



MERDEKA GROUP

Nine Months 2024 Financial Results Presentation
20 December 2024



DISCLAIMER

This presentation has been prepared by PT Merdeka Copper Gold Tbk (“Merdeka” or “MDKA”) and PT Merdeka Battery Materials Tbk (“MBMA”) consists of written materials/slides for a presentation concerning Merdeka.

By reviewing/attending this presentation, you agree to be bound by the following considerations:

- No representation or warranty (express or implied) is made as to the fairness, accuracy, or completeness of the information contained in the presentation or of the views, opinions and conclusions contained in the material. To the maximum extent permitted by law, Merdeka and its related entities, and its respective Directors, officers, employees, agents and advisors disclaim any liability for any loss or damage arising from any use of this material or its contents, including any error or omission there from, or otherwise arising in connection with it.
- Some statements in this presentation are forward-looking statements. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, estimated revenues and reserves, targets are cost savings, the construction cost of new projects, projected capital expenditures, the timing of new projects, future cash flow and debt levels, the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as “will”, “expect”, “anticipate”, “believe” and “envisage”.
- By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside Merdeka’s control. Actual results and developments may differ materially from those expressed or implied in such statements because of a number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, activities by governmental authorities such as changes in taxation or regulation.
- Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements which speak only as at the date of the presentation. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, Merdeka does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements contained in this presentation, whether as a result of any change in Merdeka’s expectations in relation to them, or any change in events, conditions or circumstances on which any such statement is based.
- Nothing in this presentation should be read or understood as an offer or recommendation to buy or sell Merdeka securities or be treated or relied upon as a recommendation or advice by Merdeka.
- Any information contained in this presentation that has been derived from publicly available or third-party sources (or views based on such information) has not been independently verified. Merdeka does not make any representation or warranty about the accuracy, completeness or reliability of the information. This presentation should not be relied upon as a recommendation or forecast by Merdeka.

9M 2024 Highlights

Financials

Merdeka

MBMA

Revenue

\$1,668m

↑43% YoY

\$1,380m

↑58% YoY

EBITDA

\$222m

↑22% YoY

\$114m

↑78% YoY

Net Profit / (Loss)

\$(20)m

↓405% YoY

\$60m

↑124% 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 and integration of expected larger ore reserves in early 2025

Pani Gold Project

Project completion was 19% at the end of 9M 2024 and 28% at the end of November 2024. The commissioning of the heap leach operation is anticipated for late 2025

PT ESG HPAL

First production line of 20,000 tonnes capacity is now in commissioning phase. First production of MHP was achieved in early December 2024

PT Meiming HPAL

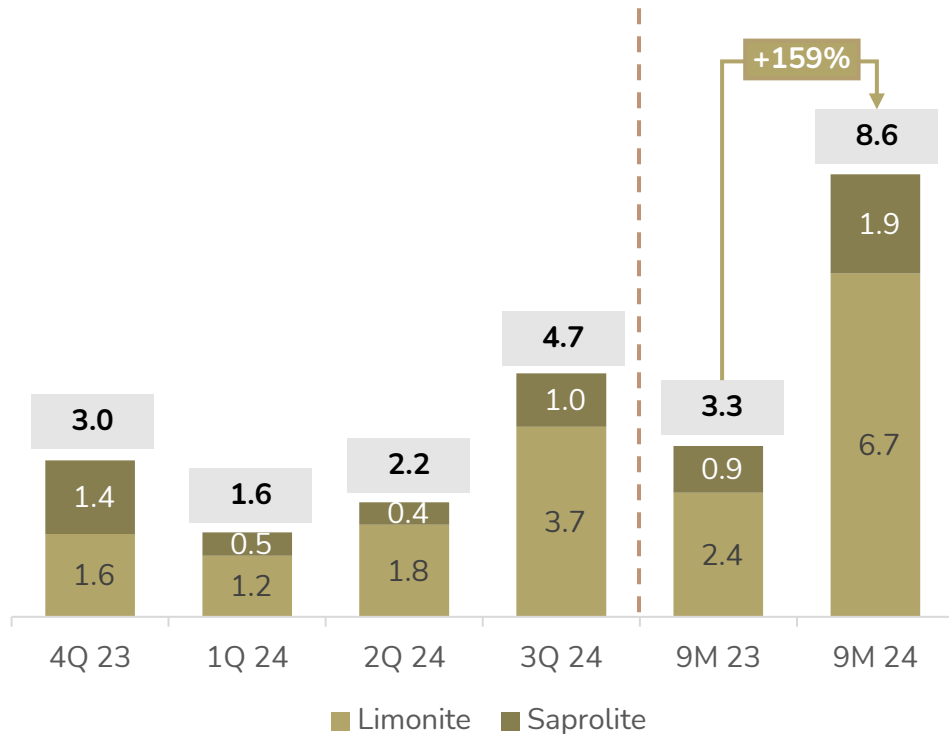
Production began in October 2024. First sales of MHP is expected in early 2025

AIM Plant

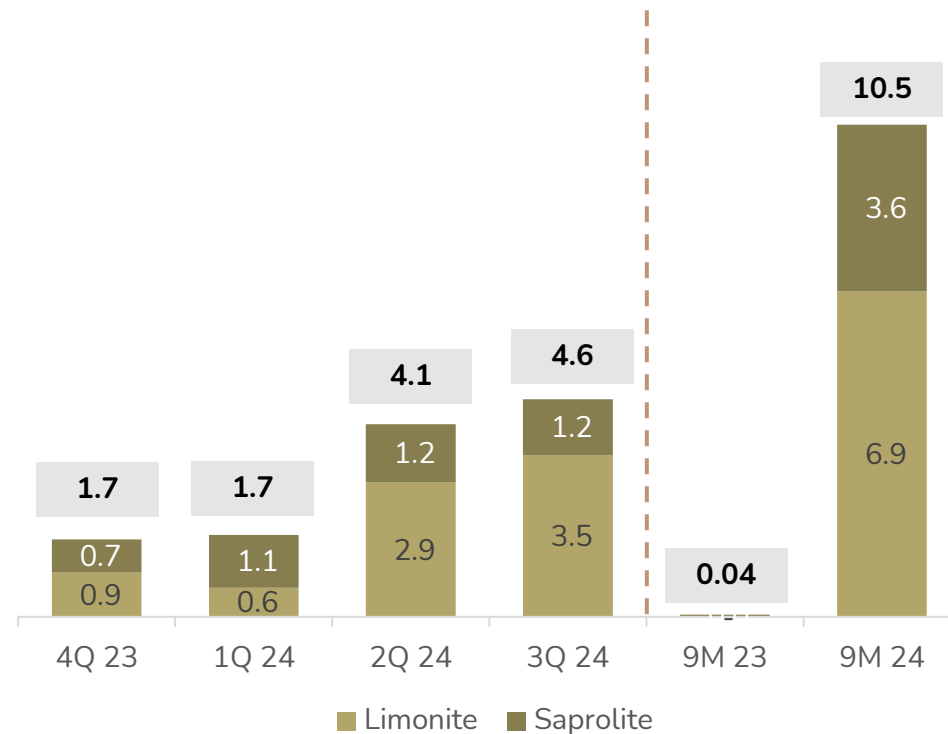
The construction of the copper cathode plant is nearing completion, with commissioning of certain sections and regional equipment also underway in 4Q 2024

Nickel Mining Operations

Ore Mined (million wmt)



Ore Sales¹ (million wmt)



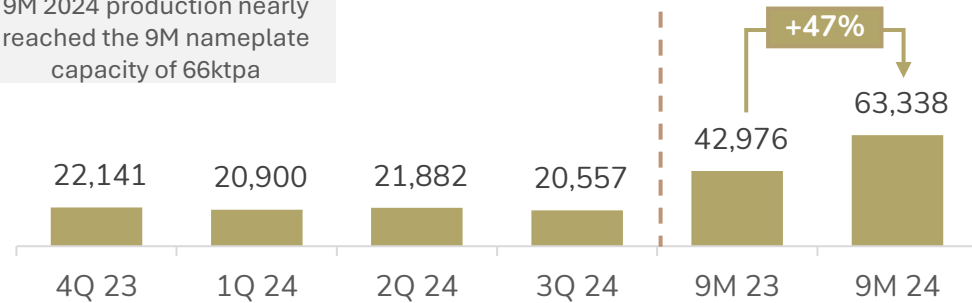
- MBMA is on track to meet 2024 saprolite and limonite guidance of 4.0 to 5.0 wmt and 9.5 to 10.5 wmt, respectively.
- The increase in sales of limonite ore is in line with commencement of limonite ore sales to PT Huayue Nickel Cobalt (“HNC”).
- The total material mined during 9M 2024 was 9.9 million wmt, comprising 6.7 million wmt of limonite ore, 1.9 million wmt of saprolite ore and 1.3 million wmt of waste.
- As of December 2023, SCM mine is estimated to contain resources of 13.8 million tonnes of nickel and 1.0 million tonnes of cobalt.

¹ Limonite sales represent the sale of limonite to HNC. Saprolite sales in 2024 include current-year sales as well as the realisation of pre-sales ore from 2023.

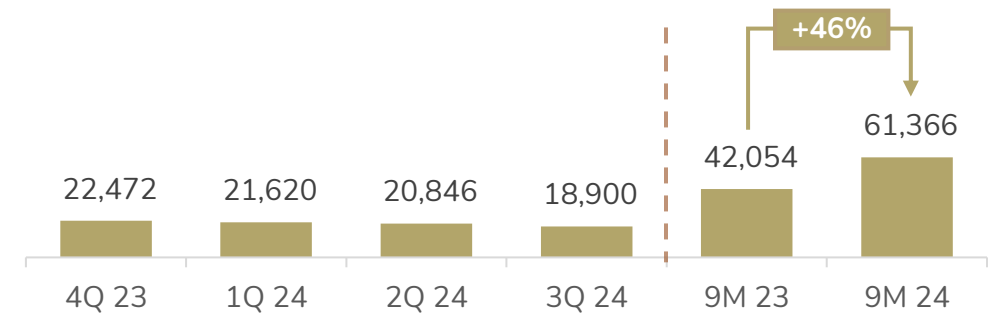
Nickel Processing Operations

NPI Production (tonnes)

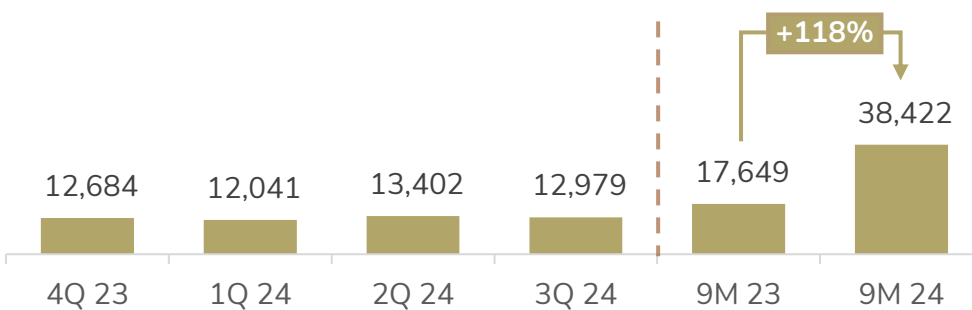
9M 2024 production nearly reached the 9M nameplate capacity of 66ktpa



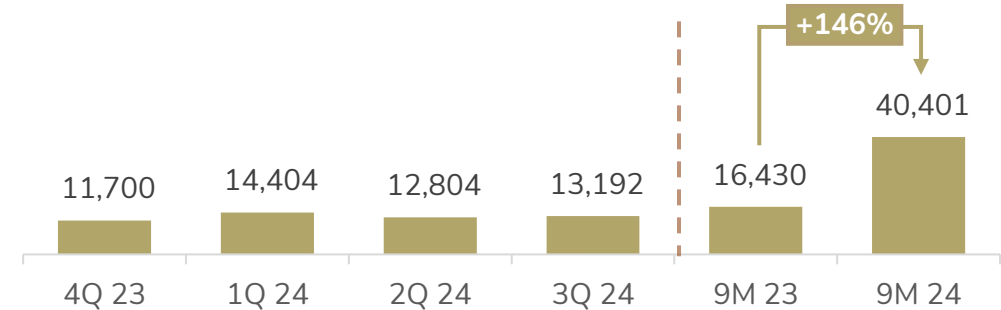
NPI Sales (tonnes)



HGNM Production (tonnes)



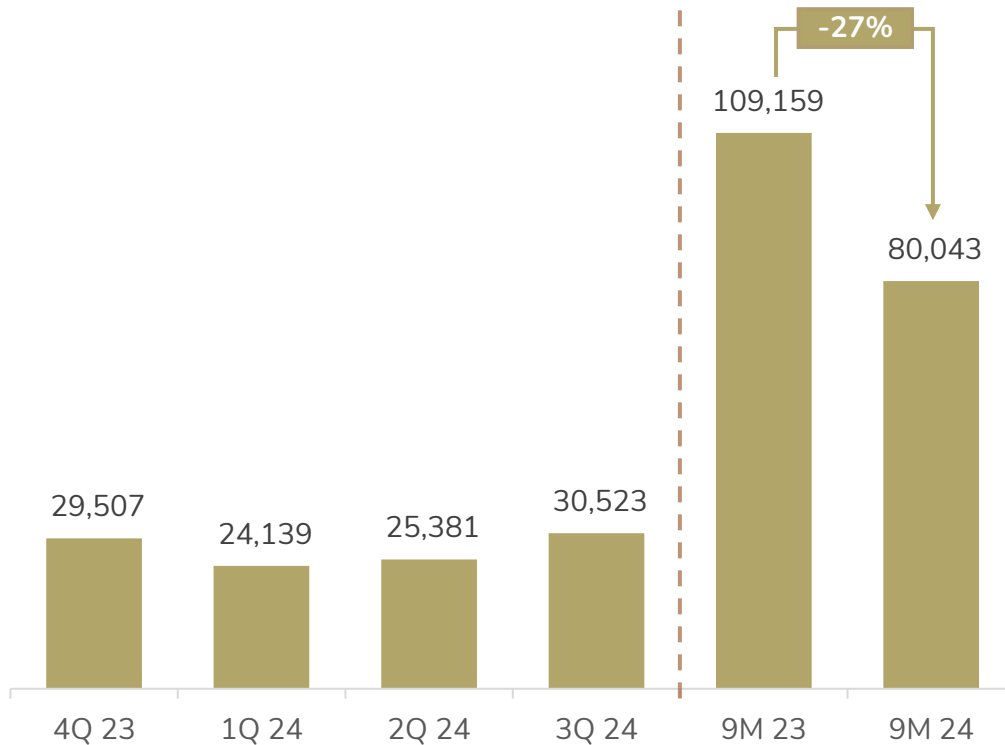
HGNM Sales (tonnes)



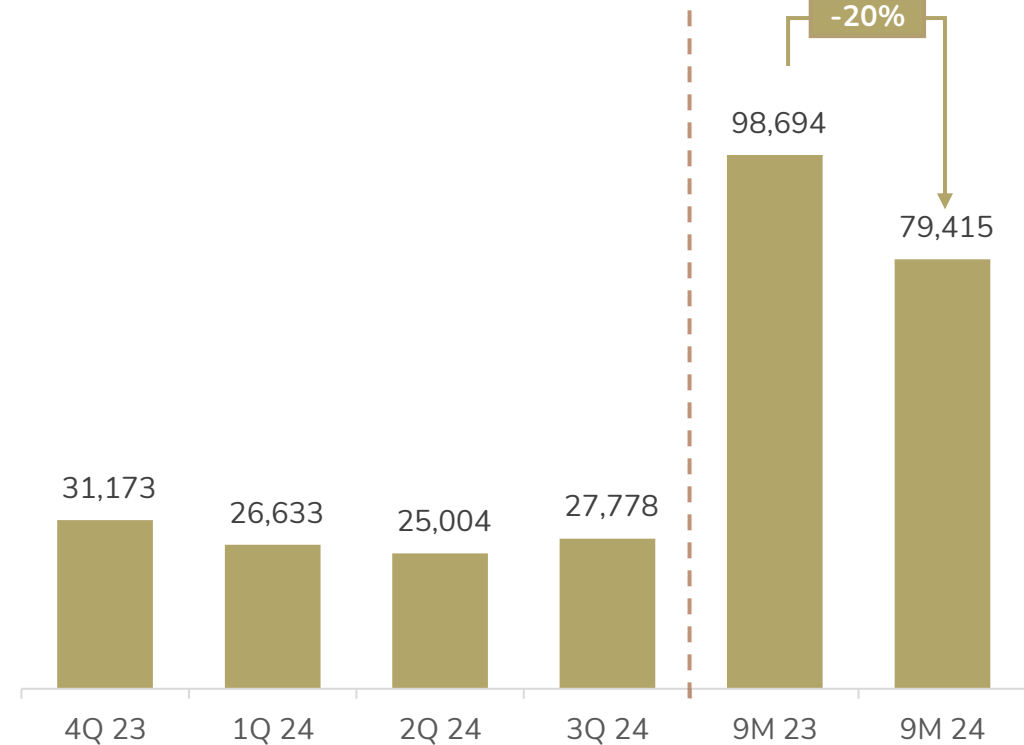
- NPI production and sales grew by 47% and 46%, respectively, due to production from the third RKEF smelter, bringing total nameplate capacity to 88ktpa. HGNM production and sales increased due to three consecutive quarters of full operations.
- During 9M 2024, the RKEF smelters (BSI, CSI and ZHN) processed 6.8 million wmt of saprolite ore at an average nickel grade of 1.63% and producing 63,338 tonnes of nickel in NPI.
- MBMA is on track to achieve 2024 nickel in NPI and HGNM guidance of 80,000 to 85,000 tonnes and 50,000 to 55,000 tonnes, respectively.

Gold Mining Operations

Gold Production (Ounces)



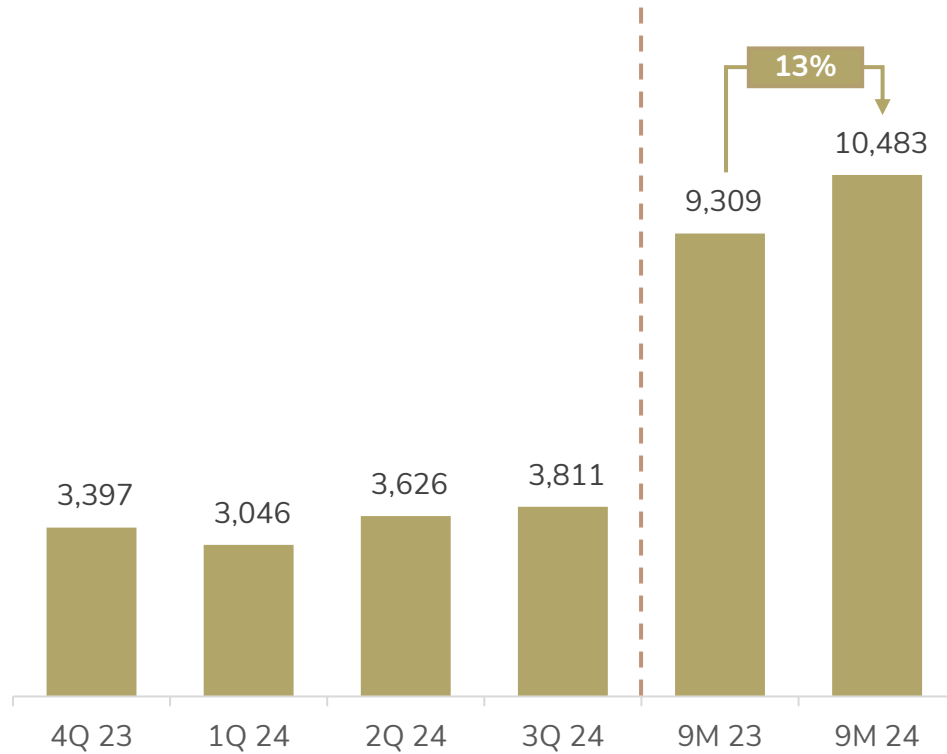
Gold Sales (Ounces)



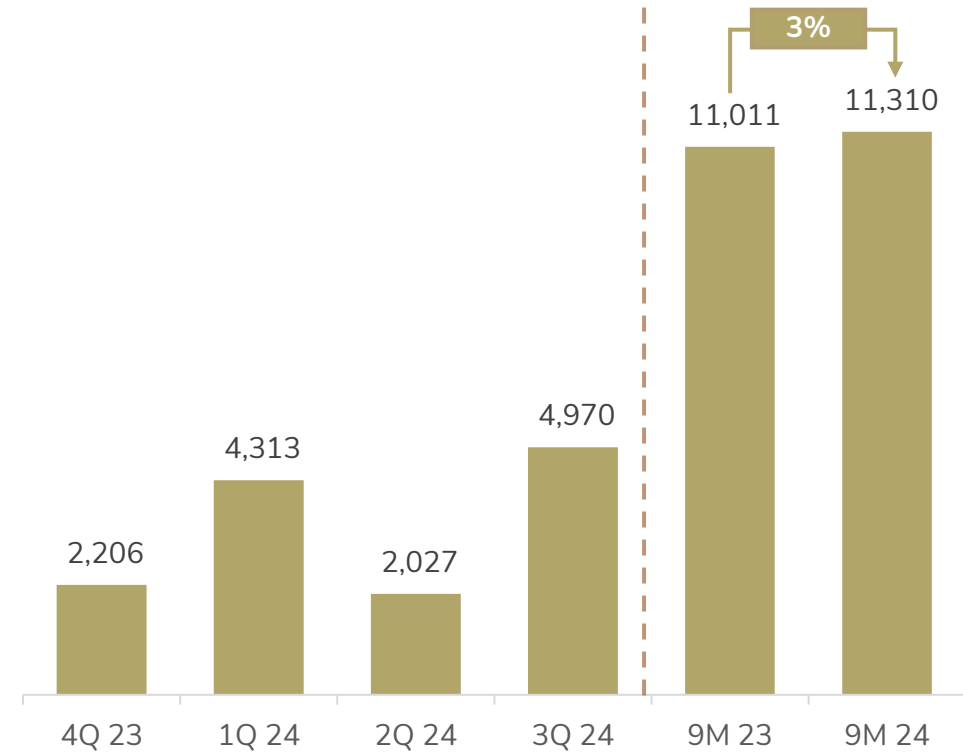
- Gold production has decreased due to a decline in gold grade (0.56 g/t vs. 0.69 g/t) and marginally lower gold recovery (80% vs. 81%).
- Tujuh Bukit gold mine is on track to meet the upper end of 2024 guidance of 110,000 to 120,000 ounces of gold.

Copper Mining Operations

Copper Production (tonnes)

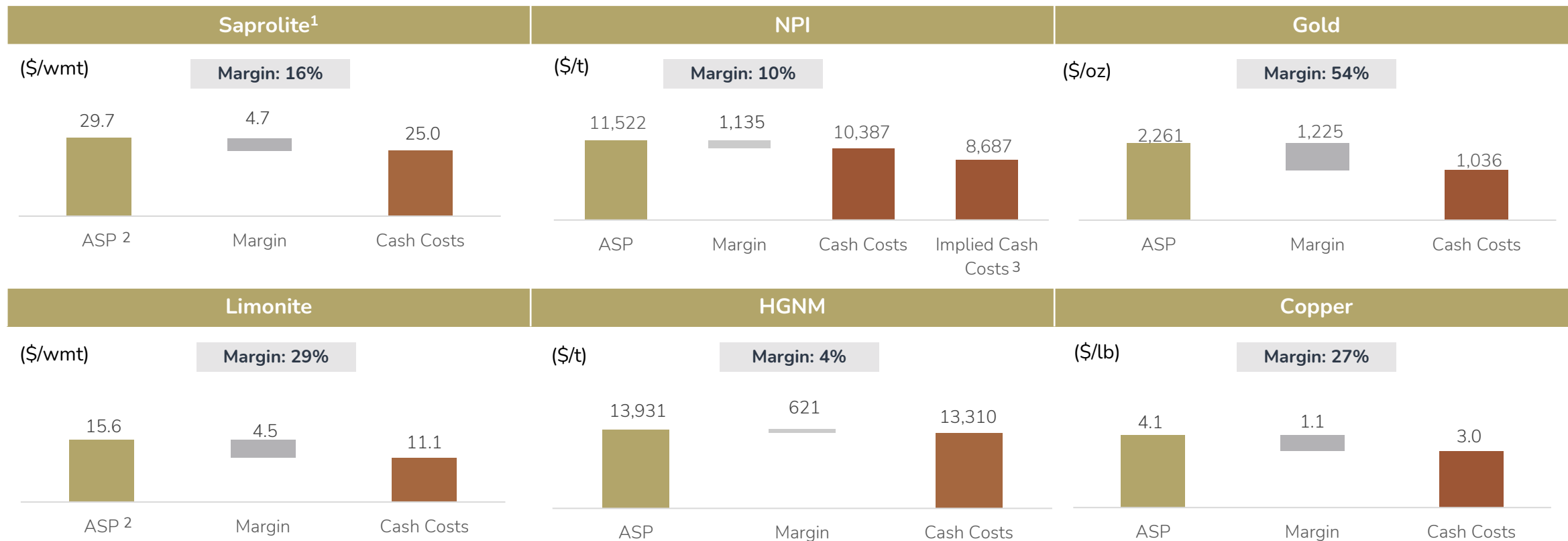


Copper Sales (tonnes)



- Copper production has improved due to higher volume of ore mined in 9M 2024 (1.3Mt vs. 0.9Mt).
- Wetar copper mine is on track to meet 2024 guidance of 13,500 to 14,000 tonnes of copper.

ASP and Margin Analysis (9M 2024)

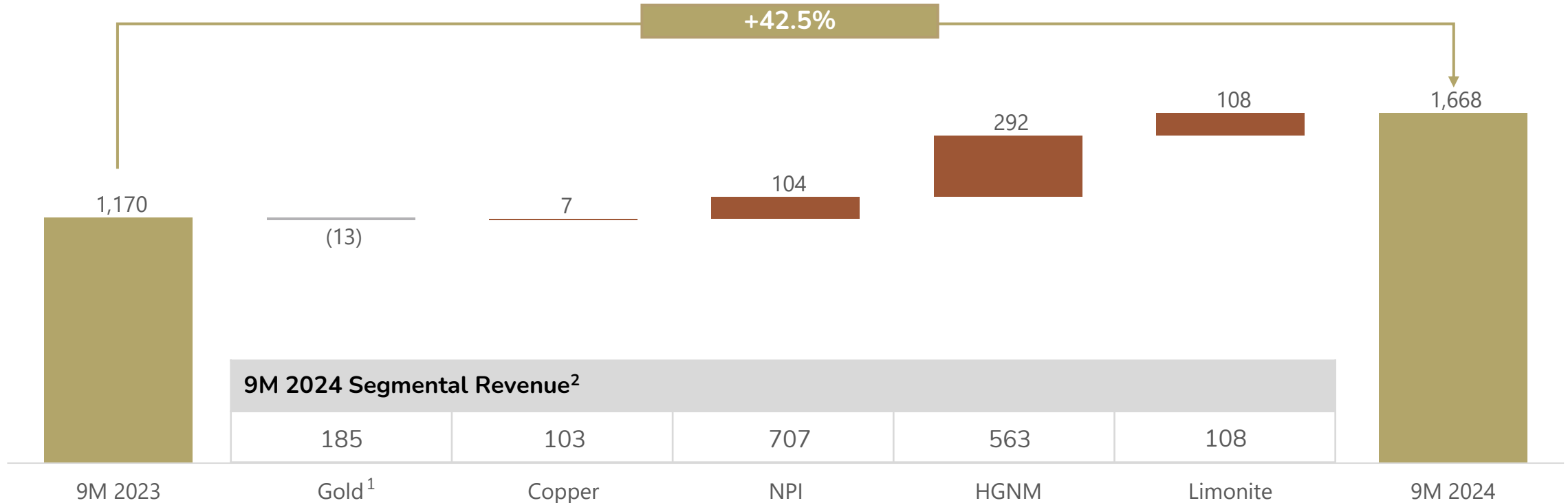


- Merdeka is achieving positive margins across all products. Nickel ore margins are expected to improve as mining volumes increase, and ongoing optimisation efforts yield results.
- The higher margin for gold is largely driven by elevated gold prices (\$2,261/oz in 9M 2024 vs \$1,942/oz in 9M 2023).
- ASPs for limonite and sapolite represent internal sales price.
- NPI implied cash cost is less than \$9,000/t, assuming nickel ore for NPI is sourced solely from SCM and electricity is generated internally.

¹The sapolite ore is all consumed by the three RKEFs owned by the group; ² ASP represents internal pricing; ³NPI implied cash cost assumed internally sourced for nickel ore and electricity. Cash cost includes mining cost, processing, royalties and stock movement

Consolidated Group Revenue

\$ million

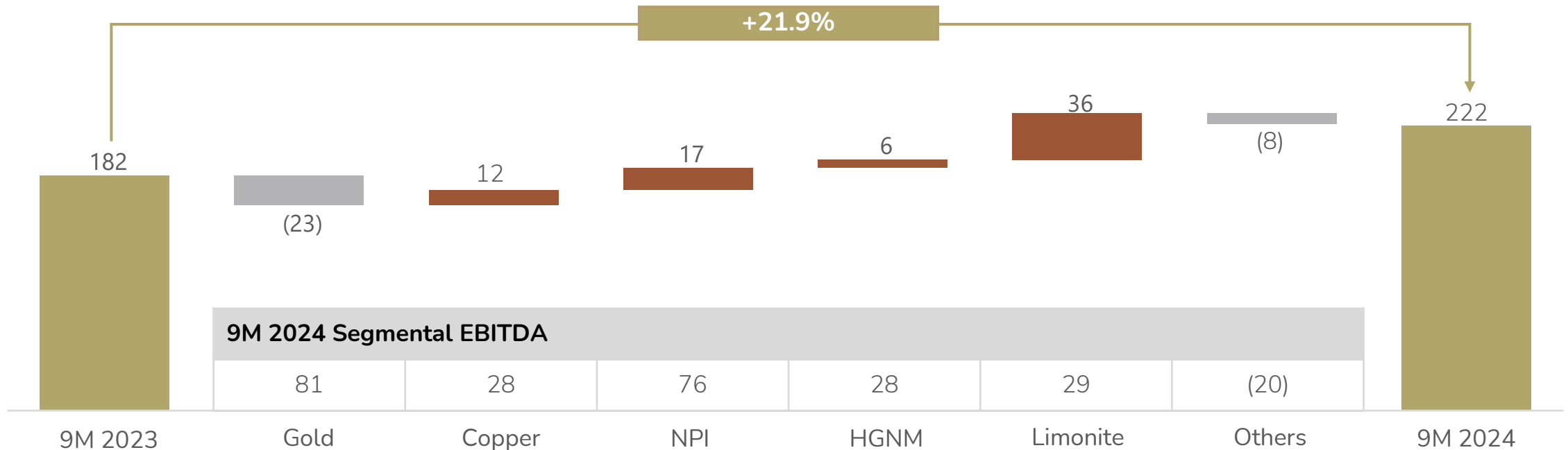


- Merdeka group consolidated revenue of \$1,668 million representing YoY growth of 42.5%.
- Significant revenue growth is attributable to:
 - Reflecting a full nine months of HGNM sales from PT Huaneng Metal Industry (“HNMI”) nickel matte converter
 - 18% YoY growth in NPI sales volume in 9M 2024, driven by three fully operational RKEF plants
 - The commencement of limonite ore sales to a third party in late 2023

¹Gold revenue inclusive of silver revenue; ²Excluding approximately \$2 million from others.

Consolidated Group EBITDA

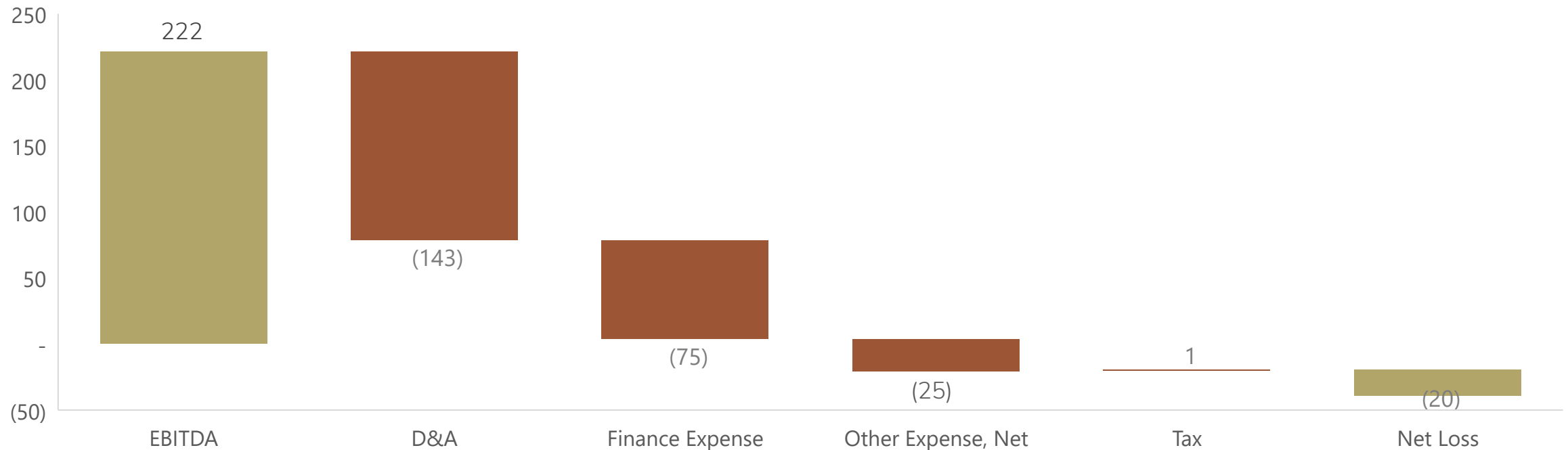
\$ million



- Merdeka group generated an EBITDA of \$222 million in 9M 2024 compared to 9M 2023 EBITDA of \$182 million.
- The higher EBITDA is attributable to:
 - The commencement of limonite ore sales to a third party in late 2023
 - Higher sales volume and ASP of copper in 9M 2024 compared to 9M 2023
 - Higher sales volume of NPI and HGNM

9M 2024 Profit & Loss (Before Minority)

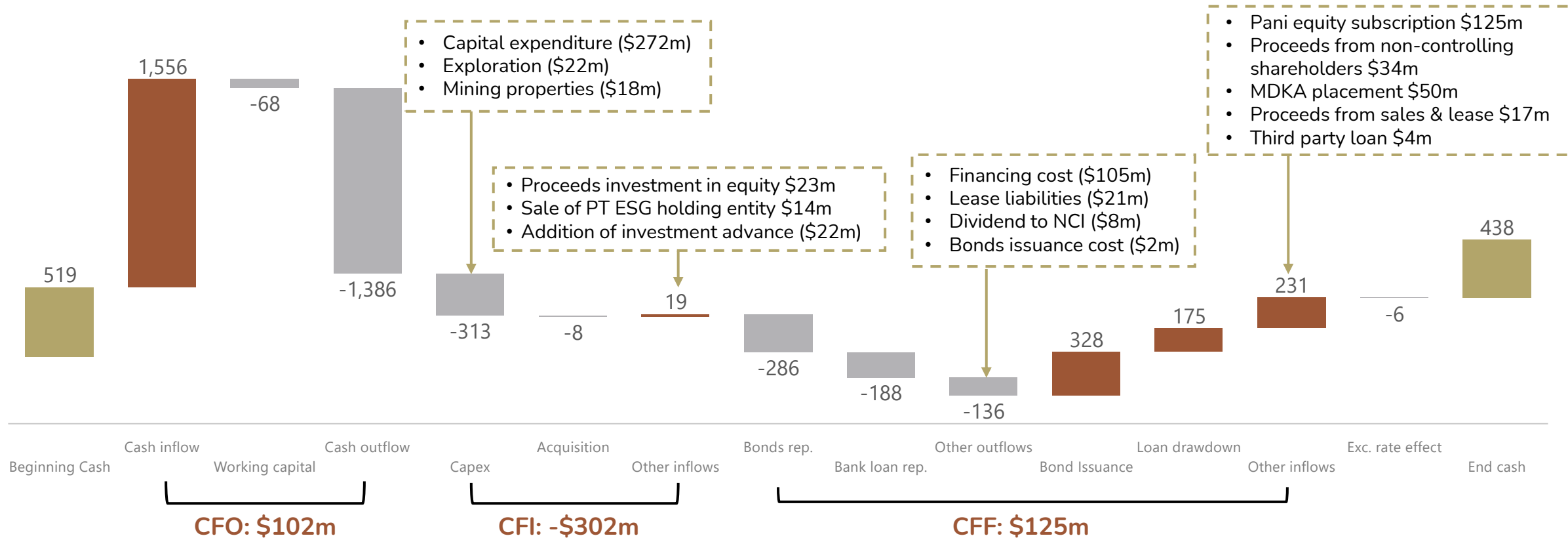
\$ million



- Finance costs have increased due to higher interest rates and overall debt levels (bonds: \$1.2 billion in 9M 2024 vs. \$1.0 billion in 9M 2023) incurred to support the Company's growth plans.
- Other expense is mainly contributed to loss from foreign exchange of \$29 million (\$13 million from hedged bonds, \$9 million from unhedged bonds, and \$7 million from payable & other account), offset with gain on fair value adjustment on investment in PETS of \$7 million.

9M 2024 Cash flow

\$ million



- The CFO of \$102 million includes \$68 million in working capital spending, primarily due to the timing of receivable settlement.
- Merdeka is investing a significant amount of capital to support its operations and growth initiatives. Capital expenditure during 9M 2024 include \$65 million for Pani, \$28 million for TB copper, \$125 million for the AIM plant, with the remaining balance allocated to operating assets.

Segmental Performance

	Gold	Copper	NPI	HGNM	Saprolite ²	Limonite
Production ¹	80,043 oz	10,483 t	63,338 t	38,422 t	1.9 m wmt	6.7 m wmt
Sales	79,415 oz	11,310 t	61,366 t	40,401 t	3.6 m wmt	6.9 m wmt
Revenue (\$m)	179.5	101.4	707.1	562.8	105.9	108.2
EBITDA (\$m)	81	28	76	28	-	29
ASP	\$2,261/oz	\$4.07/lb	\$11,522/t	\$13,931/t	\$29.7/wmt	\$15.6/wmt
Cash Cost	\$1,036/oz	\$2.97/lb	\$10,387/t	\$13,310/t	\$25.0/wmt	\$11.1/wmt
AISC	\$1,371/oz	\$3.84/lb	\$10,514/t	\$13,337/t	n.a.	n.a.
Commentary	<ul style="list-style-type: none"> • Sales decreased by 20% YoY • Increase in ASP from \$1,942/oz in 9M 2023 to \$2,261/oz in 9M 2024 	<ul style="list-style-type: none"> • Sales increased by 3% YoY • ASP increased from \$3.93/lb in 9M 2023 to \$4.07/lb in 9M 2024 	<ul style="list-style-type: none"> • Sales increased by 46% YoY • ASP decreased from \$14,267/t in 9M 2023 to \$11,522/t in 9M 2024 	<ul style="list-style-type: none"> • Sales increased by 146% YoY from full nine months contribution in 9M 2024 • ASP decreased from \$16,503/t in 9M 2023 to \$13,931/t in 9M 2024 	<ul style="list-style-type: none"> • MBMA saprolite sold exclusively to the three RKEFs owned by the group 	<ul style="list-style-type: none"> • MBMA commenced limonite ore sales to a third party in Q4 2023

¹ Production of NPI includes Low Grade Nickel Matte; ²The saprolite ore is all consumed by the three RKEFs owned by the group

TB Copper



- Merdeka is advancing a range of project optimisation opportunities to improve the scale and profitability of the project.
- These include the integration of an upgraded indicated resource totalling 755Mt at 0.60% copper and 0.66 g/t gold, defining a larger ore reserve in 1Q 2025 and downstream processing options.

Pani Gold Project



- The project is 28% complete at the end of November 2024.
- Updated mineral resources are expected in 1Q 2025.
- All long lead and major equipment packages have been ordered, with crushing and screening equipment for delivery in 1Q 2025.
- Project commissioning of the heap leach operation is expected in late 2025.

HPAL Operations



- PT ESG HPAL plant commenced operation of its first production line (20ktpa capacity) in the first week of December 2024.
- The team is focused on bringing the second production line (10ktpa capacity) of PT ESG HPAL online in early 2025.
- PT Meiming HPAL plant began commissioning, supported by the existing FPP located at IMIP in October 2024.
- Once it is completed in 2H 2025, the plant will transition to the FPP located at the SCM mine.

SCM Haul Road Pre and Post-Development



- At the SCM Mine, ongoing infrastructure improvements are being implemented to support the ramp-up in mining operations and to meet the anticipated increase in limonite demand in 2025. A new dedicated haul road is also under construction to connect the SCM Mine to IMIP. These initiatives aim to optimise transportation efficiency, reduce haulage costs, and significantly enhance saprolite capacity.
- Widening works on the primary haul road that connects the SCM mine to IMIP are in progress, which will increase limonite transport capacity and allow for the transportation of larger volumes to MBMA's HPAL plants located at IMIP. This project also supports the installation of the pipeline required for the HPAL plants.

HNC Feed Preparation Plant

The existing HNC FPP at IKIP facilitates the efficient and cost-effective transportation of limonite to IMIP via a slurry pipeline. This approach will similarly apply to the FPP under development by MBMA, which will be used for the transportation of limonite to PT ESG HPAL.

FPP Area



FPP Facilities (camp, warehouse, workshop, office)



Camp



MDKA Consolidated Financial Statements (Before Minority)

In \$ million	3Q 2024	3Q 2023	9M 2024	9M 2023
Revenue	573.7	650.2	1,667.5	1,170.2
Cost of Revenue (exclusive of D&A)	(489.9)	(533.3)	(1,408.7)	(952.9)
Mining	(50.5)	(34.8)	(124.6)	(90.0)
Processing	(440.4)	(530.3)	(1,188.3)	(1,018.9)
Inventory	(3.6)	16.1	(57.1)	175.1
Others	4.6	15.8	(38.7)	(19.0)
Depreciation and Amortisation	(54.4)	(44.4)	(140.7)	(98.7)
Gross Profit	29.5	72.6	118.2	118.6
<i>Gross Profit Margin</i>	5.1%	11.2%	7.1%	10.1%
G&A Expenses	(12.8)	(10.4)	(39.4)	(38.1)
Operating Profit	16.6	62.1	78.8	80.5
<i>Operating Profit Margin</i>	2.9%	9.6%	4.7%	6.9%
Finance Expenses, net	(27.5)	(20.1)	(74.7)	(59.8)
Other Income (Expenses), net	(35.8)	14.6	(24.7)	(15.6)
Profit / (Loss) Before Tax	(46.7)	56.7	(20.6)	5.1
Tax Benefit (Expense)	6.5	(5.5)	1.0	(9.0)
Net Profit / (Loss) Before Minority	(40.1)	51.1	(19.6)	(3.9)
<i>Net Profit (Loss) Margin</i>	(7.0%)	7.9%	(1.2%)	(0.3%)
EBITDA	71.7	107.3	221.6	181.8
<i>EBITDA Margin</i>	12.5%	16.5%	13.3%	15.5%

- Merdeka reported an EBITDA of \$222 million in 9M 2024, reflecting growth in MBMA's nickel production and increased profitability from copper at Wetar.
- The largest contributor to EBITDA was gold, which generated \$81 million. This was followed by NPI with \$76 million, copper at \$28 million, HGNM also at \$28 million, and limonite at \$29 million. This was offset by other costs, including corporate expenses, totaling \$20 million.
- Finance costs rose due to higher debt levels, with an IDR bond ending balance of \$1.2 billion as of 9M 2024, compared to \$1.0 billion in 9M 2023, alongside an elevated interest rate environment.

MBMA Consolidated Financial Statements (Before Minority)

In \$ million	3Q 2024	3Q 2023	9M 2024	9M 2023
Revenue	458.2	522.9	1,379.8	873.9
Cost of Revenue (exclusive of D&A)	(419.8)	(465.1)	(1,245.1)	(783.0)
Mining Cost	(55.9)	(18.8)	(117.5)	(30.8)
Processing Cost	(349.3)	(449.3)	(1,059.6)	(818.4)
Inventory	(5.6)	3.2	(50.4)	66.4
Royalties	(9.0)	(0.2)	(17.6)	(0.2)
Depreciation and Amortisation	(22.2)	(14.8)	(55.3)	(29.4)
Gross Profit	16.2	43.0	79.4	61.4
<i>Gross Profit Margin</i>	3.5%	8.2%	5.8%	7.0%
G&A Expenses	(7.2)	(3.6)	(20.9)	(21.1)
Operating Profit	9.0	39.4	58.5	40.3
<i>Operating Profit Margin</i>	2.0%	7.5%	4.2%	4.6%
Finance Income (Expenses), net	(1.6)	1.1	(1.7)	(15.2)
Other Income, net	6.5	0.9	7.5	2.1
Profit Before Tax	14.0	41.3	64.2	27.2
Tax Expense	(0.2)	(0.6)	(4.2)	(0.4)
Net Profit / (Loss) Before Minority	13.8	40.7	60.0	26.8
<i>Net Profit (Loss) Margin</i>	3.0%	7.8%	4.4%	3.1%
EBITDA	31.4	48.0	114.4	64.2
<i>EBITDA Margin</i>	6.9%	9.2%	8.3%	7.3%

- MBMA reported consolidated revenue and EBITDA of \$1,380 million and \$114 million, respectively, for 9M 2024, representing a 58% and 78% YoY increase. EBITDA contributions were \$76 million from NPI, \$28 million from HGNM, \$29 million from limonite, and offset by other cost \$18 million, including corporate cost.
- MBMA's growth was primarily driven by NPI sales from the third RKEF smelter, ZHN, as well as HGNM sales from the HNMI nickel matte converter and sales of limonite ore.
- The total costs of revenue for NPI and HGNM were \$696 million and \$540 million, respectively. The cash cost for NPI dropped to \$10,387/t in 9M 2024, from \$12,775/t in 9M 2023, due to lower costs for ore, reductants, and electricity.
- For HGNM, the cash cost is \$13,310/t, with over 90% of the costs related to low-grade nickel matte. Mining cash costs are \$7.3/wmt for saprolite and \$7.0/wmt for limonite, with total costs (including hauling and royalties) at \$11.1/wmt for limonite and \$25.0/wmt for saprolite.
- The decline in gross profit margin is attributed to lower EBITDA margins, with NPI margin decreasing from \$1,395/t in 9M 2023 to \$1,135/t in 9M 2024, and HGNM margin dropping.

Summary and 2024 Guidance

Gold and copper production guidance of 110,000 – 120,000 ounces at a total cash cost of \$950 to 1,050/oz and 13,500 to 14,000 tonnes at a total cash cost of \$3.65 to 4.00/lb, respectively.

MBMA is on track to achieve nickel in NPI guidance of 80,000 to 85,000 tonnes at a total cash cost of \$10,000 to 12,000/t and HGNM guidance of 50,000 to 55,000 tonnes at a cash cost of \$13,000 to 15,000/t.

MBMA is on track to achieve saprolite ore sales of 4.0 – 5.0 million wmt and limonite ore sales of 9.5 to 10.5 million wmt. Planned increases in production are set for 2025, following the commissioning of the second FPP at SCM, which is expected to take place by mid-2025. This new FPP is anticipated to process over 9.0 million wmt of limonite annually, supplying both the PT ESG and PT Meiming HPAL plants.

In 2025, the primary objective is to realise the full potential of the AIM plant, increase mining volumes at the SCM mine and ramp-up processing capacity at PT ESG and PT Meiming HPAL plants. Additionally, we aim to secure new partnerships for HPAL and ensure that the development of the Pani and TB Copper projects proceeds as scheduled.

Thank you



investor.relations@merdekacoppergold.com



www.merdekcoppergold.com



ASP and Margin Analysis (Quarterly)

		9M 2023	1Q 2024	2Q 2024	3Q 2024	9M 2024
Gold						
ASP	\$/oz	1,942	2,106	2,262	2,407	2,261
Cash costs	\$/oz	794	1,065	1,110	952	1,036
Margin	\$/oz	1,147	1,041	1,153	1,455	1,225
Copper						
ASP	\$/lb	3.93	3.79	4.19	4.26	4.07
Cash costs	\$/lb	3.92	2.67	2.66	3.50	2.97
Margin	\$/lb	0.00	1.12	1.53	0.76	1.10
Limonite						
ASP	\$/wmt	-	13.2	16.5	15.3	15.6
Cash costs	\$/wmt	-	12.6	11.1	10.2	11.1
Margin	\$/wmt	-	0.7	5.4	5.0	4.5
Saprolite						
ASP	\$/wmt	-	30.3	30.2	28.8	29.7
Cash costs	\$/wmt	-	28.0	24.5	22.6	25.0
Margin	\$/wmt	-	2.3	5.7	6.2	4.7
NPI						
ASP	\$/t	14,267	11,055	11,536	12,041	11,522
Cash costs	\$/t	12,562	10,107	10,288	10,776	10,387
Margin	\$/t	1,705	948	1,247	1,264	1,135
HGNM						
ASP	\$/t	16,503	13,673	14,819	13,350	13,931
Cash costs	\$/t	14,016	13,120	12,988	13,820	13,310
Margin	\$/t	2,487	552	1,832	(469)	621

Guidance 2024 – 2025

	2024	2025
Commodity Price		
LME nickel price	\$16,800	\$16,000
Mining		
Limonite		
Sales (million wmt)	9.5 – 10.5	12.5 – 15.0
Cash cost	Less than \$12/wmt	Less than \$11/wmt
Saprolite		
Sales (million wmt)	4.0 – 5.0	6.0 – 7.0
Cash cost	Less than \$25/wmt	Less than \$23/wmt
Smelters		
NPI		
Sales (tonnes)	80,000 – 85,000	85,000 – 90,000
Cash cost (\$/t)	\$10,000 – 11,000	Less than \$11,000
HGNM		
Sales (tonnes)	50,000 – 55,000	50,000 – 55,000
Cash cost (\$/t)	\$13,000 – 15,000	Less than \$13,500
ESG HPAL		
Nameplate capacity (tonnes)	~	30,000
Cash cost (after cobalt credit) (\$/t)	~	\$6,500-\$8,500

- FPP completion target 2H25, allowing for internally sourced ore
 - Target to be consolidated in 2026/2027