QUARTERLY ACTIVITIES REPORT

April to June 2026

1 August 2026

MBMA Maintains Strong Operational Momentum with Higher Production and Continued Project Advancements

Jakarta, Indonesia – PT Merdeka Battery Materials Tbk (IDX: MBMA) (**"MBMA"** or the **"Company"**) is pleased to present its quarterly activities report for the quarter ended 30 June 2026.

Highlights

- In 2Q 2026, the SCM mine delivered strong year-on-year ("YoY") production growth, reflected in a 130% increase for saprolite ore and 87% increase for limonite ore, in line with our production ramp up initiatives.
- Saprolite ASP increased by 135% YoY to $58.9/wmt (vs. $25.0/wmt in 2Q 2025) following the adoption of the new nickel ore Mineral Benchmark Price ("HPM") pricing formula, resulting a significant increase in saprolite margin from $1.0/wmt in 2Q 2025 to $26.7/wmt in 2Q 2026. Cash costs increased by 34% YoY to $32.2/wmt in 2Q 2026, reflecting higher royalty expenses (due to higher ASP) to $8.4/wmt (vs. $3.1/wmt in 2Q 2025) and increased hauling costs to $16.6/wmt (vs. $14.3/wmt in 2Q 2025), and higher mining costs to $7.2/wmt (vs. $6.6/wmt in 2Q 2025), given the impact of higher fuel price.
- In 2Q 2026, limonite ASP increased by 70% YoY ($26.1/wmt vs $15.4/wmt in 2Q 2025), resulting in margin increment by 135% YoY from $4.4/wmt in 2Q 2025 to $10.4/wmt in 2Q 2026. Limonite ASP was based on a modified pricing mechanism that combines the existing contractual pricing with the new HPM pricing formula. Cash costs increased by 43% YoY to $15.7/wmt in 2Q 2026, primarily driven by higher royalty expenses to $6.1/wmt (vs. $2.0/wmt in 2Q 2025), a 10% YoY higher hauling cost to $2.5/wmt (vs. $2.3/wmt in 2Q 2025), and a 5% YoY increase in mining cost to $7.0/wmt (vs. $6.7/wmt in 2Q 2025) due to the increase of fuel price.
- Nickel pig iron ("NPI") production increased by 16% YoY to 19,505 tonnes of nickel ("tNi") in 2Q 2026, following the completion of maintenance work in 2025, which improved load rates across all the smelters, through more stable furnace operation. NPI margin improved to $1,981/tNi (vs. $1,783/tNi in 2Q 2025), driven by a 28 % YoY increase in average selling price ("ASP") to $14,671/tNi. Meanwhile, NPI margin declined by 50% QoQ, reflecting an increase in cash cost by 33% due to the implementation of the new nickel ore HPM pricing policy. 2Q 2026 NPI cash cost excluding ore cost was $481/tNi higher than 2Q25, of which $383/tNi was driven by higher energy and electricity cost.
- High Grade Nickel Matte ("HGNM") production declined by 12% QoQ to 9,165 tNiEq in 2Q 2026, while sales volume increased by 30% QoQ to 10,457 tNiEq. ASP increased slightly by 1% QoQ to $15,811/tNi, while cash cost rose 17% QoQ to $16,354/tNi following higher ASP of NPI. Consequently, HGNM recorded a negative margin of $(542)/tNi in 2Q 2026, compared to $1,321/tNi in the previous quarter.
- AIM operation progressed well, underpinned by steady pyrite plant and acid plant performance, which produced 258,060 tonnes of acid and sold 383,177 tonnes of acid. As per date of this report, AIM operation has received its Industrial Business License (Izin Usaha Industri/"IUI").
- PT ESG New Energy Material ("PT ESG") achieved production of 4,831 tonnes of nickel in MHP during 2Q 2026. Maintenance works related to the projects and transition to new tailing area were completed and production ramp up is underway, targeting to hit nameplate capacity in August 2026.
- PT Sulawesi Nickel Cobalt ("SLNC") advanced the construction of its 90,000 tonnes per annum HPAL plant during the quarter, with first MHP is targeted for 2H 2026. By the end of the quarter, construction of the HPAL plant and FPP was progressing towards completion. IUI has been submitted and is currently being processed.

2026 Guidance

- Saprolite ore deliveries are expected to reach 8.0–10.0 million wmt, with cash costs below $21/wmt (excluding royalties). Limonite ore sales are expected to total 20.0–25.0 million wmt, with cash costs below $11/wmt (excluding royalties). The Company is currently maintaining guidance but closely monitoring fuel price and consumption.
- MBMA expect NPI production of 70,000–80,000 tNi and HGNM production of 44,000–48,000 tonnes. Following the implementation of the new nickel ore HPM pricing policy, NPI cash costs and all-in sustaining cost ("AISC") are expected to remain below US$13,000/tNi and US$13,500/tNi. The conversion cost of NPI to HGNM is expected to be less than $2,000/tNi, as the Company maintains continuous oversight of operations to ensure process effectiveness and efficiency.
- MHP production from PT ESG of 27,000-30,000 tonnes is targeted.
- 2026 guidance is subject to *Rencana Kerja dan Anggaran Biaya* ("RKAB") approval.

Operational Summary

Items	Unit	2Q25	3Q25	4Q25	1Q26	2Q26	QoQ 1Q26-2Q26	YoY 2Q25-2Q26
Saprolite[1]								
Production	m wmt	1.2	2.0	2.4	2.3	2.9	*26%*	*130%*
Sales[2]	m wmt	1.5	2.0	1.8	1.9	2.3	*21%*	*54%*
ASP[3]	$/wmt	25.0	24.8	27.0	28.5	58.9	*106%*	*135%*
Cash cost	$/wmt	24.0	23.3	24.0	24.5	32.2	*31%*	*34%*
Royalty	$/wmt	3.1	3.4	3.8	4.0	8.4	*112%*	*172%*
Cash margin	**$/wmt**	**1.0**	**1.5**	**3.0**	**4.0**	**26.7**	***566%***	***2528%***
Limonite								
Production	m wmt	2.5	5.6	4.7	5.4	4.7	*-14%*	*87%*
Sales	m wmt	2.8	4.0	7.8	4.8	3.3	*-30%*	*21%*
ASP	$/wmt	15.4	14.4	15.8	20.2	26.1	*29%*	*70%*
Cash cost	$/wmt	10.9	7.9	10.0	10.1	15.7	*56%*	*43%*
Royalty	$/wmt	2.0	2.0	2.2	2.8	6.1	*117%*	*207%*
Cash margin	**$/wmt**	**4.4**	**6.5**	**5.8**	**10.1**	**10.4**	***3%***	***135%***
NPI								
Production	tNi	16,748	19,819	21,008	19,990	19,505	*-2%*	*16%*
NPI & LGNM Sales	tNi	16,748	19,819	21,008	19,991	19,505	*-2%*	*16%*
ASP	$/tNi	11,502	11,273	11,243	13,489	14,671	*9%*	*28%*
Cash cost	$/tNi	9,719	9,059	8,983	9,507	12,690	*33%*	*31%*
AISC	$/tNi	10,092	9,281	9,200	9,703	12,859	*33%*	*27%*
Cash margin	**$/tNi**	**1,783**	**2,215**	**2,260**	**3,982**	**1,981**	***-50%***	***11%***
HGNM								
Production	tNi	-	-	10,473	10,361	9,165	*-12%*	*n.a*
Sales	tNi	754	-	8,961	8,056	10,457	*30%*	*1287%*
ASP	$/tNi	12,624	n/a	13,858	15,349	15,811	*3%*	*25%*
Cash cost	$/tNi	n/a	n/a	13,088	14,029	16,354	*17%*	*n.a*
AISC	$/tNi	n/a	n/a	13,122	14,141	16,452	*16%*	*n.a*
Cash margin	**$/tNi**	**n/a**	**n/a**	**770**	**1,321**	**(542)**	***-141%***	***n.a***

Table 1: Mining and Processing Summary

[1] *All saprolite ore produced by the SCM mine is fully utilised by MBMA's three RKEF's (BSI, CSI & ZHN) smelters*
[2] *Sales volume of saprolite is based on delivery volume*
[3] *ASP is based on prevailing HPM*

All figures are denominated in US Dollars, unless otherwise indicated

SCM Mine

MBMA produced 2.9 million wmt of saprolite ore in 2Q 2026, increased by 130% YoY from 1.2 million wmt in 2Q 2025 driven by improved operational performance, including higher equipment utilisation, and hauling efficiency. On QoQ basis, saprolite output increased by 26% QoQ from 2.3 million wmt in 1Q 2026 due to higher mining fleet productivity.

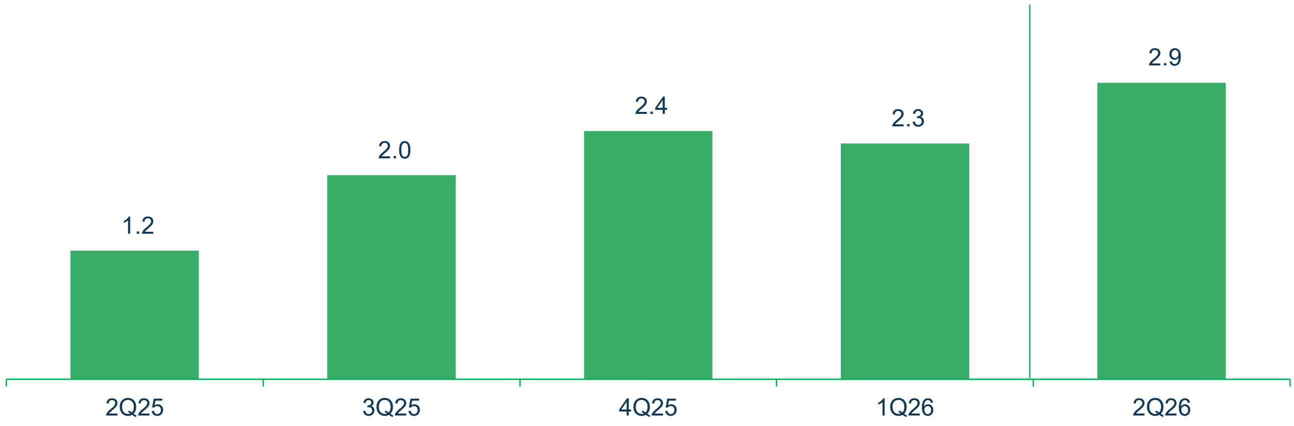

Figure 1: Saprolite Production Quarterly (2Q 2025 to 2Q 2026) in million wmt

Saprolite cash cost at the SCM mine increased by 34% on YoY basis to $32.2/wmt from $24.0/wmt in 2Q 2025, primarily driven by a 172% YoY increase in royalty expense to $8.4/wmt reflecting higher ASP, a 16% increase in hauling costs reflecting 62% YoY increase in fuel costs ($1.52/wmt in 2Q 2026 vs $0.94/wmt in 2Q 2025), and a 8% YoY increase in mining cost per wmt. On a QoQ basis, cash cost increased by 31% from $24.5/wmt in 1Q 2026. The Company continues to implement operational efficiency initiatives, with a focus on closely monitoring fuel price and consumption, improving equipment productivity, and optimising hauling distances.

In addition, saprolite ASP increased by 135% YoY to $58.9/wmt in 2Q 2026 from $25.0/wmt in 2Q 2025, reflecting changes to the HPM formula stipulated by Ministry of Energy and Mineral Resources, effective 15 April 2026. As a result, margin increased significantly to $26.7/wmt in 2Q 2026 (vs. $1.0/wmt in 2Q 2025). On a QoQ basis, margin rose by 566% from $4.0/wmt in 1Q 2026, supported by higher delivery volumes and a stronger ASP.

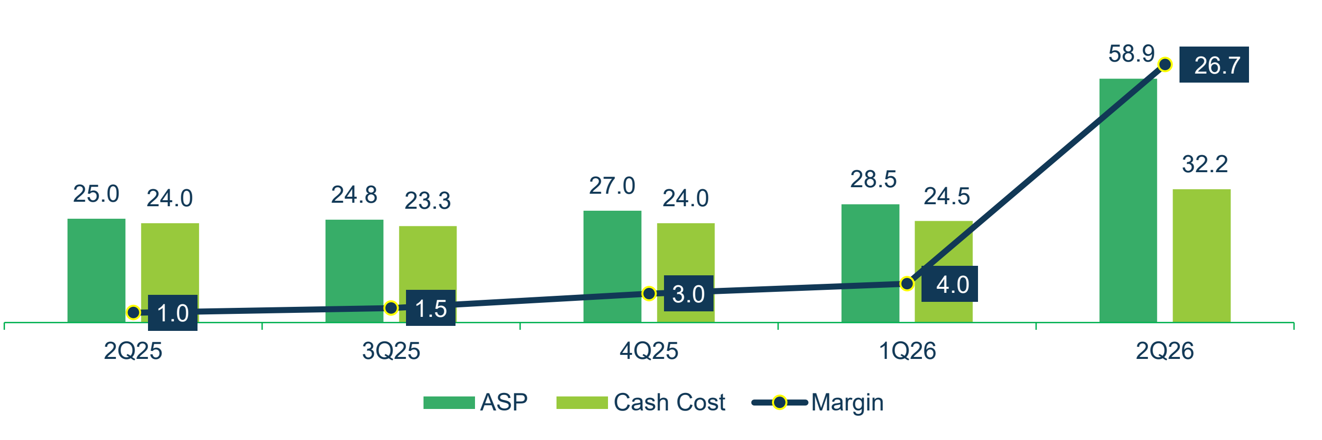

Figure 2: Saprolite ASP, Cash Cost, and Margin per wmt

Figure 3: Slurry pipelines construction parallel to hauling roads (left); Hauling roads extension (right)

In 2Q 2026, limonite production reached 4.7 million wmt, an 87% YoY increase, driven by higher equipment utilisation, expanded hauling capacity, and strong productivity from key mining pits. Compared with the previous quarter, production declined by 14%, reflecting a planned moderation in mining activities to support new pit development and HPAL operating requirements.

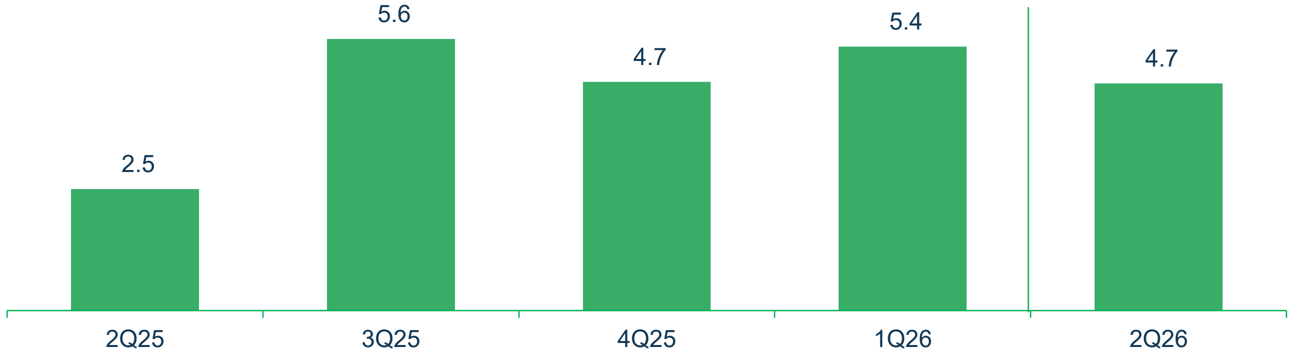

Figure 4: Limonite Production Quarterly (2Q 2025 to 2Q 2026) in million wmt

Limonite cash costs at the SCM mine increased to $15.7/wmt in 2Q 2026 from $10.9/wmt in 2Q 2025, which was driven by higher royalty charge of $6.1/wmt, higher hauling costs of $2.5/wmt (reflecting higher 62% YoY in fuel cost) costs, and higher mining costs of $7.0/wmt. ASP increased to $26.1/wmt in 2Q 2026 (vs. 15.4/wmt YoY), reflecting modified pricing mechanism that combines the existing contractual pricing with the new HPM pricing formula. Consequently, margins expanded by 135% YoY to $10.4/wmt in 2Q 2026, from $4.4/wmt in 2Q 2025.

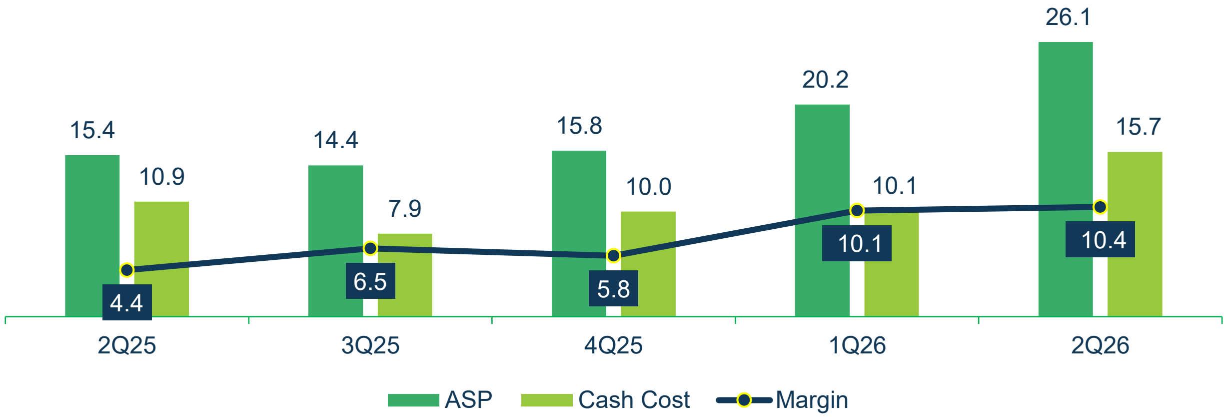

Figure 5: Limonite's ASP, Cash Cost, and Margin per wmt

In 2Q 2026, MBMA sold 2.3 million wmt of saprolite ore, increased 21% from 1.9 million wmt in 1Q 2026, and up 54% YoY from 1.5 million wmt in 2Q 2025. Limonite sales increased to 3.3 million wmt in 2Q 2026 from 2.8 million wmt in 2Q 2025, reflecting 21% increase YoY. Sales of both saprolite and limonite were supported by improved operational execution, including higher equipment utilization and hauling efficiency.

MBMA is targeting fleet expansion to support its 2026 production ramp-up, complemented by completed widening works on three hauling road segments within the IUP, with road extensions expected by 2H 2026.

RKEF and HGNM Smelters

In 2Q 2026, MBMA produced 19.505[4] tonnes of nickel in NPI at a cash cost of $12,690/tNi, representing a 16% YoY increase in volume and a 31% YoY increment in cash costs following the improved load rates across all three smelters, supported by more stable furnace operations at BSI, consistently high utilisation at CSI amidst scheduled maintenance, and improved operational performance at ZHN despite temporary constraints from sinter buildup, power limitations, and high-iron feed. NPI production slightly declined by 2% from 19,990 tonnes in 1Q 2026, primarily reflecting changes in ore blend composition and short-duration furnace interventions resulted in temporary moderation of metallurgical recovery. With furnace and ore parameters being actively optimised, the recovery rate is expected to improve through 2H 2026.

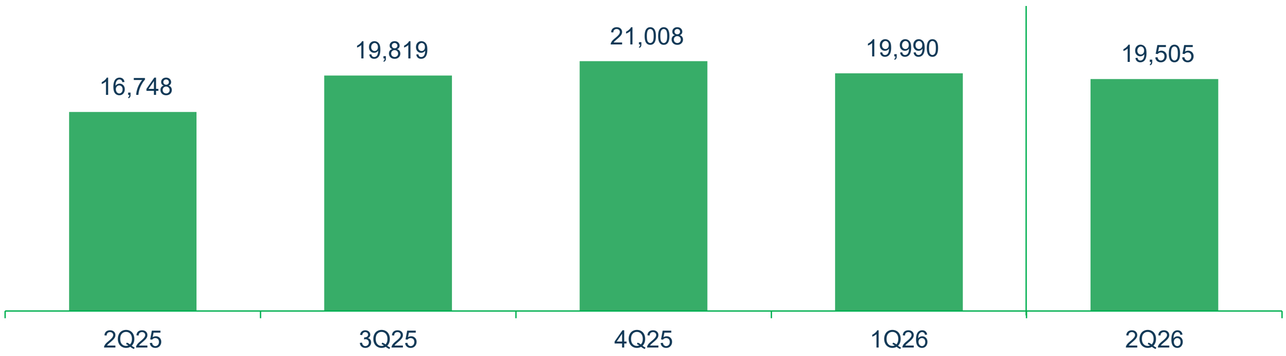

Figure 6: NPI Production Quarterly (2Q 2025 to 2Q 2026) in Tonnes

NPI cash margin expanded 11% YoY to $1,981/tNi during the quarter, driven by a higher ASP by 28%. Meanwhile, NPI cash margin fell by 50% QoQ, as cash cost rose by 33% to $12,690/tNi due to the implementation of the new nickel ore HPM pricing policy. MBMA continues to limit reliance on third-party saprolite in 2Q 2026 (approximately 4% of feed), with feed remained predominantly captive. NPI ASP rose 28% YoY to $14,671/tNi in 2Q 2026 (vs. $11,502/tNi in 2Q 2025).

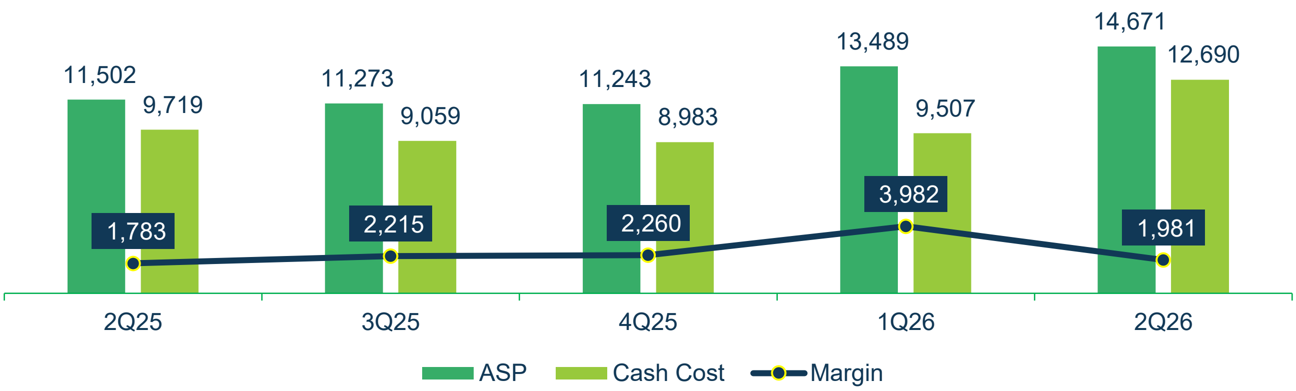

Figure 7: NPI's ASP, Cash Cost, and Margin per Tonne of Nickel

[4] *Includes 2,282 tonnes of nickel in LGNM sold to HNMI*

Nickel matte output of 9,165 tNi was down 12% from 10,361 tNi in 1Q 2026. Cash costs of $16,354/tNi rose 17% QoQ, reflecting the higher NPI transfer price that feeds HGNM conversion.

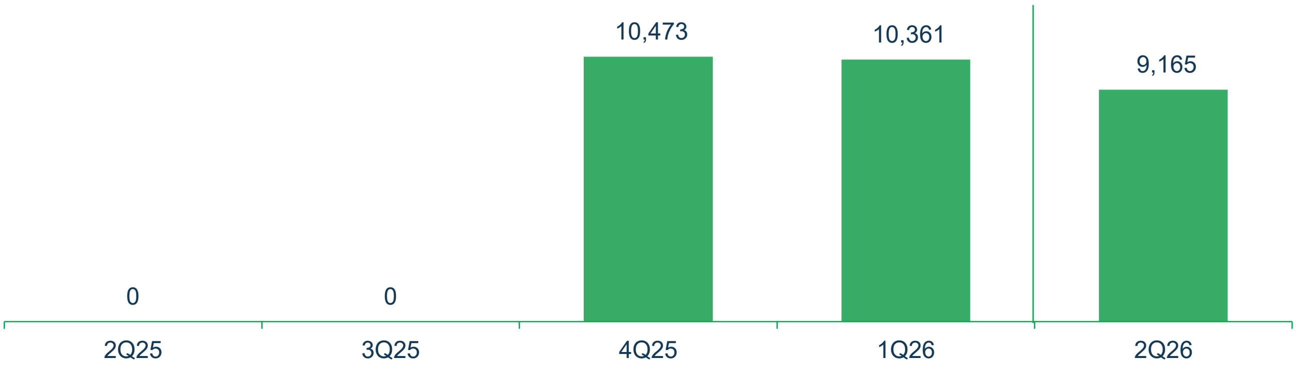

Figure 8: HGNM Production Quarterly (2Q 2025 to 2Q 2026) in Tonnes

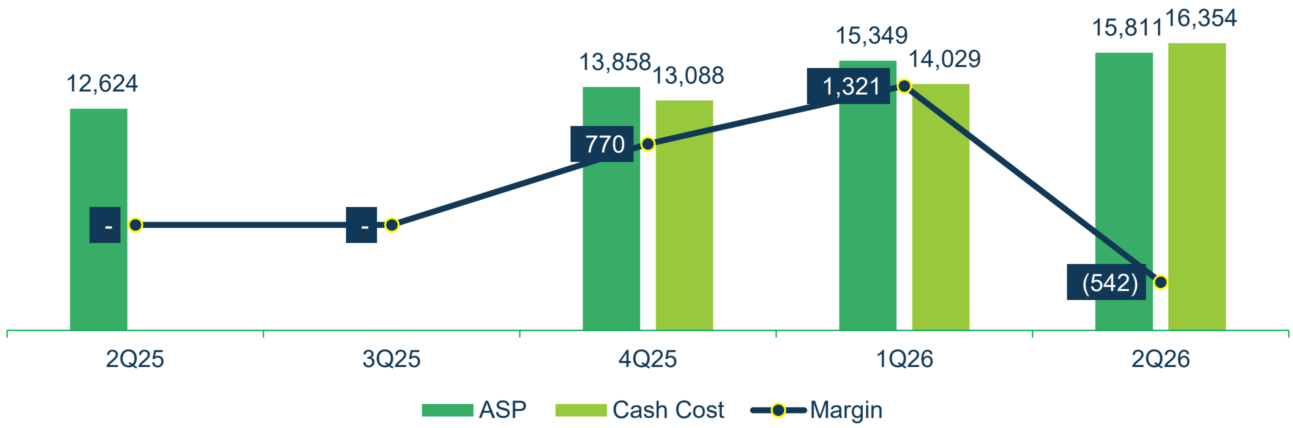

Figure 9: HGNM ASP and Margin per Tonne of Nickel

High Pressure Acid Leach Operations

Limonite Supply to HPAL Plants

The SCM mine produced 4.7 million wmt of limonite ore during 2Q 2026, of which 2.7 million wmt was sold to PT Huayue Nickel Cobalt ("PT HNC") and 0.6 million wmt to other IMIP-based HPAL customers. Construction of the FPP and slurry pipelines for PT ESG has been completed in 4Q 2025, meanwhile the construction of the FPP and slurry pipeline for PT SLNC was also progressing towards completion at the end of the quarter and is currently undergoing final pre-operational readiness activities.

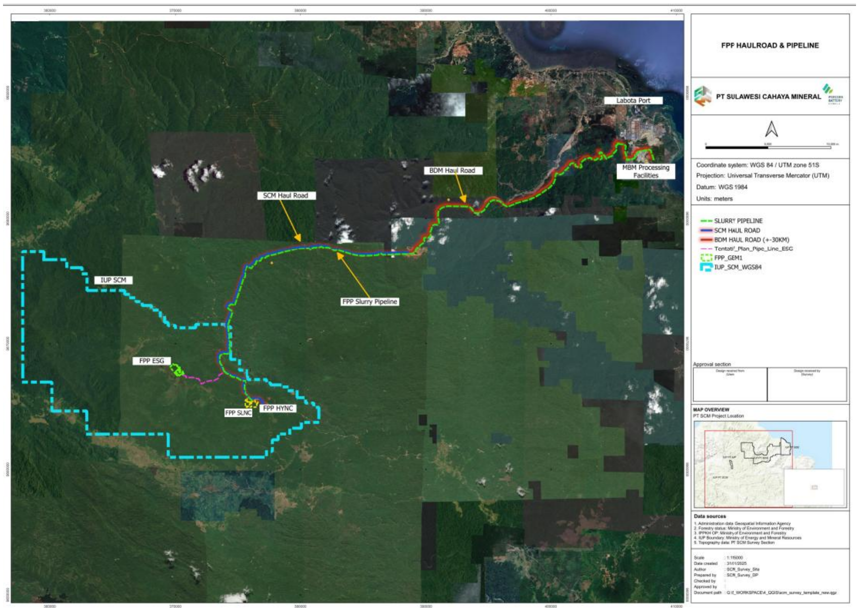

Figure 10: Map of SCM Haul Road, MHR Extension, Huayue Pipeline, and PT ESG Pipeline

PT ESG Operations

PT ESG, developed and operated in partnership with GEM Co., Ltd. ("GEM").

During 2Q 2026, ESG resumed operations in the third week of April following a precautionary suspension due to a landslide incident at nearby tailing storage facility. The operation progressively ramped up throughout the quarter, supported by a new tailings storage facility. Following the completion of scheduled maintenance and the commissioning of the new tailings storage area, PT ESG resumed operations and has performed a steady production. The operation is expected to continue ramping up towards steady-state production. PT ESG produced 4,831 tonnes of nickel in MHP in 2Q 2026.

Figure 11: Overview of PT ESG operation at IMIP

PT Meiming Operations

PT Meiming, operated in partnership with GEM, maintained production through the quarter and has now moved its limonite feed onto the new FPP at SCM, drawing slurry though the pipeline network.

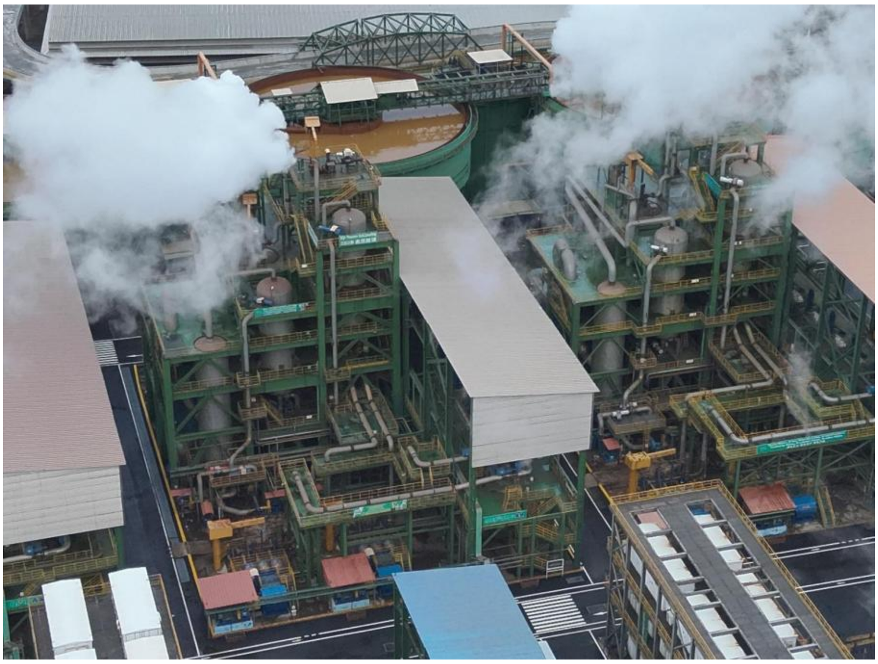

Figure 12: Overview of PT Meiming operation at IMIP

PT SLNC Project

Construction of the PT SLNC HPAL project at IMIP, with a nameplate capacity of 90,000 tpa of nickel in MHP, reached substantial completion during the quarter. First MHP is targeted for 2H 2026, with all trains progressively ramping up to full operation by end of 2026. IUI has been submitted and is currently being processed.

During the quarter, the FPP achieved several key milestones, including completion of commissioning, energisation of 15 diesel generator sets, commencement of ore hauling operations, and initiation of two ore feeding trials. In addition, slurry pipeline flushing and hydrotesting were successfully completed.

Figure 13: Construction Progress of PT SLNC Project, from left to right: 1) Acid Plant, 2) HPAL Plant

AIM Plant

The AIM plant is designed to process 1.0 million tonnes of pyrite ore per year and consists of four fully integrated processing facilities. Subsequently, IUI for acid, copper, and gold was completed in July 2026.

Plant 1: Pyrite Plant. The pyrite plant has achieved its nameplate performance and is in stable continuous operation. In 2Q 2026, it consumed 233,500 tonnes of pyrite ore and produced 208,004 tonnes of pyrite concentrate to be fed into the downstream acid plant roaster with suitable moisture content, particle size, and sulphur specification. The new apron feeder and tailing filter press have improved operational stability and increased throughput since their commissioning.

Figure 14: From left to right 1) Apron Feeder; 2) Tail Leaching Construction

Plant 2: Acid Plant. The annual shutdown and ramp up for roaster train 1 and 2 have been successfully completed. Operational performance of both the roaster and acid plant have improved significantly since then, resulting in stable and efficient operations in 2Q 2026. Sulphuric acid ASP reached $217 per tonnes in 2Q 2026. During the quarter, a total of 258,060 tonnes sulphuric acid was produced and 383,177 tonnes sulphuric acid was sold. Strong and consistent sulphuric acid demand from HPAL facilities within the industrial park supports stable product offtake.

Figure 15: Acid Plant Operation

Plant 3: Chloride Plant. The front-end calcine grinding and iron pelletizing circuits ran according to schedule using calcine from the acid plant to produce wet iron pellets. Downstream systems, such as the rotary kiln chlorination, chloride gas treatment, and base metal recovery are going through further optimisation process and have generated outputs of 48,164 tonnes of chlorinated iron pellet, 69,502 tonnes unchlorinated iron pellet, 542 tonnes of copper sponge, and 14.4 tonnes of gold mud. The kiln major overhaul has been successfully completed, and the kiln is now operating normally. Installation of the new cooling tower and flue gas pipeline, designed to improve efficiency and minimize operational disruptions, is scheduled for completion in 3Q 2026.

Figure 16: Chloride Plant – New Cooling Tower and Flue Gas Pipeline

Plant 4: Copper cathode plant ("CCP") Plant. Commissioning is progressing. During the 2Q 2026 commissioning phase, key improvements included the installation of a new briquetting machine, continue commissioning on blast furnace, anode furnace, anode plate casting, and targeted adjustments to the electrolysis circuit to enhance operational performance.

Figure 17: Anode Plate Casting and Electrolysis Circuit

Exploration Activities

MBMA applies a systematic and structured exploration approach to support the long-term sustainability and continuity of SCM's mining operations. Exploration activities include diamond drilling, regional geological mapping, surface sampling, geochemical and petrological analyses, and geophysical surveys using Ground Penetrating Radar ("GPR") technology to enhance resource definition and improve geological understanding.

During the quarter, a total of 1,171 diamond drill holes for 33,750 metres were completed as part of a resource definition program at 25, 50, 100 and 200-metre drill spacing. Future drilling will align with the long-term mining strategy to maintain sufficient measured and indicated resources for continuous mining. The higher drilling density will enable detailed mine planning and scheduling, ultimately enhancing production over time.

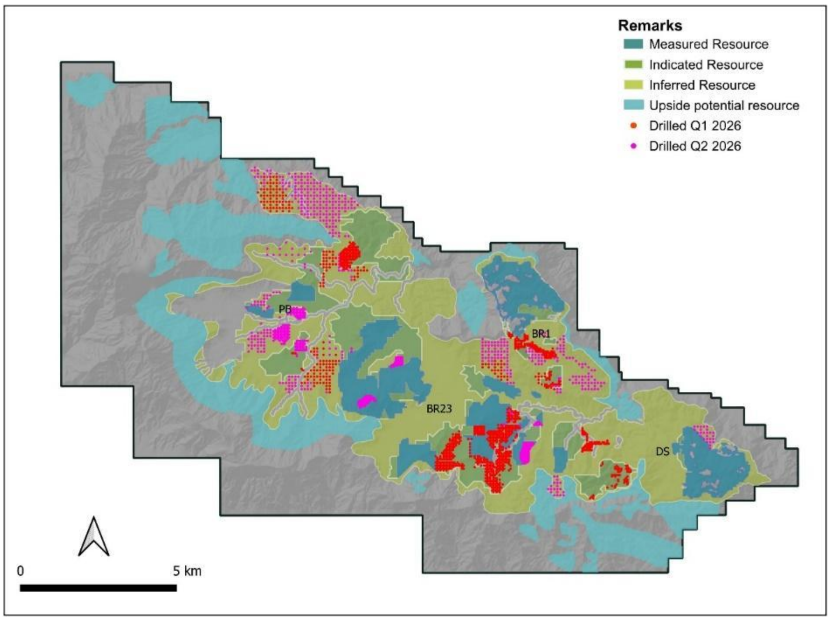

Figure 18: SCM mine concession area showing resource definition drilling completed during the quarter

Planned drilling programs will continue to align with the Company's long-term mine plan to ensure the availability of sufficient Measured and Indicated Resources to support sustained production. Increased drilling density is expected to improve geological confidence, facilitate detailed mine planning and scheduling, and enhance production optimisation over time.

Figure 19: Infill drilling activities in BR23 (left); and PB (right)

During this quarter, regional exploration activities included 54.91 km of grid line surveys to support GPR surveys, 104.8 km of GPR data acquisition, and geological mapping and surface sampling covering 805 hectares with collected 79 samples in PB and BR23 areas.

Figure 20: Surface mapping activity in regional areas, laterite sampling surface mapping in PB (left and center) and GPR survey in PB area (right)

The diamond drilling program will continue to support both resource definition and exploration objectives. Resource infill drilling will be undertaken to improve resource confidence and classification, while exploration drilling will target the potential of additional mineral resources. Regional exploration activities, including geological mapping and GPR surveys, will also continue to identify new laterite mineralization potential within the IUP area.

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Appendices

RKEF Operation Summary

Items	Unit	2Q25	3Q25	4Q25	1Q26	2Q26
Nickel ore processed	m wmt	1.9	2.3	2.2	2.2	2.2
Saprolite ore grade	%	1.58	1.57	1.61	1.57	1.53
NPI & LGNM produced	t ni	16,748	19,819	21,008	19,990	19,505
ASP	$/t ni	11,502	11,273	11,224	13,404	14,671
Cash cost	$/t ni	9,719	9,059	8,983	9,507	12,690
AISC	**$/t ni**	**10,092**	**9,281**	**9,200**	**9,703**	**12,859**

Table 2: RKEF NPI Summary

HGNM Operation Summary

Items	Unit	2Q25	3Q25	4Q25	1Q26	2Q26
LGNM processed	t	-	n/a	75,691	74,593	73,494
Nickel in HGNM produced	t ni	-	n/a	10,473	10,361	9,165
ASP	$/tni	12,624	n/a	13,858	15,349	15,811
Cash cost	$/tni	n/a	n/a	13,088	14,029	16,354
AISC	**$/tni**	**n/a**	**n/a**	**13,122**	**14,141**	**16,452**

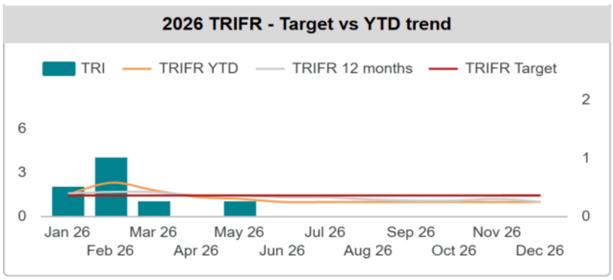
Table 3: HGNM Summary

Risk Management

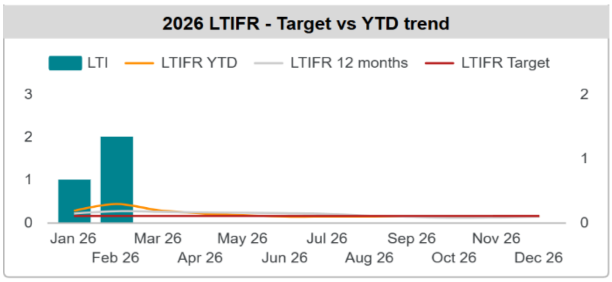
- The Risk Management Committee held three meetings during the quarter as per scheduled during 2Q 2026.
- Mine Haul Road ("MHR") Extension risk assessment was conducted for SCM Konawe mine during this second quarter.
- Business Continuity Plans conducted for key risk exposures at PT Merdeka Tsingshan Indonesia ("MTI").
- All MBMA sites have completed the 2Q 2026 Quarterly Risk Review to assess the latest status of mitigation plans and updates to the risk registers.

Health and Safety Highlights

- At the end of the second quarter 2026, MBMA safety performance as measured by the Total Recordable Injury Frequency Rate ("TRIFR"), was recorded at 0.24. In comparison with the full year 2025 TRIFR of 0.39. There was no Lost Time Injuries ("LTI") recorded during the quarter, resulting in LTI Frequency Rate of 0.09 Year-to-Date.



Total Recordable Injury Frequency Rate (TRIFR)
TRIFR is a measure of the number of serious injuries per million manhours worked.



Lost Time Injury Frequency Rate (LTIFR)
LTIFR is a measure of the number of serious injuries whichT resulted in a worker unable to attend work on the following day after the incident, per million manhours worked.

Figure 21: Incident Frequency Rates

All figures are denominated in US Dollars, unless otherwise indicated

ESG Highlights

- In 2Q 2026, MBMA completed and published its 2025 Sustainability Report on the company website and submitted it to the Financial Services Authority ("OJK") and the Indonesia Stock Exchange (IDX). The report was developed in accordance with GRI Standards 2021, recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), and relevant national regulations, including OJK Regulation No. 51/POJK.03/2017 regarding Implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies.
- MBMA submitted its 2026 Communication on Progress ("CoP") to the United Nations Global Compact ("UNGC"). The report describes the company's progress in implementing the UNGC's Ten Principles and advancing the United Nations Sustainable Development Goals ("SDG").
- During the quarter, the Company's Sustainalytics ESG Risk score of 34.1 outperformed the diversified metals and mining industry average of 41.4. This reflects the Company's consistent efforts to strengthen ESG risk management practices in a sector characterized by significant operational and environmental challenges.

Other ESG highlights during the quarter include:

- MBMA participated in INVIROTECH 2026, a series of events commemorating World Environment Day organized by the Ministry of Environment/Environmental Control Agency, held from 11–13 June 2026 at the Jakarta Convention Center. MBMA was represented through an exhibition booth showcasing videos, posters, infographics, and interactive displays highlighting MBMA's ESG achievements and sustainability initiatives. Through its participation, MBMA demonstrated its commitment to responsible mining, circular economy practices, decarbonization, and sustainable business development.
- MBMA commemorated Kartini Day 2026 through workshops, talk shows, and webinars promoting women's empowerment, leadership, and inclusive workplace culture, reinforcing its commitment to Diversity, Equity, and Inclusion (DEI).
- MTI received the TOP CSR (Corporate Social Responsibility) Awards 2026 in the #Site Level – Star 4 category, along with the TOP Leader on CSR Commitment 2026 award. The recognition received at the TOP CSR Awards 2026 reflects MTI's strong commitment to implementing sustainable Social and Environmental Responsibility (SER) programs. MTI remains committed to fostering a conducive and harmonious social environment through partnership-based collaboration with stakeholders.
- MTI began upgrading the village road access through the JALU Desa (Smooth Roads for Villages) program. The road improvement project began on 1 April 2026, covering a 275-meter village road with a width of 6 meters, replacing the existing dirt road with 20-centimeter-thick concrete pavement. In addition, drainage improvement works were carried out to reorganise water channels, clean drainage lines, install crossing drainage pipes, and place trash filters at strategic points. These efforts were aimed at reducing the risk of flooding and improving the road's durability.
- SCM introduced a Mobile Health Clinic on 1 April 2026, providing free healthcare services to communities surrounding its mining operations in Routa, Konawe Regency, Southeast Sulawesi. More than 60 residents attended to receive medical check-ups in Lalomerui Village. The team consists of one doctor and two nurses, supported by a dedicated ambulance unit. Services began with registration and initial screening by nurses, followed by consultations with the doctor. The clinic provides general health check-ups and treatment for minor illnesses.

Finance and Corporate Highlights

Cash and Cash Equivalents

As of 30 June 2026, cash and cash equivalents was $483million. MBMA also had $17.6 million facility undrawn.

Debt

MBMA Term and Revolving Credit Facilities ("TRCF")

On 3 October 2025, MBMA entered into a $250 million facilities agreement, comprising of $100 million term loan ("Facility A") and $150 million RCF ("Facility B"). The facility has an interest of 2.75% plus SOFR for 48-month tenor with an option to extend. During the quarter, MBMA has repaid Facility B with the amount of $150 million and subsequently drawn $132.4 million. As of the end of the quarter, the outstanding balance for this facility was $100 million of the Facility A and $132.4 million of the Facility B.

MBMA Shareholder Loan

On 18 December 2023, MBMA entered into a shareholder loan agreement with parent company, PT Merdeka Copper Gold Tbk (IDX: MDKA) for $100 million. This loan matures on 18 December 2028 and has an applicable margin of 5.50% per annum plus 3-month SOFR. During the quarter, MBMA has drawn $50 million and subsequently repaid the facility. Therefore, there is no outstanding principal of this facility as of the end of the quarter.

IDR Bonds

As of quarter-end, MBMA's outstanding IDR bonds balance was equivalent to $815 million.

During the quarter, MBMA issued Shelf Bonds I Tranche IV with details as follow:

- Series A: IDR 2.5 trillion, 7.50% annual coupon, 1-year tenor;
- Series B: IDR 1.8 trillion, 9.00% annual coupon, 3-year tenor; and
- Series C: IDR 678 billion, 9.25% annual coupon, 5-year tenor.

IDR Sukuk

As of quarter-end, MBMA's outstanding IDR sukuk balance was equivalent to $225 million.

During the quarter, MBMA issued Sharia Bonds I Tranche IV with details as follow:

- Series A: IDR 522 billion, with profit sharing ratio 8.61% of the shared income with an indication of profit sharing of approximately equivalent to 9.00% per annum, 3-year tenor; and
- Series B: IDR 100 billion, with profit sharing ratio 8.85% of the shared income with an indication of profit sharing of approximately equivalent to 9.25% per annum, 5-year tenor.

Sales[5] and Hedging

Items	Product Sold	ASP	Revenue ($m)[6]
2Q 2026			
Nickel in NPI[7]	17,223 tNi	$14,519/tNi	250.1
Nickel in HGNM	10,457 tNi	$15,811/tNi	165.3
Limonite ore	3.3 million wmt	$26.1/wmt	87.4
Acid	383,177 t	$217/t	83.1
Total			**585.5**

Table 4: MBMA sales summary

HGNM	tNi	$/tNi LME Nickel
October to December 2026	6,000	18,792
Total	**6,000**	**18,792**

Table 5: MBMA hedging summary

[5] Intergroup sales (including saprolite ore sales to RKEF smelters and LGNM sales to HNMI) are eliminated upon consolidation and are therefore not recognised in the Group's consolidated revenue. LGNM sales to HNMI are disclosed separately in Note 7.
[6] Excludes $6.8 million from others during 2Q 2026
[7] Excludes 2,282 tonnes of nickel in LGNM sold to HNMI

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