

PRESS RELEASE

For immediate release

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MBMA Reports Strong Operational Result and Improved Cost Efficiency in Q1 2025

Jakarta, Indonesia – PT Merdeka Battery Materials Tbk. (IDX: MBMA) (“MBMA” or the “Company”) is pleased to announce its financial results for the three months ending 31 March 2025 (“Q1 2025”). MBMA delivered strong operational results, significant cost efficiencies and progressed on key strategic growth initiatives.

In Q1 2025, the Company reported revenue of \$366 million, an 18% decrease year-over-year (“YoY”). Net profit stood at \$6 million, down 39% YoY. Meanwhile, EBITDA increased 17% to \$31 million, reflecting improved cost controls and operational strength amid lower revenue. EBITDA, which stands for earnings before interest, taxes, depreciation, and amortization, is commonly used to evaluate operational performance without the impact of capital structure or non-cash accounting items.

President Director Teddy Oetomo highlighted the robust Q1 2025 performance, driven by higher output from the SCM nickel mine. The SCM Mine produced 1.8 million wet metric tonnes (“wmt”) of limonite, up 54% YoY, and 1.3 million wmt of saprolite, representing a 190% increase YoY. Although seasonal rainfall reduced production compared to the previous quarter, output significantly exceeded prior year levels, supporting sustained growth momentum.

The RKEF smelters produced 16,297 tonnes of nickel in NPI in Q1 2025, a 22% decrease YoY, primarily due to the ongoing ramp-up at PT Bukit Smelter Indonesia (“BSI”) following a furnace overhaul in Q4 2024 and scheduled maintenance at PT Zhao Hui Nickel (“ZHN”), which experienced a brief shutdown due to flooding during the quarter. These smelter improvements have enhanced operational safety and efficiency, supporting future cost reductions. A second BSI line overhaul is planned for 2H 2025.

“MBMA recorded strong operational performance in Q1 2025, driven by significant growth at the SCM Mine, improved cost efficiency, and increasing NPI margins despite seasonal and maintenance-related challenges,” said Teddy Oetomo. “We remain focus on operational efficiency and disciplined cost management to drive sustainable growth.”

During the quarter, MBMA notably expanded SCM Mine operations through infrastructure upgrades, new contractor mobilisation, and accelerated activity, despite seasonal challenges. These efforts support the Company’s downstream expansion strategy in RKEF and HPAL processing.

Saprolite cash costs at the SCM Mine improved to \$24.6/wmt from \$28.4/wmt YoY, benefiting from reductions in mining, haulage, and royalty expenses. Although limonite cash costs rose 10% to \$12.7/wmt due to higher haulage and selling costs, improved margins were achieved due to higher average selling prices.

Construction of the new haul road connecting the SCM Mine to the Indonesia Morowali Industrial Park (“IMIP”) continues to advance, aiming to reduce logistics costs, increase saprolite transport capacity, and support transmission and pipeline infrastructure for MBMA’s HPAL plants.

MBMA continues to develop its integrated HPAL processing plant, in partnership with leading battery material companies through the development of PT ESG New Energy Material (PT ESG), PT Meiming New Energy Material (PT Meiming), and PT Sulawesi Nickel Cobalt (“PT SLNC”). PT ESG commenced production from Train A in late 2024, with Train B expected to follow in 2H 2025. Operating costs are expected to decrease further as PT ESG transitions to SCM-sourced ore and integrates a new Feed Preparation Plant (“FPP”) in 2H 2025. PT Meiming

successfully advanced commissioning of key and secured its industrial business license (IUI) in April 2025. PT SLNC reached 14.35% construction progress, targeting commissioning in 2H 2026.

The AIM plant, designed to process 1.0 million tonnes of pyrite ore annually, achieved critical milestones in Q1 2025. The concentrator processed 131,860 tonnes of ore, producing 110,410 tonnes of concentrate, with debottlenecking underway to further boost throughput. Commissioning across all four facilities continued positively, with chlorination roasting expected in 2H 2025 and full capacity expected within the same period.

“Through strategic investments and infrastructure enhancements, MBMA is strengthening its scalable, low-cost nickel production platform,” added Teddy Oetomo. “We remain dedicated to operational excellence and sustained value creation across our integrated operations.”

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