

PRESS RELEASE

For immediate release

19th December 2024

MBMA Achieves Yearly Increase of 58% in Revenue and 124% in Net Profit

Jakarta, Indonesia – PT Merdeka Battery Materials Tbk. (IDX: MBMA) (“MBMA” or the “Company”) reported impressive growth in the nine months ending 30 September 2024 (“9M 2024”), driven by increased production and improved operational efficiency initiatives.

Based on financial reports as of 9M 2024, MBMA recorded a revenue of \$1.38 billion, reflecting a significant year-on-year (“YoY”) growth of 58%. The Company also recorded EBITDA and net profit of \$114 million and \$60 million, respectively, representing a YoY increase of 78% and 124%.

Deny Greviartana Wijaya, Corporate Secretary of MBMA, explained that this surge in performance was primarily driven by an increase in limonite ore production from PT Sulawesi Cahaya Mineral (“SCM mine”), as well as production of nickel in nickel pig iron (“NPI”) and high-grade nickel matte (“HGNM”).

Throughout the first nine months of 2024, the SCM mine produced 6.7 million wet metric tonnes (“wmt”) of limonite, which is a 176% increase compared to the first nine months of 2023. During the same period, the SCM mine produced 1.9 million wmt of saprolite, representing a YoY increase of 113%. Additionally, the RKEF smelters produced 63,338 tonnes of nickel in NPI, while the nickel matte facility produced 38,422 tonnes of nickel in HGNM.

In the third quarter of 2024, optimisation efforts and the mobilisation of new mining contractors led to a substantial increase in the nickel ore production volume. Limonite ore production increased by 130%, while saprolite ore production increased by 360% compared to the third quarter of 2023. This sets a strong foundation for robust production growth in 2025 to meet the needs of our RKEF and HPAL operations.

“The AIM plant and the HPAL plants are currently in the commissioning stage and are expected to begin full production in 2025. Building on a portfolio of low-cost, high-quality production assets and a strong capital position, MBMA is well-positioned to create further value for shareholders, supported by a robust pipeline of long-term growth prospects,” told Deny.

In terms of EBITDA, Deny noted that the increase was primarily driven by the nickel processing business, specifically the NPI, which contributed \$76 million, nickel in HGNM of \$28 million and limonite of \$29 million, netted of with other cost of \$18 million, including corporate cost.

In addition to growing production and sales, MBMA's positive performance during the first nine months of 2024 was boosted by the Company's efforts to reduce production costs, enhance supporting infrastructure, and conduct routine smelter maintenance to increase operational efficiency and safety levels.

For instance, SCM mine's mining cash costs decreased from \$7 per wmt in the second quarter to \$6 per wmt in the third quarter of 2024. This cost reduction was facilitated by the mobilisation of new mining contractors. It is expected that cash costs can be further reduced as production volume increases and infrastructure is optimised.

During the first nine months of 2024, the cash costs for NPI decreased to \$10,387 per tonne from \$12,775 per tonne for 9M 2023. This positions MBMA's cash cost within the lower end of the Company's 2024 cost guidance of \$10,000 to \$11,000 per tonne.

If MBMA can fully utilise internally sourced saprolite ore and leverage internally generated power for its RKEF operations, the NPI cash cost is estimated to be well below \$9,000 per tonne. In the same period, the cash cost for HGNM was \$13,310 per tonne, also within the cost guidance range of \$13,000 to \$15,000 per tonne.

Additionally, MBMA is in the process of completing the construction of a new haul road from the SCM mine to the Indonesia Morowali Industrial Park ("IMIP"). This new haul road is crucial as it will significantly reduce haulage costs, increase the capacity for transporting saprolite ore and provide a corridor for the transmission line and pipeline needed for MBMA's HPAL plants being developed at IMIP.

The Company is optimistic about achieving its nickel sales target for 2024, which includes 4.0 to 5.0 million wmt of saprolite and 9.5 to 10.5 million wmt of limonite. Production is expected to increase in 2025 with the planned commissioning of the second feed preparation plant ("FPP"), targeted for mid-2025.

The Company is also on track to meet its 2024 nickel in NPI production target of 80,000 to 85,000 tonnes, as well as 50,000 to 55,000 tonnes of nickel in HGNM.

Central to its growth strategy, MBMA has partnered with GEM Co., Ltd ("GEM") to develop two HPAL plants located at IMIP. These plants have a nameplate capacity of 30,000 tonnes per year (PT ESG New Energy Material) and 25,000 tonnes per year (PT Meiming New Energy Material). Both plants are currently in the commissioning stage and expected to achieve its nameplate capacity in 2025. MBMA continues to develop additional strategic HPAL partnerships to maximise the value of its limonite nickel resources.

The commissioning of the AIM plant, operated by PT Merdeka Tsingshan Indonesia ("MTI"), is also showing positive progress. In the third quarter of 2024, Train 1 achieved commissioning yield of 77,555 tonnes of sulphuric acid, while Train 2 was commissioned as scheduled in September 2024, yielded 5,119 tonnes of sulphuric acid. The construction of the copper cathode plant is nearing completion, with commissioning of certain sections and regional equipment also underway in the fourth quarter of 2024.

"The positive achievements in the first nine months of 2024 demonstrates the Company's commitment to enhancing performance through efficiency and optimising of our vertically integrated assets. This progress lays a strong foundation for MBMA's vision of becoming a leader in global energy transformation and creating sustainable growth," Deny said.

For further information, please contact:

Investor Relations

PT Merdeka Battery Materials Tbk

Treasury Tower 69th Floor

District 8 SCBD Lot. 28

Jl. Jenderal Sudirman Kav. 52–53

South Jakarta 12190, Indonesia

Email: investor.relations@merdekabattery.com

Or visit our website at

<https://merdekabattery.com>

Disclaimer

This document: (i) is for information purposes, (ii) may or may not contain certain “forward-looking statements”, (iii) does not constitute or form part of any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for, or sell any securities of PT Merdeka Battery Materials Tbk (“**MBMA**” or the “**Company**”) and its subsidiaries (together referred to as “**MBMA Group**”) or to enter into any transaction under Indonesia Capital Markets Law or any other prevailing laws in any jurisdiction. All statements, other than statements of historical fact, which address activities, events, or developments that MBMA Group believe, expect, or anticipate will or may occur in the future, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “targeting”, “expect”, “project”, and “intend” and statements that an event or result “may”, “will”, “can”, “should”, “could”, or “might” occur or be achieved and other similar expressions including the negative of those terms or other comparable terminology. These forward-looking statements, including but not limited to those with respect to permitting and development timetables, mineral grades, metallurgical recoveries, and potential production, reflect the current internal projections, expectations, or beliefs of MBMA Group based on information currently available to MBMA Group. Statements in this document that are forward-looking and involve numerous risks and uncertainties that could cause actual results to differ materially from expected results are based on MBMA Group’s current beliefs and assumptions regarding many factors affecting its business (including affect the outcome and financial effects of the plans and events described herein); statements in documents are provided to allow potential investors and/or the reader understand MBMA Group management’s opinions in respect of future. There can be no assurance that (i) MBMA Group have correctly measured or identified all the factors affecting its business or the extent of their likely impact, (ii) the publicly available information with respect to these factors on which MBMA Group’s analysis is complete and/or accurate, and/or correct and/or (iii) MBMA Group’s strategy, which is based in part on this analysis, will be successful. MBMA Group expressly undertakes no obligation to update and/or revise any such forward-looking statements if circumstances or MBMA Group management’s estimates or opinions should change except as required by applicable laws. The reader is cautioned not to place undue reliance on forward-looking statements and extra cautions on capital market trading.

No Representation, Warranty or Liability

Whilst it is provided in good faith, no representation or warranty is made by MBMA and/or any of its affiliates, its advisers, consultants, agents, employees, or any of its authorised representatives as to the accuracy, completeness, currency, or reasonableness of the information in this document and/or provided in connection with it, including the accuracy or attainability of any forward-looking statements set out in this document. MBMA Group does not accept any responsibility to inform you and/or update of any matter arising and/or coming to MBMA Group’s notice after the date of this document which may affect any matter referred to in this document. Any liability of MBMA Group and/or any of its affiliates, consultants, agents, employees, or any of its authorized representatives to you or to any other person or entity arising out of this document pursuant to any applicable law is, to the maximum extent permitted by law, expressly disclaimed and excluded. This document is not guarantee of future performance, and undue reliance should not be placed on them as they involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ significantly from any projections of future performance and/or result expressed and/or implied by such forward-looking document.