PRESS RELEASE
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MBMA Delivers Record Nickel Ore Output and Margins in 3Q26, Advances HPAL Integration

Jakarta, 2 November 2026 - PT Merdeka Battery Materials Tbk (the "Company"; IDX: MBMA) delivered record-high nickel ore production and margins in the third quarter of 2026, supported by stronger mining productivity, higher realised ore prices and disciplined cost management. The quarter also saw stronger sulfuric acid performance at Acid Iron Metal ("AIM") plant and further progress across MBMA's High-Pressure Acid Leach ("HPAL") operations, strengthening the Company's integrated nickel value chain.

Nickel ore production from Sulawesi Cahaya Mineral ("SCM") mine reached a record 12.3 million wet metric tonnes ("wmt") during the quarter, increasing 61% both year-on-year and quarter-on-quarter. Saprolite production rose 68% year-on-year to 3.3 million wmt, while limonite production increased 62% to 9.0 million wmt, supported by higher equipment utilisation, improved hauling capacity and stronger productivity across key mining areas.

"The third quarter demonstrates the strength of MBMA's integrated operating platform. Record nickel ore production and stronger upstream margins reflect the improvements we continue to make in productivity and operational execution, while AIM and our HPAL assets are advancing the next stage of integration across the value chain. We remain focused on maintaining cost discipline and operating reliability as we continue to scale the business," said **Teddy Oetomo,** President Director of PT Merdeka Battery Materials Tbk.

The increase in production was accompanied by stronger upstream margins. Saprolite cash margin rose to US$35.8 per wmt, more than 23 times the level recorded a year earlier, while limonite cash margin increased 85% year-on-year to US$12.0 per wmt. The improvement reflected stronger realised prices following changes to the Mineral Benchmark Price ("HPM") framework, alongside continued cost discipline and improved operating efficiency.

In nickel processing, the value of MBMA's integrated operations was clearly demonstrated, as upstream margin capture more than compensated for lower processing margins. Driven by higher nickel ore prices under the revised HPM framework, alongside increased energy and smelting costs, NPI maintained a positive cash margin while HGNM recorded a negative cash margin. However, this downstream margin compression occurred at a much lesser magnitude given the expansion in upstream margins. Meanwhile, processing operations remained stable; NPI production increased 5% quarter-on-quarter to 20,553 tonnes of contained nickel, and HGNM production rose 3% quarter-on-quarter to 9,436 tonnes

AIM continued to emerge as an increasingly important contributor to MBMA's downstream platform. Sulfuric acid production reached 291,198 tonnes in the third quarter, up 13% from the previous quarter, with both acid plant trains operating steadily at nameplate capacity. Acid revenue increased 18% quarter-on-quarter to approximately US$98 million, supported by higher prices and sustained demand from HPAL facilities within the Indonesia Morowali Industrial Park.

MBMA also advanced its HPAL operations during the quarter. PT ESG New Energy Material ("PT ESG") brought both production trains into operation and reached approximately 96% capacity utilisation in September. Meanwhile, PT Sulawesi Nickel Cobalt ("SLNC") completed key commissioning activities, received its Industrial Business License ("IUI") in August and took its first ore feed at the end of September. First mixed hydroxide precipitate ("MHP") production from SLNC remains targeted in 2026.

These developments further strengthen the integration of MBMA's operations, linking limonite supply from SCM with HPAL processing through dedicated feed preparation and slurry infrastructure. The Company is

also evaluating a potential expansion of AIM's sulfuric acid capacity to support SLNC's future acid requirements, while leveraging pyrite resources from the Wetar Copper Mine.

MBMA's integrated operating model continues to demonstrate its strength, with record-high nickel ore production in 3Q 2026 reinforcing profitability across the value chain. Despite nickel price volatility and downstream margin pressures, the Company has successfully captured stronger upstream margins, underscoring the resilience and strategic advantage of its integrated operations. MBMA maintains its 2026 operating guidance and remains focused on operational excellence, cost discipline and optimising profitability across its businesses through the remainder of the year.

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About PT Merdeka Battery Materials Tbk

PT Merdeka Battery Materials Tbk (IDX: MBMA) is a leading Indonesian company specializing in the mining and processing of strategic minerals essential for electric vehicle (EV) batteries. Established in 2019, the Company is committed to supporting the global transition to clean energy through sustainable and innovative practices. As a majority-owned subsidiary of PT Merdeka Copper Gold Tbk (IDX: MDKA), MBMA leverages extensive industry expertise to deliver high-quality battery raw materials.

MBMA's integrated operations are strategically located in Central and Southeast Sulawesi, Indonesia, and comprise several key assets:

- Sulawesi Cahaya Mineral (SCM) Mine: Recognized as one of the world's largest laterite nickel resources, the SCM Mine contains approximately 13.8 million tonnes of nickel and 1.0 million tonnes of cobalt within a 21,100-hectare concession area.
- Rotary Kiln-Electric Furnace (RKEF) Smelters: Consisting of eight RKEF lines with a total installed capacity of up to 88,000 tonnes of nickel per annum, processing saprolite ore from the SCM Mine into nickel pig iron (NPI), a key input for stainless steel and battery production.
- Nickel Matte Converter: Processes low-grade nickel matte produced by RKEF smelters into High Grade Nickel Matte (HGNM) with nickel content exceeding 70%, a critical feedstock for battery precursors and Class 1 nickel.
- Acid Iron Metal (AIM) Plant: A modern processing facility that treats high-grade pyrite sourced from MDKA's Wetar Copper Mine to produce acid and steam for HPAL operations, while also recovering metals such as copper, gold, and iron.
- High-Pressure Acid Leach (HPAL) Plants: Designed to process limonite ore into mixed hydroxide precipitate (MHP), a valuable intermediate for EV battery materials. MBMA operates two HPAL plants within the Indonesia Morowali Industrial Park (IMIP) with a combined installed capacity of 55,000 tonnes of MHP, and is currently developing a third HPAL facility with an installed capacity of 90,000 tonnes of MHP.
- Indonesia Konawe Industrial Park (IKIP): Developed in partnership with Tsingshan Group, IKIP is an industrial park focused on battery materials, located within the SCM concession area. It aims to attract downstream industries and establish a comprehensive battery materials ecosystem.

Through these assets, PT Merdeka Battery Materials Tbk is committed to advancing the EV battery value chain, promoting sustainable development, and delivering long-term value to its stakeholders.

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