



MERDEKA GROUP

1H Results Presentation
1st October 2024



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1H 2024 Highlight

Financials

Merdeka

Revenue

\$1,094m

↑110% YoY

EBITDA

\$150m

↑101% YoY

Net Profit

\$21m

↑137% YoY

MBMA

\$922m

↑163% YoY

\$83m

↑413% YoY

\$46m

↑433% YoY

Project Update

Tujuh Bukit Copper Gold Project

Extension of oxide mine life at TB Gold and advancement of TB Copper optimisation studies to improve project economics

Pani Gold Project

Construction advancing towards commissioning of heap leach operation in late 2025. After 1H 2024, Merdeka established external bank financing to fund the heap leach construction costs

PT ESG HPAL

Overall project construction is 81.4% complete as of the end of August 2024. Commissioning on track in 4Q 2024

PT Meiming HPAL

MBMA established a new HPAL joint venture, PT Meiming New Energy Material (12.5% interest) to build a 25ktpa plant in IMIP

AIM Plant

AIM plant is expected to be fully operational across all processing circuits by the end of 2024

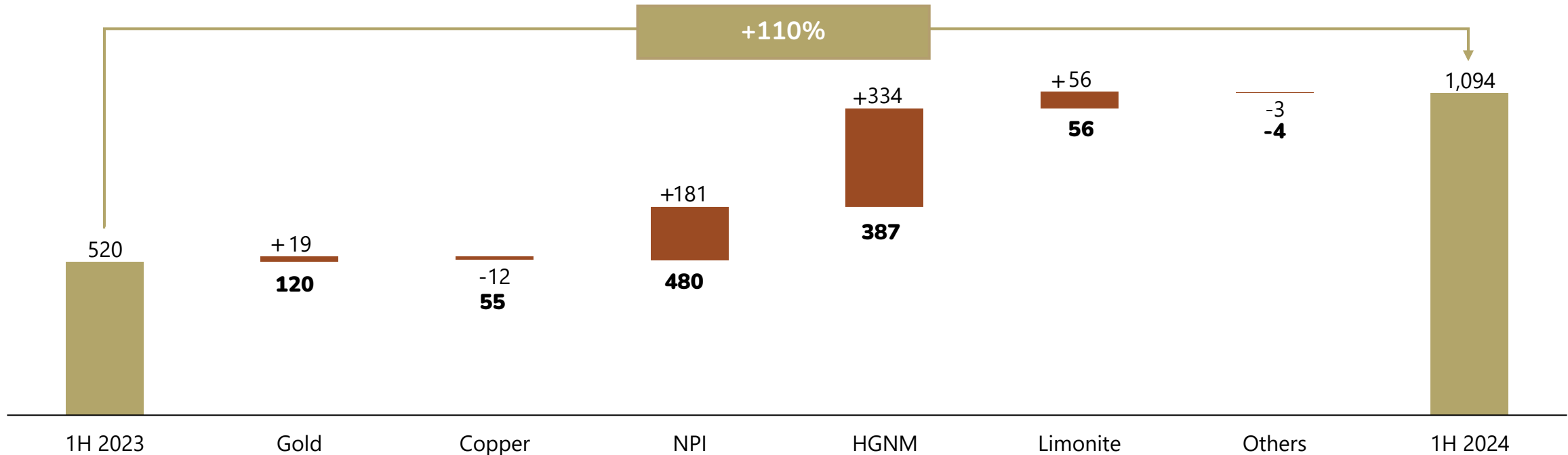
GROUP PERFORMANCE BY PRODUCT

	Gold	Copper	NPI	HGNM	Limonite
Production	49,520 oz	6,672 t	42,782 t	25,443 t	2.99 m wmt
Sales	51,637 oz	6,340 t	42,467 t	27,209 t	3.49 m wmt
Revenue (\$ m)	112.7	54.7	479.5	386.7	55.5
EBITDA (\$ m)	48	21	44	30	17
Average Sales Price	\$2,182/oz	\$3.92/lb	\$11,291/t	\$14,212/t	\$16/wmt
Cash Cost	\$1,088/oz	\$2.66/lb	\$10,198/t	\$13,050/t	\$9.0/wmt
AISC	\$1,492/oz	\$3.55/lb	\$10,297/t	\$13,085/t	n.a.
Commentary	<ul style="list-style-type: none"> - Sales increased by 4.20% YoY - Increase in ASP from \$1,937/oz in 1H 2023 to \$2,182/oz in 1H 2024 	<ul style="list-style-type: none"> - Sales decreased by 19.5% YoY - ASP decreased from \$3.96/lb in 1H 2023 to \$3.91/lb in 1H 2024 	<ul style="list-style-type: none"> - Sales increased by 121% YoY - ASP decreased from \$15,543/t in 1H 2023 to \$11,291/t in 1H 2024 	<ul style="list-style-type: none"> - Sales increased by 796% YoY from full half year contribution - ASP decreased from \$17,423/t in 1H 2023 to \$14,212/t in 1H 2024 	<ul style="list-style-type: none"> - MBMA commenced limonite ore sales to a third party in Q4 2023

REVENUE

\$ million

1H 2024 number

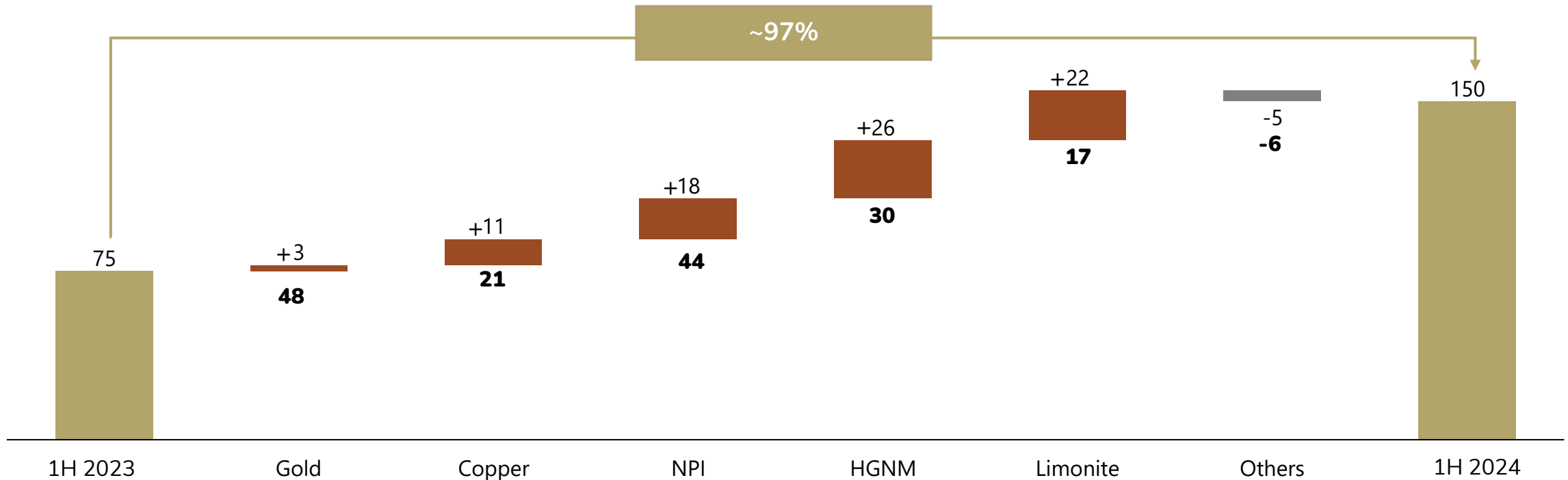


- Group revenue and EBITDA of \$1,094 million and \$150 million, representing YoY growth of 110.3% and 101.2%, respectively
- Significant revenue growth is attributable to:
 - 4.2% increase in gold sales and improved average sales price to \$2,182/oz in 1H 2024 from \$1,937/oz in 1H 2023
 - 120.9% increase in NPI sales in 1H 2024, attributable to three fully operational RKEF plants
 - Reflecting a full half year of HGNM sales from PT Huaneng Metal Industry (“HNMI”) nickel matte converter
 - Commencement of limonite ore sales to a third party in late 2023

EBITDA

\$ million

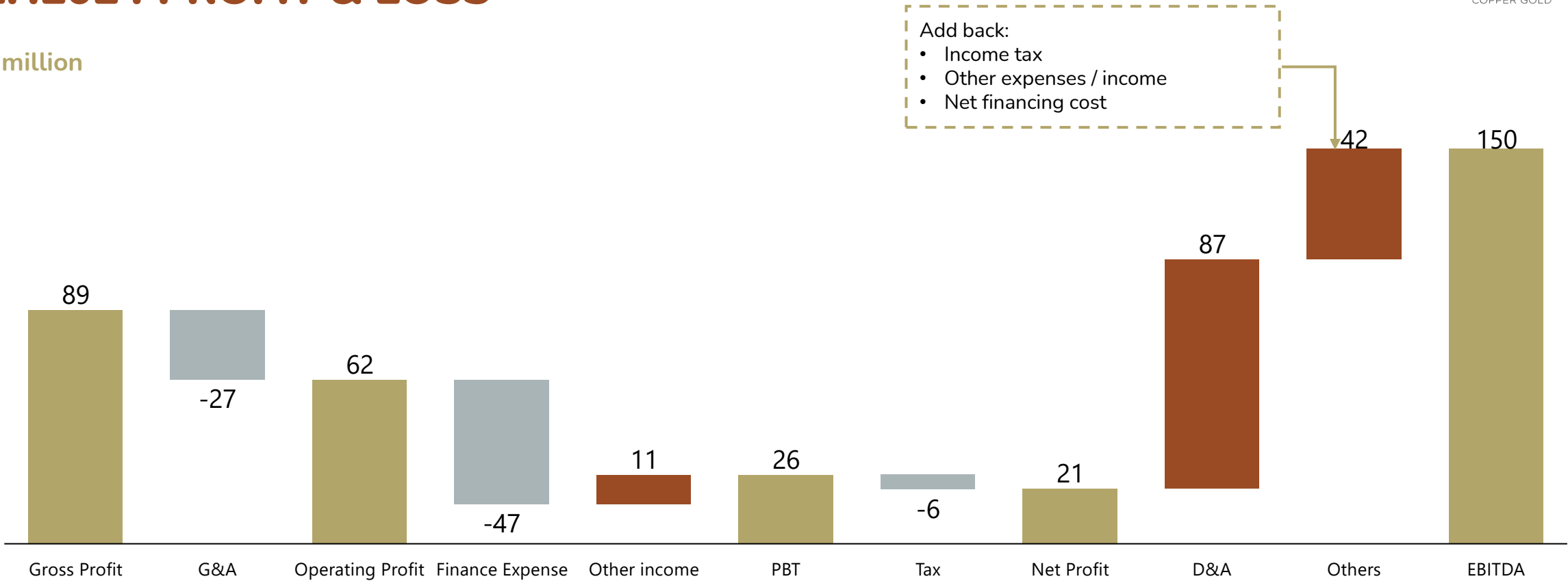
1H 2024 number



- Merdeka generated a group EBITDA of \$150 million in 1H 2024
- The higher EBITDA is attributable to:
 - Significant contributions from sales of multiple nickel products (NPI, HGNM, and limonite ore)
 - 4.2% YoY increase in sales from TB Gold and improved ASP from \$1,937/oz in 1H 2023 to \$2,182/oz in 1H 2024
 - Higher copper profitability from Wetar as total cash cost went down from \$3.65/lb in 1H 2023 to \$2.67/lb in 1H 2024

1H2024 PROFIT & LOSS

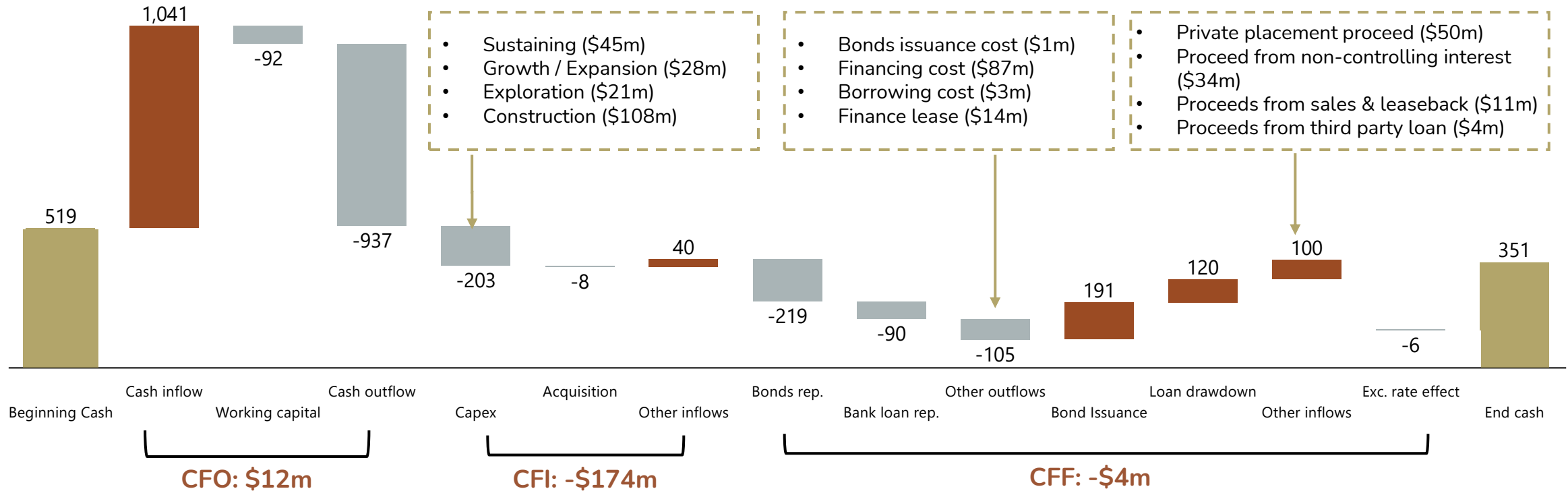
\$ million



- 92% YoY increase in gross profit mainly attributable to NPI and HGNM sales
- Finance costs have increased due to higher interest rates and overall debt levels incurred to support the Company's growth plans. \$47 million of finance expenses include \$3.6 million of cross currency swap gain
- Other income is mainly contributed by gain from foreign exchange of \$6 million, gain on fair value adjustment on investment in PETS (subsidiary of PBJ) of \$5 million, and rental revenue from HNMI, ZHN, CSI, and BSI of \$3 million, offset with other expenses of \$3 million

1H2024 CASH FLOW

\$ million



- Sustaining (\$45m)
 - Growth / Expansion (\$28m)
 - Exploration (\$21m)
 - Construction (\$108m)
- Bonds issuance cost (\$1m)
 - Financing cost (\$87m)
 - Borrowing cost (\$3m)
 - Finance lease (\$14m)
- Private placement proceed (\$50m)
 - Proceed from non-controlling interest (\$34m)
 - Proceeds from sales & leaseback (\$11m)
 - Proceeds from third party loan (\$4m)

- Net cash inflow from operations in 1H 2024 of \$104 million, inclusive of \$92 million of working capital spending
- Net cash outflow for investing in 1H 2024 was \$174 million
- Net cash outflow for financing in 1H 2024 was \$4 million

TB Copper Gold



- Merdeka is advancing several project optimisation initiatives at TB Copper
- Extensive drilling increased the TB Copper indicated resource by 71% to 755Mt at 0.60% copper and 0.66 g/t gold. Merdeka is now expanding the SLC and block cave mine layouts to incorporate the enlarged indicated resources
- Downstream processing trade-off analysis ongoing and expected to be complete in 4Q 2024

Pani



- The project remains on schedule for the initial heap leach operation commissioning in late 2025 and the first gold pour in early 2026
- All remaining supply, fabrication and construction installation packages was tendered and awarded in 3Q 2024
- Subsequent to 1H 2024, Merdeka established external bank financing to fund the heap leach operation construction costs.

ESG HPAL



- At the end of the quarter, project completion of PT ESG HPAL plant was 81.4% complete
- Project commissioning for Train A is targeted for late 2024, with Train B expected to follow in 1H 2025

SUMMARY AND 2024 GUIDANCE

Gold and copper production guidance of 100,000 – 120,000 ounces at a total cash cost of \$900 to 1,050/oz and 14,000 to 16,000 tonnes at a total cash cost of \$3.25 to 4.00/lb, respectively

MBMA commenced scheduled relining of the refractory on one of its two furnaces of the BSID smelter in September 2024. Therefore, the nickel in NPI sales guidance has been revised to 80,000 to 85,000 tonnes. No change to total cash cost of \$10,000 to 12,000/t and AISC of \$10,200 to 12,200/t

HGNM production guidance is 50,000 to 55,000 tonnes at a cash cost of \$13,000 to 15,000/t

MBMA is on track to meet sapolite ore sales of 4.0 – 5.0 million wmt. Limonite ore sales revised to 9.5 to 10.5 million wmt. Production increases are planned for 2025 once the second FPP at SCM is commissioned by mid-2025. This FPP is expected to consume more than 9.0 million wmt of limonite per annum, supplying both the PT ESG and PT Meiming HPAL plants

Thank you



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