholders of the Company that on 14 November 2024, the Company and MTI have signed an Agreement with details as described in the Transaction Agreement Summary below (“**Transaction**”).

The transaction carried out is an Affiliated Transaction as referred to POJK 42/2020, in which MTI is a controlled entity of the Company. However, this Affiliated Transaction is not a Conflict of Interest Transaction as set forth in POJK 42/2020.

The Affiliated Transaction carried out by the Company complied with the procedures set forth in Article 3 of POJK 42/2020 and has been executed accordingly per generally accepted business practices.

In accordance with the provisions of Article 4 Paragraph 1 POJK 42/2020, this Transaction is an Affiliated Transaction which is required to use an Independent Appraiser in determining the fairness of the Affiliated Transaction, which the fairness of the transaction needs to be announced to the public. Furthermore, the Company has received the fair value for this Transaction based on the Appraisal Report from KJPP No. No. 00281/2.0118-00/BS/02/0520/1/XI/2024 dated 14 November 2024 on the Fairness Opinion Report on of Provision of Loan Facilities Transaction to MTI by the Company (“**Appraisal Report**”).

Moreover, the Company is obliged to announce Information Disclosure to the public and submit the Appraisal Report along with other supporting documents to OJK no later than the end of 2 (two) business days after the Transaction date as referred to in Article 4 POJK 42/2020.

DESCRIPTION OF THE TRANSACTION

Information Regarding the Parties Involved

1. 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 MOLHR based on Decree No. AHU-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 reflected by 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.

Capital Structure and Shareholder Composition of the Company

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 reflected by 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 31 October 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

Details	Nominal Value IDR 100 per Share		
	Number of Shares	Nominal Value (IDR)	%
Authorized Capital	430,000,000,000	43,000,000,000,000	
Issued and Paid-up Capital			
PT Merdeka Energi Nusantara	54,045,287,677	5,404,528,767,700	50.044
Huayong International (Hong Kong) Limited	8,149,060,000	814,906,000,000	7.546
PT Alam Permai	5,861,079,300	586,107,930,000	5.427
Winato Kartono	2,361,003,614	236,100,361,400	2.186
Andrew Phillip Starkey	2,316,200	231,620,000	0.002
Public	37,576,673,109	3,757,667,310,900	34.795
Total	107,995,419,900	10,799,541,990,000	100.000
Portfolio Shares	322,004,580,100	32,200,458,010,000	

Composition of the Board of Commissioners and Board of Directors of the Company

Based on the Deed of Shareholder Decision Statement No. 54 dated 16 January 2023 which has been notified to the MOLHR as reflected by 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.TAHUN 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 reflected by 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.TAHUN 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 reflected by 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.TAHUN 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 reflected by 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.TAHUN 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 Commissioners and Board of Directors 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

2. MTI

MTI, domiciled in South Jakarta, is a limited liability company established under the Deed of Establishment No. 40 dated 18 March 2021, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by the Minister by virtue of Decree No. AHU0019293.AH.01.01.TAHUN 2021 dated 18 March 2021.

Article of Association of MTI has been last amended based on Deed of Circular Resolutions in Lieu of Extraordinary General Meeting of Shareholders No. 33 dated 9 March 2022, drawn up before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has been approved by Minister by virtue of Decree No. AHU-0016812.AH.01.02.TAHUN 2022 dated 9 March 2022 and has been notified to the Minister as reflected by the Receipt of Notification Letter of the Amendment of Articles of Association No. AHU-AH.01.03-0154821 dated 9 March 2022 ("**Deed 33/2022**").

Based on the provisions of Article 3 of Articles of Association of MTI, the purpose and objective of MTI are to carry out a business in the field of other inorganic basic chemical industries; iron and steel making industry; precious base metal manufacturing industry; non-iron base metal manufacturing industry; and specific telecommunications operations for self-purposes.

To achieve the abovementioned purposed and objectives, MTI may carry out the business activites as follows:

1. Other Inorganic Basic Chemical Industry (KBLI 20114);
Carrying out other basic inorganic chemical industries that produce chemical substances such as phosphorus with its derivatives, sulfur with its derivatives, nitrogen with its derivatives, and basic chemical industry that produces halogen compound and their derivatives, metals except alkali metal, oxide compounds except for pigments. Including the raw material industry for explosives, including carrying out an inorganic basic chemical industry that produces chemical substances through the construction and operation of the project (Project) which includes a sulphide roast plant, crusher factory, grinder and float (CGF) factory, chloridising roast factory, acid filter plant high pressure (HPAL) and metal extraction or screening plants (as a whole, Factories) and other necessary infrastructure.
2. Iron and Steel Making Industry (KBLI 24101);
Carrying out the business of making iron and steel in basic forms, such as iron ore pellets, sponge iron, pig iron and the making of iron and steel in the form of coarse steel such as ingots, steel billets,

bloom steel and steel slabs. This includes the manufacture of iron and alloy steel. Including furnace, steel converter, rolling mill and finishing activities; production of pig iron in basic forms such as blocks; production of iron alloy; production of iron products that are reduced directly from iron ore and other hollow iron products; production of iron from refining by electronic processes and other chemical processes; production of iron grains and iron powder; production of ingots or other basic forms; re-smelting of scrap iron or steel ingots; and semi-finished steel production.

3. Base Metal Manufacturing Industry (KBLI 24201);
Carrying out the business of refining, smelting, alloying and casting precious metals in basic forms (ingots, billets, slabs, rods, pellets, blocks, sheets, pigs, alloys and powders) such as silver ingots, gold ingots, platinum pellets and so on.
4. Non-Iron Base Metal Manufacturing Industry (KBLI 24202);
Carrying out a refining, smelting, alloying and casting business of non-ferrous metals in basic forms (ingots, billets, slabs, rods, pellets, blocks, sheets, pigs, alloys and powders) such as brass ingots, aluminum ingots, zinc ingots, copper ingots, tin ingots, brass billets, aluminum billets, brass slabs, aluminum slabs, brass rods, aluminum bars, brass pellets, aluminum pellets, bronze alloys, nickel alloys and bearing metals and rare earth metals and alloys rare earth metals (15 elements lanthanides plus elements scandium and yttrium).
5. Specific Telecommunications Activities for Self-Purpose (KBLI 61992);
Carrying out a telecommunications operation that is specifically used for selfpurpose in terms of developing hobbies and self-training.

Capital Structure and Shareholder Composition of MTI

Based on the Deed of Circular Decision Statement in Lieu of the Extraordinary General Meeting of Shareholders No. 42 dated 10 May 2021, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta, which has obtained approval from the MOLHR based on Decree No. AHU-0028507.AH.01.02.TAHUN 2021 dated 10 May 2021 and has been notified to the MOLHR as reflected by the Receipt of Notification Letter of Amendment to Articles of Association No. AHU-AH.01.03-0301259 dated 10 May 2021 in conjunction with Deed 33/2022, the capital structure and composition of shareholders in MTI is as follows:

Details	Nominal Value IDR 1.000.000 per Share		
	Number of Shares	Nominal Value (IDR)	%
Authorized Capital	1,260,000	1,260,000,000,000	
Issued and Paid-up Capital			
PT Batutua Pelita Investama	1,008,000	1,008,000,000,000	80
Wealthy Source Holding Limited	252,000	252,000,000,000	20
Total	1,260,000	1,260,000,000,000	100
Portfolio Shares	-	-	

Capital Structure and Shareholder Composition of MTI

Based on the Deed of Statement of Circular Resolutions of MTI Shareholders in Lieu of the Annual General Meeting of Shareholders No. 79 dated 26 July 2024, made before Darmawan Tjoa, S.H., S.E., Notary in Jakarta which was notified to the MOLHR as reflected by the Receipt of Notification Letter of Changes to Company Data No. AHU-AH.01.09-0233668 dated 31 July 2024, the composition of the Board of Commissioners and Board of Directors of MTI on the date of publication of this Information Disclosure is as follows:

Board of Commissioners

President Commissioner	: Winato Kartono
Commissioner	: Gavin Arnold Caudle
Commissioner	: Xin Zhi
Commissioner	: Renhui Wang

Board of Directors

President Director : Albert Saputro
Director : David Thomas Fowler
Director : Fan Zhang
Director : Cheng Li

Transaction Value and Scope of the Agreement

Pursuant to the Agreement, the Company as the lender, agreed to provide financing funds to MTI in the amount up to US\$200,000,000 (two hundred million United States Dollars). The funds will be used by MTI for general corporate purposes.

The Transaction is not a material transaction as referred in POJK 17/2020 considering that the value of Transaction does not reach 20% (twenty percent) of the Company's equity value in accordance with the Financial Statements of the Company and its subsidiaries for the six-month period ended 30 June 2024 audited by KAP Tanubrata Sutanto Fahmi Bambang & Rekan.

Nature and Affiliated Relationships

The nature of the affiliation relationship between the Company and MTI, as follows:

1. MTI is a controlled entity of the Company which shares is indirectly owned by the Company in the amount of 80% (eighty percent) through PT Batutua Pelita Investama ("BPI"); and
2. There is a commissioner of MTI who also serve as a member of the board of commissioners or the Company.

SUMMARY OF APPRAISER'S REPORT

KJPP who has been appointed by the Board of Directors of the Company as the independent appraiser in accordance with engagement letter No. 186.1/IDR/DO.2/Pr-FO/X/2024 dated 21 October 2024, has been requested to provide an assessment of and provide an opinion of the Transaction's fairness.

Fairness Opinion Report on Transaction

The following is a summary of the KJPP's fairness opinion report on the Transaction as stated in its report No. 00281/2.0118-00/BS/02/0520/1/XI/2024 dated 14 November 2024

- a. Transacting Parties
The transacting parties are the Company and MTI, where the Company is acting as a lender and MTI is acting as a borrower.
- b. Appraisal Object
The object of the Appraisal is a transaction plan for providing loan facilities to MTI by the Company.
- c. Purpose and Objective of Appraisal
The purpose of the appraisal is to provide a fairness opinion on the proposed transaction for implementation of the proposed transaction.
- d. Limiting Assumptions and Conditions
 1. Appraisal report is a non disclaimer opinion.
 2. The appraiser has reviewed the legal status of the documents used in the assessment process.
 3. Data and information come from sources whose accuracy can be trusted.
 4. The financial projections used are financial projections that have been adjusted to reflect the fairness of the financial projections made by management with their ability to achieve (fiduciary duty), if the assessment uses financial projections.
 5. KJPP is responsible for the implementation of assessments and the fairness of financial projections.
 6. The assessment report is publicli available save for any confidential information, which may affect the operation of the Company.
 7. KJPP is responsible for the assessment report and final value conclusion.

8. KJPP has obtained information on the legal status of the Assessment Object from the Company.
9. Assumptions and other limiting conditions are disclosed in the assessment report.

e. Approach and Methodology

In accordance with the scope of the assessment, the approaches and methods used are:

1. Conduct transaction analysis.
2. Conduct qualitative analysis of the transaction.
3. Conduct quantitative analysis of the transaction.
4. Conduct collateral analysis related to the transaction.
5. Conduct a fairness analysis of the transaction value.
6. Conduct analysis of other relevant factors.

f. Conclusion

The amount of funds from the transaction object in the form of providing loan facilities to MTI by the Company can be repaid at maturity, thus it can be concluded that the amount of funds from the transaction object is **fair**.

The results of the analysis of the interest rates on loans from the Company charged to MTI are still within the range of similar interest rates from several previous transactions, thus it can be concluded that the loan interest rates charged by the Company to MTI is **fair**.

The results of the analysis of the financial impact of the transactions to be carried out on the interests of shareholders provide the conclusion that carrying out the transactions will increase the profit of the Company and profitability on a consolidated basis which can provide added value for the Company, thereby being in line with the interests of shareholders.

The results of the analysis of business considerations used by company management in relation to the proposed transaction that will be carried out in the interests of shareholders are that the Company as a shareholder of MTI can indirectly through BPI support MTI's funding needs so that MTI can provide added value to the Company in accordance with the interests of shareholders.

Based on the conclusions from the results of the analysis above, we are of the opinion that the transaction is **fair**.

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THE EFFECT OF THE TRANSACTION ON THE FINANCIAL CONDITION OF THE COMPANY

The Effect of the Transaction on the Financial Condition of the Company

The table below shows an overview of the financial condition of the Company and its subsidiaries as of 30 June 2024 before and after carrying out the Affiliated Transaction.

DESCRIPTION	UNIT	AUDITED 30 JUNE 2024	PROFORMA ADJUSTMENTS	PROFORMA 30 JUNE 2024
ASSETS				
CURRENT ASSETS				
Cash and cash in banks	USD	247,164,840	-	247,164,840
Trade receivables	USD	177,619,585	-	177,619,585
Other receivables	USD	1,154,591	-	1,154,591
Inventories	USD	202,496,661	-	202,496,661
Advances and prepayments - current portion	USD	23,000,281	-	23,000,281
Prepaid taxes	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	-	789,853,097
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	-	3,299,426,709
LIABILITIES AND EQUITY				
LIABILITIES				
CURRENT LIABILITIES				
Trade payables	USD	206,279,967	-	206,279,967
Accrued expenses - current portion	USD	49,032,549	-	49,032,549
Taxes payable	USD	3,413,266	-	3,413,266
Dividends payables	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				
Share capital	USD	739,792,644	-	739,792,644
Additional paid-in capital - net	USD	765,623,482	-	765,623,482
Difference in value from transactions with non-controlling interests	USD	(365,412)	-	(365,412)
Other comprehensive loss	USD	(258,130)	-	(258,130)
Retained earnings	USD	47,349,697	-	47,349,697
Non-controlling interests	USD	772,714,825	-	772,714,825
TOTAL EQUITY	USD	2,324,857,106	-	2,324,857,106
TOTAL LIABILITIES AND EQUITY	USD	3,299,426,709	-	3,299,426,709

DESCRIPTION, CONSIDERATION, AND REASON FOR THE AFFILIATED TRANSACTION COMPARED WITH OTHER SIMILAR TRANSACTION WHICH ARE NOT PERFORMED WITH AFFILIATED PARTIES

By implementing the Transaction, The Company can provide funding support that will be used by MTI as described in the Transaction Value and Scope of Agreement.

Thus, the Transaction will be more efficient if carried out with the Company as the holding company of MTI. Furthermore, it is hoped that the Transaction can have a positive impact on the Company, which ultimately creates added value for the Shareholders of the Company indirectly.

Transactions have also been assessed by internal procedures with using similar terms and conditions as if the Transaction were conducted with a non-affiliated party, hence the terms and conditions of the Transaction are

carried out by commonly accepted business practices. Furthermore, the Transactions is also more effective and efficient if it is carried out between parties affiliated of the Company.

STATEMENT OF THE BOARD OF COMMISSIONERS AND BOARD OF DIRECTORS OF THE COMPANY

The Board of Commissioners and Board of Directors of the Company, individually and jointly, state that all material information related to the Transaction has been disclosed and the information is not misleading and the Transaction is not a Conflict of Interest Transaction as referred to POJK 42/2020 and is not a material transaction as referred to POJK 17/2020 considering that the Transaction value does not reach 20% (twenty percent) of the Company's equity value in accordance with the Financial Statements of the Company and its subsidiaries for the six-month period ended 30 June 2024 which was audited by KAP Tanubrata Sutanto Fahmi Bambang & Rekan.

The Board of Directors of the Company stated that the Transaction was carried out in accordance with the procedures as required by POJK 42/2020 to ensure that Affiliated Transactions have been carried out in accordance with prevailing regulation and generally accepted business practices.

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ADDITIONAL INFORMATION

For further information, you can contact the Company at the following address:

PT Merdeka Battery Materials Tbk
Corporate Secretary

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Jl. Jend. Sudirman Kav. 52-53, South Jakarta 12190
Telephone: +62 21 3952 5581
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