



PT Adaro Energy Indonesia Tbk Quarterly Activities Report Fourth Quarter of 2022

For the Three Months Ending Dec 31, 2022

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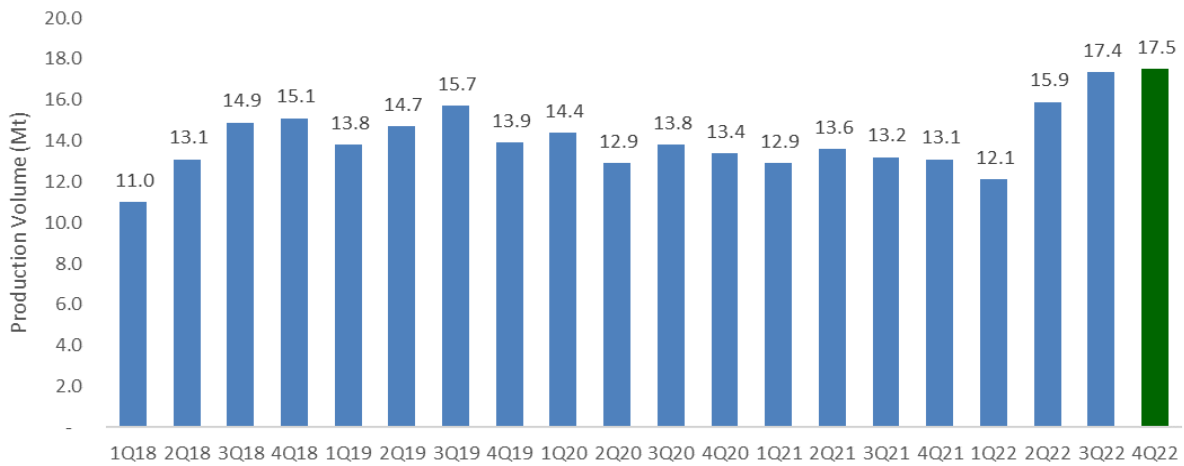
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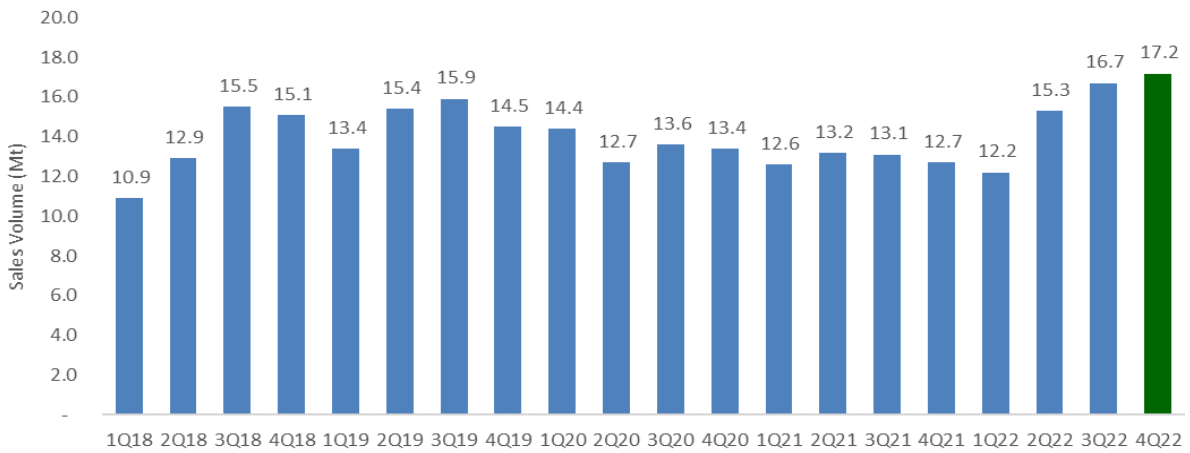
Highlights:

- PT Adaro Energy Indonesia Tbk (Adaro) FY22 production of 62.88 Million tonnes (Mt) was 19% higher compared with 52.70 Mt in FY21. This achievement surpassed our guidance of 58-60 Mt on the back of solid demand for our coal and strong operation performance. Coal sales volume in FY22 was 61.34 Mt, 19% higher from 51.58 Mt in FY21.
- Adaro celebrated its 30th anniversary and in the event, the company announced its streamlined business pillars of Adaro Energy, Adaro Minerals, and Adaro Green. The new pillars classification is in-line with the company's business transformation plan to green industry.

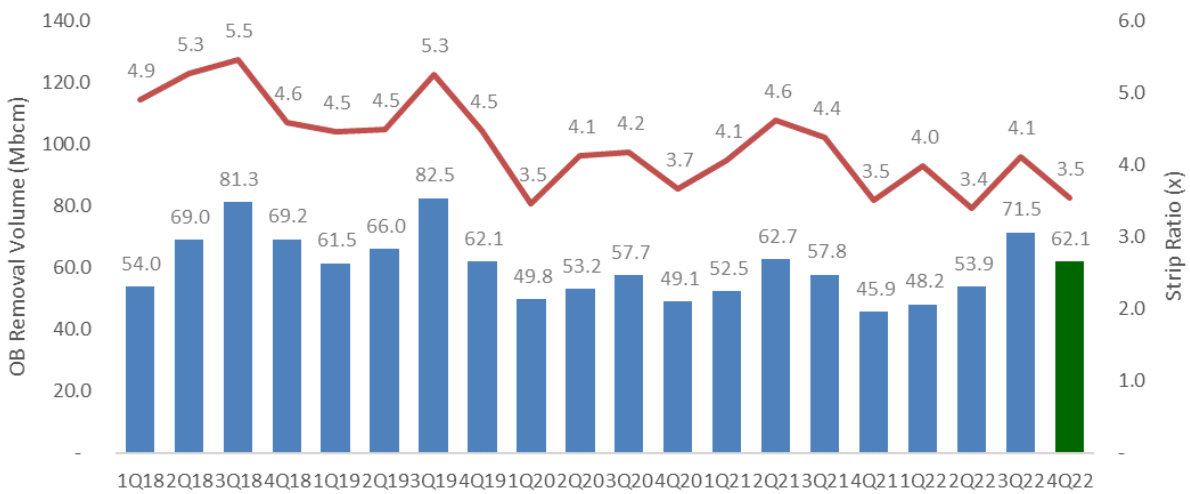
Historical Quarterly Production Volume



Historical Quarterly Sales Volume



Historical Quarterly Overburden Removal Volume and Strip Ratio



REVIEW OF THE THERMAL COAL MARKET IN 4Q22

The 4Q22 thermal coal market remained volatile and segmented with mixed trends between bituminous and sub-bituminous coal prices. High CV coal prices of 6000 NAR declined due to weak demand as power rationing was implemented in many regions following high electricity tariff – especially in Europe where electricity tariff peaked in 3Q22, and mostly mild temperatures during winter in 4Q22. Despite significantly lower Russian gas flows into Europe in 4Q22, gas stock levels did not deplete as expected, causing gas prices to decline during the period. European west ports were well stocked with coal due to excessive purchases amid fear of energy crisis. Landed prices in Europe dropped by more than 30% compared to the previous quarter and dragged down export prices for the same CV grade from South Africa to around US\$210 per tonne, except for Australian Newcastle 6000 NAR which averaged above US\$380 per tonne.

Conversely, Indonesian coal prices increased for both sub-bituminous and low-CV coal by 3% and 10% compared to the previous quarter respectively, mainly driven by China's restocking. In 4Q22, China's imports were strong due to seasonal restocking for winter and anticipation of the Chinese New Year holiday. At the same time, the strict zero COVID policy in China caused disruptions in transport of domestic coal and lowered the stock levels of generators. Towards the end of 2022, The Chinese government's decision to start relaxing COVID restrictions led to a resurgence of COVID cases in China, and consequently slowing economic activities. Prices of Indonesian coal declined in December despite winter in China and the approaching Chinese New Year. Import demand from India was weak in the last quarter despite relatively strong coal power generation. Domestic coal supply improved significantly, increasing by 31% compared to the previous quarter, resulting in high domestic stockpiles and a reduction in imports.

On the supply side, Indonesian export volume in 4Q22 declined from the historic-high of 3Q22. The extreme wet weather condition, especially at the end of December 2022, caused vessel loading activities to temporarily stop. Simultaneously, producers were prioritizing domestic supply to make sure domestic end users have sufficient stocks to avoid a shortage at the end of the year. Shipped volume out of Australia was quite strong in December as logistics and operations were smooth. At the end of last year also the relationship between China and Australia improved, which led to the reopening of some Australian coal imports to China. However, Indonesian coal demand is still expected to be high due to its competitiveness and unique characteristics.

REVIEW OF THE METALLURGICAL COAL MARKET IN 4Q22

The prices of Australian coal exports and imported coal to China continued to be disjointed, with FOB Premium Hard Coking Coal Australia (FOB PHCC Australia) up by approximately 10% compared to the prior quarter, while CFR Premium Hard Coking Coal China (CFR PHCC China) dropped by more than 3%. Australian exports were challenged by supply disruptions, supporting prices despite soft demand from Europe, Southeast Asia and East Asia (except China). High energy cost and low steel demand were the key drivers of steel producers in those regions lowering utilization rates of their blast furnaces, and some furnaces were even idled. Conversely, Indian manufacturing PMI pointed to a positive close in 2022, showing a resiliency unlike difficult

economic situations elsewhere. Indian domestic demand for steel was stable but metallurgical coal import demand was subject to the availability of cheap imported coke. The supply side was the main supporting factor of the uptrend in FOB PHCC Australia as wet weather conditions and shortages of manpower resulted in Australian supply tracking lower through 4Q22. The FOB PHCC Australia averaged at around US\$278 per tonne in the last quarter of 2022.

The CFR PHCC China prices were relatively stagnant in the earlier part of 4Q22 as demand from the seaborne market was constrained by weak economic conditions as the zero COVID policy remained in place. At the same time, China received increased landborne supplies from Mongolia. Steel mills' margins were subdued as steel prices fell by 7% compared to the prior quarter for Hot Rolled Coil and 9% for rebar. Crude steel production continued the trend down since September 2022. However, towards the end of 2022, market sentiment turned positive as the government decided to relax COVID restrictions, causing CFR PHCC to rise above US\$310 per tonne and averaged at approximately US\$305 per tonne in 4Q22. The partial reopening of China's imports of Australian coal was also the highlight in the metallurgical coal market, with the expectation that the competitive advantage of shorter distance between Australia and China compared to suppliers from the Atlantic would shift Chinese buyers' preference. Indonesian coal has a similar benefit of short haul to China and it is expected to support strong demand for Indonesian coal from China.

REVIEW OF PT ADARO ENERGY INDONESIA TBK (IDX: ADRO) OPERATIONS

Adaro celebrated its 30th birthday on October 2nd, 2022, during which we announced the streamlining of Adaro Group's business pillars into three main pillars: Adaro Energy, Adaro Minerals, and Adaro Green. Adaro Energy pillar comprises of Adaro's businesses along the pit-to-power vertically integrated supply chain, Adaro Minerals pillar comprises of Adaro's businesses in metallurgical coal and minerals under PT Adaro Minerals Indonesia Tbk (IDX: ADMR), and lastly Adaro Green pillar comprises of Adaro's renewable energy businesses.

Adaro achieved record coal production of 62.88 million tonnes (Mt) in FY22, corresponding to a 19% increase from 52.70 Mt in FY21. This surpassed our guidance of 58-60 Mt, supported by high demand from customers and strong production performance. Coal sales volume in FY22 increased by 19% to 61.34 Mt from 51.58 Mt in FY21. The sales growth was led by our medium CV thermal coal product (4700 and higher) increasing by 22% to 44.91 Mt in FY22 compared with 36.77 Mt in FY21. The medium CV thermal coal product accounted for 73% of our total sales in FY22. Sales of ADMR's metallurgical coal also recorded strong increase of 39% to 3.20 Mt in FY22 from 2.30 Mt in FY21.

Overburden removal volume in FY22 reached 235.68 million bank cubic meter (Mbcm), an 8% increase compared with 218.90 Mbcm in FY21, driven by higher overburden removal volume from Balangan Coal Companies (BCC), PT Mustika Indah Permai (MIP), and PT Adaro Minerals Indonesia Tbk (ADMR). Overburden removal at PT Adaro Indonesia (AI) declined slightly by 1% to 191.83 Mbcm from 194.37 Mbcm in FY21. ADRO's strip ratio in FY22 was 3.75x, lower than 4.15x in FY21 as production volume increased higher compared to overburden removal volume. Adaro's FY22 strip ratio performance was below guidance of 4.1x due to abnormal wet weather in 1H22 and longer lead time for heavy equipment deliveries. We continue to be in line with our life-of-mine strip ratio.

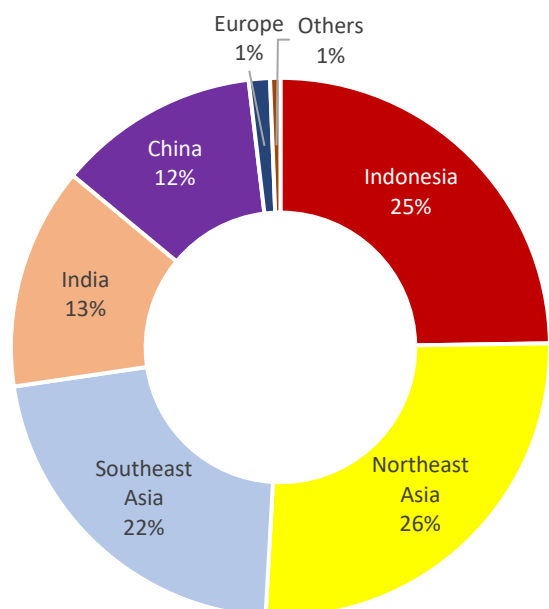
Coal production in 4Q22 increased by 34% year on year to 17.52 Mt from 13.06 Mt in 4Q21, the highest quarterly production for Adaro. Coal sales volume in 4Q22 increased by 35% to 17.17 Mt from 12.72 Mt in 4Q21. Total overburden removal volume in 4Q22 increased by 35% to 62.15

Mbcm from 45.87 Mbcm in 4Q21. Strip ratio for the quarter reached 3.55x, slight increase from 3.52x in 4Q21.

	Units	4Q22	3Q22	4Q22 vs. 3Q22	4Q21	4Q22 vs. 4Q21	FY22	FY21	FY22 vs. FY21
Coal Production	Mt	17.52	17.36	1%	13.06	34%	62.88	52.70	19%
AI	Mt	13.28	12.97	2%	10.45	27%	49.12	43.15	14%
Balangan Coal Companies	Mt	2.26	2.36	-4%	1.44	57%	7.12	5.24	36%
ADMR	Mt	0.81	1.04	-22%	0.57	41%	3.37	2.30	46%
MIP	Mt	1.18	1.00	18%	0.58	102%	3.28	1.99	65%
Sales Volume	Mt	17.17	16.68	3%	12.72	35%	61.34	51.58	19%
Thermal - Medium CV	Mt	11.92	11.82	1%	8.40	42%	44.91	36.77	22%
Thermal - E4200	Mt	4.23	3.96	7%	3.57	18%	13.24	12.51	6%
Met Coal	Mt	1.02	0.90	13%	0.75	36%	3.20	2.30	39%
Overburden Removal	Mbcm	62.15	71.46	-13%	45.87	35%	235.68	218.90	8%
AI	Mbcm	48.90	57.55	-15%	39.63	23%	191.83	194.37	-1%
Balangan Coal Companies	Mbcm	7.16	7.61	-6%	4.55	57%	26.69	16.97	57%
ADMR	Mbcm	2.26	2.55	-11%	1.22	86%	8.32	5.15	62%
MIP	Mbcm	3.83	3.75	2%	0.47	710%	8.84	2.41	267%
Strip Ratio	x	3.55	4.12	-14%	3.52	1%	3.75	4.15	-10%

The domestic market is an important sales destination for Adaro, as sales to Indonesia accounted for 25% of Adaro's total sales in FY22.

Adaro Sales by Destination in 2022



ADARO ENERGY 2023 GUIDANCE

- Coal sales: 62 Mt to 64 Mt. Consisting of 58 Mt to 60 Mt of thermal coal, and 3.8 Mt to 4.3 Mt of metallurgical coal from ADMR. ADMR continues to grow its volume on the back of solid demand from customers. Volume from Balangan Coal Companies and PT Mustika Indah Permai are also expected to increase. This figure does not include the target of Kestrel mine of 6 Mt.
- Strip ratio: 4.2x. This target is higher from FY22 actual strip ratio of 3.75x as in the first semester of 2022 we experienced abnormal wet weather and delay in heavy equipment delivery.
- Capital expenditure: \$500 million to \$600 million. for routine capex and expansion of, primarily, our mining, services, and logistics businesses. This capex does not include capex for our business transformation projects in Kaltara. We have several projects coming up in this industrial park including aluminium smelter and the CFPP to power it, and hydro power plant. We will make further announcement on our equity portion in these projects at a later time.

ADARO ENERGY PILLAR

1. MINING

PT Adaro Indonesia (AI)

AI, the Company's main coal asset, produced 49.12 Mt of coal in FY22, 14% higher than 43.15 Mt in FY21. AI's coal sales volume in FY22 increased 17% to 55.50 Mt from 47.46 Mt in FY21. In FY22, AI recorded total overburden removal of 191.83 Mbcm, lower by 1% from 194.37 Mbcm in FY21. AI recorded a strip ratio of 3.91x for FY22 compared with 4.50x in FY21.

In 4Q22, AI produced 13.28 Mt of coal, 27% higher compared to 10.45 Mt in 4Q21. AI's coal sales in 4Q22 of 15.13 Mt were 32% higher than 11.44 Mt in 4Q21. Total overburden removal volume in 4Q22 was 48.90 Mbcm, 23% increase from 39.63 Mbcm in 4Q21. AI's strip ratio for the quarter was 3.68x, lower than 3.79x in 4Q21.

AI was able to deliver on its coal production and sales target for the year, on the back of healthier production output made possible by the arrival of heavy equipment, and improved demand from both domestic and export market. The volatile market condition we saw in FY22 further support AI's strategy to secure long-term volume contract with its customers, which represent a vast majority of AI's sales in FY22.

AI received the highest ranked award in environmental management, PROPER with GOLD Rating, from the Ministry of Environment and Forestry for the fourth time in four consecutive years, and it is AI's fifth time receiving PROPER GOLD. This award was given to AI due to its strong compliance to environmental management and its successful performance in empowering communities around the mine operation.

	Units	4Q22	3Q22	4Q22 vs. 3Q22	4Q21	4Q22 vs. 4Q21	FY22	FY21	FY22 vs. FY21
Overburden Removal	Mbcm	48.90	57.55	-15%	39.63	23%	191.83	194.37	-1%
Coal Transported	Mt	15.66	15.11	4%	11.92	31%	56.14	48.44	16%
Coal Production	Mt	13.28	12.97	2%	10.45	27%	49.12	43.15	14%
Coal Sales	Mt	15.13	15.10	0%	11.44	32%	55.50	47.46	17%

Balangan Coal Companies (BCC)

Balangan Coal Companies transported 7.11 Mt of coal in FY22, a 36% increase from 5.24 Mt in FY21. BCC recorded total overburden removal of 26.69 Mbcm in FY22, 57% higher y-o-y from 16.97 Mbcm in FY21. BCC's higher overburden removal volume in FY22 increased its strip ratio to 3.75x in FY22 from 3.24x in FY21. We anticipate the long term strip ratio at BCC will be 3x-4x.

In 4Q22, BCC produced 2.26 Mt of coal, 57% higher than 1.44 Mt in 4Q21. Overburden removal by Balangan Coal Companies in 4Q22 reached 7.16 Mbcm, 57% higher than 4.55 Mbcm in 4Q21. Its strip ratio in 4Q22 of 3.17x was flat y-o-y from 4Q21.

	Units	4Q22	3Q22	4Q22 vs. 3Q22	4Q21	4Q22 vs. 4Q21	FY22	FY21	FY22 vs. FY21
Overburden Removal	Mbcm	7.16	7.61	-6%	4.55	57%	26.69	16.97	57%
Coal Transport to port	Mt	2.26	2.36	-4%	1.44	57%	7.11	5.24	36%

Mustika Indah Permai (MIP)

In FY22, MIP recorded a 65% increase in coal production to 3.28 Mt from 1.99 Mt in FY21. MIP's coal sales for the year were 2.64 Mt, 46% higher than 1.81 Mt in FY21. Total overburden removal from MIP in FY22 was 8.84 Mbcm, 267% higher than 2.41 Mbcm in FY21. MIP's strip ratio for FY22 was 2.7x a significant increase of 125% from 1.20x in FY21. MIP's coal continues to gain market share in the region. China was MIP's largest export destination in the period, followed by The Philippines. MIP also supplies its coal to the domestic market.

MIP's coal production in 4Q22 reached 1.18 Mt, 102% higher than 0.58 Mt in 4Q21. MIP sold 1.02 Mt of coal in 4Q22, a 92% increase compared to 4Q21's sales of 0.53 Mt. Overburden removal in 4Q22 of 3.83 Mbcm, was 711% higher than 0.47 Mbcm in 4Q21. Hence MIP booked a strip ratio of 3.26x in the quarter, an increase from 0.80x in 4Q21. We anticipate the long term strip ratio at MIP will be 3x-4x.

	Units	4Q22	3Q22	4Q22 vs. 3Q22	4Q21	4Q22 vs. 4Q21	FY22	FY21	FY22 vs. FY21
Overburden Removal	Mbcm	3.83	3.75	2%	0.47	711%	8.84	2.41	267%
Coal Production	Mt	1.18	1.00	18%	0.58	102%	3.28	1.99	65%
Coal Sales	Mt	1.02	0.68	50%	0.53	92%	2.64	1.81	46%

Kestrel Coal Mine (Kestrel)

In FY22, Kestrel recorded saleable coal production of 5.67 Mt, flat y-o-y compared with FY21. Kestrel's coal sales in FY22 were 5.76 Mt, a 4% increase from 5.56 Mt in FY21. This result is below Kestrel's production guidance due to a period of soft floor conditions in the longwall panel and associated high clay content material impacting throughput at the CHPP. In 4Q22, Kestrel's saleable coal production was 1.23 Mt, 27% lower than 1.69 Mt in 4Q21, and its coal sales volume of 1.36 Mt in the quarter was 18% lower than 1.65 Mt in 4Q21. Kestrel saleable coal production target for FY23 is approximately 6 Mt.

Kestrel's sales destinations are dominated by customers in major Asian markets. India was Kestrel's largest sales destination in 2022 followed by Japan and Korea. Adaro Capital Ltd (48%), a subsidiary of ADRO, and EMR Capital Ltd (52%) own 80% of Kestrel.

2. SERVICES

PT Saptaindra Sejati (SIS)

In FY22, SIS's overburden removal volume increased 18% to 189.60 Mbcm from 161.13 Mbcm in FY21. SIS's coal transport to port volume in FY22 reached 59.51 Mt, a 37% increase from 43.36 Mt in FY21 in-line with Adaro Group's higher production performance.

In 4Q22, SIS recorded overburden removal volume of 51.88 Mbcm, 35% higher compared to 38.54 Mbcm in 4Q21. SIS's coal transport to port volume in 4Q22 increased 32% to 16.62 Mt from 12.58 Mt in 4Q21.

Key drivers of the strong results were due to increased equipment capacity in 4Q22 to meet higher customers target.

	Units	4Q22	3Q22	4Q22 vs. 3Q22	4Q21	4Q22 vs. 4Q21	FY22	FY21	FY22 vs. FY21
Overburden Removal	Mbcm	51.88	53.17	-2%	38.54	35%	189.60	161.13	18%
Coal Transport to Port	Mt	16.62	16.04	4%	12.58	32%	59.51	43.36	37%

3. LOGISTICS

PT Maritim Barito Perkasa (MBP)

MBP's coal barging volume in FY22 increased by 18% to 57.58 Mt from 48.94 Mt in FY21. Coal barging volume in 4Q22 reached 15.94 Mt, a 33% increase from 12.01 Mt in 4Q21. Adaro Group accounted for all MBP's total coal barging volume in FY22. Since 3Q22, MBP has provided coal barging services for MIP in South Sumatra. MBP plans to increase its capacity to support the Adaro Group's higher coal production in 2023.

	Units	4Q22	3Q22	4Q22 vs. 3Q22	4Q21	4Q22 vs. 4Q21	FY22	FY21	FY22 vs. FY21
Coal barging	Mt	15.94	15.67	2%	12.01	33%	57.58	48.94	18%

4. POWER

Adaro Group's power business continues to grow in 2022 with the addition of PT Bhimasena Power Indonesia's (BPI) to the portfolio. The availability factor of PT Tanjung Power Indonesia (TPI) reached 97.6% in 4Q22 and 89.7% in FY22. Meanwhile, availability factor for BPI decreased by 12% q-o-q, reaching 83.6% in 4Q22 and 86.5% in FY22.

In 4Q22, PT Makmur Sejahtera Wisesa (MSW) scheduled maintenance for Unit #2 which will be completed on 12 February 2023. Consequently, in 4Q22, the availability factor for MSW stood at 73.7%, overall it reached 90.6% in FY22.

MSW's Solar Photovoltaic (PV) in Kelanis which started electricity production in 1Q22, produced 198.5 MWh in 4Q22, bringing year-to-date December electricity production to 791.4 MWh.

Other carbon emission reduction initiatives include the continuation of co-firing biomass at MSW in 4Q22. The amount is approximately 2% of MSW's daily coal consumption, which equals to CO2 reduction of 739 tonnes of CO2 equivalent.

5. WATER

Adaro Water actively supports the Indonesian government's program to increase access to clean water for the Indonesian people.

In the water treatment business, Adaro Water through its subsidiaries has been able to maintain its operational and financial performance in line with projections for Banjar Regency, South Kalimantan, 500 lps, Sampit City, Central Kalimantan, 320 lps, and Gresik Regency, East Java, 400 lps. In December 2022, PT Drupadi Tirta Intan (DTI) received ISO 9001 certification from the British Standard Institute which shows DTI's commitment to maintain its standards in quality.

As at the end of 2022, Adaro Water has successfully completed the construction and commissioning of a 200 lps water treatment plant in Dumai, Riau Province, successfully signed a cooperation agreement with Perumda Tirtanadi for a 500 lps water treatment plant for Medan City, North Sumatra and is in the process of installing a District Meter Zone/Area for the NRW Project in Bandung City, West Java (North Region), while also preparing for the construction of a 200 liter/second water treatment plant in Bekasi Regency, West Java.

In mine water business, our slurry and dewatering pump operation continues to grow to support Adaro Group mining activities.

ADARO MINERALS PILLAR

PT Adaro Minerals Indonesia Tbk (IDX: ADMR)

In FY22, PT Adaro Minerals Indonesia Tbk (ADMR) reported a 47% increase in coal production to 3.37 Mt from 2.30 Mt in FY21, surpassing its FY22 coal production target of 2.8-3.3 Mt. Coal sales volume in FY22 reached 3.20 Mt, 39% higher than 2.30 Mt in FY21. ADMR recorded overburden removal volume of 8.32 Mbcm in FY22, 62% increase from 5.15 Mbcm in FY21. This led to its strip ratio increasing to 2.47x in FY22 from 2.24x in FY21. In FY22, ADMR sold 85% of its coal to three countries, i.e. Japan, China and India. The positive feedback from customers and the increasing interest for its coal is expected to drive market expansion for ADMR's coal in 2023 with a target for sales of 3.8 to 4.3 Mt in FY23.

In FY22, ADMR conducted its mining operation from the Maruwai concession. The Lampung hard coking coal from Maruwai has strong coking characteristics, rating 9 for its CSN (crucible swelling number) on a scale of 1-9. Lampung coal also has ultra-low ash content and high vitrinite content, making it a unique metallurgical coal product suitable for blending. Due to these characteristics, the Lampung coal has its own competitive advantage over coking coal from other countries.

ADMR's coal production in 4Q22 was 0.81 Mt, 41% increase from 0.57 Mt in 4Q21, and coal sales in the quarter reached 1.02 Mt, 35% higher than 0.75 Mt in 4Q21. Overburden removal volume in 4Q22 was 2.26 Mbcm, up by 86% from 1.22 Mbcm in 4Q21. Adaro Minerals booked a strip ratio of 2.81x for the quarter, higher than the 2.14x in 4Q21.

	Units	4Q22	3Q22	4Q22 vs. 3Q22	4Q21	4Q22 vs. 4Q21	FY22	FY21	FY22 vs. FY21
Overburden Removal	Mbcm	2.26	2.55	-11%	1.22	86%	8.32	5.15	62%
Coal Transported	Mt	0.81	0.93	-13%	0.66	24%	3.37	2.27	49%
Coal Production	Mt	0.81	1.04	-22%	0.57	41%	3.37	2.30	47%
Coal Sales	Mt	1.02	0.90	12%	0.75	35%	3.20	2.30	39%

In the quarter, ADMR has progressed further in its aluminum smelter project through the signing of an MoU with Hyundai Motors Company regarding the production and supply of aluminum, and the signing of a Conditional Share Subscription Agreement, through its subsidiaries, with its partners, Aumay Mining Pte. Ltd. (“Aumay”) and PT Cita Mineral Investindo Tbk (“CITA”), where according to the agreement, the ownership of PT Kalimantan Aluminium Industry will be as constituted: ADMR 65% (through its subsidiary), Aumay 22.5%, and CITA 12.5%.

ADARO GREEN PILLAR

Aligned with Adaro Group’s decarbonization initiatives, PT Adaro Clean Energy Indonesia (ACEI) and PT Adaro Power (AP) have been active in reducing carbon emissions as well as diesel consumption. Total Eren S.A. and AP (Consortium) were recently awarded the Tanah Laut Wind Power Plant 70MW with 10MW/MWh Battery Energy Storage System (BESS) (Tanah Laut Wind Power Plant). The Tanah Laut Wind Power Plant Letter of Intent was signed in November 2022 during the G20 Conference in Bali. This is the first wind project on Kalimantan Island, and it demonstrates Adaro’s commitment to further enter the renewable energy sector. Furthermore, the Tanah Laut Wind Power Plant will support the decarbonization and emission reduction efforts of the Government of Indonesia. Currently, the Consortium is finalizing the Power Purchase Agreement (PPA) with PLN.

In 4Q22, through PT Mentarang Tirta Energi (MTE), Adaro completed the purchase of 50% stake in PT Kayan Hydropower Nusantara (KHN). KHN will develop a 1,375 GW of hydro power plant which will provide green electricity source to the North Kalimantan Industrial Park currently being developed by Adaro.

In addition, ACEI is currently developing other renewable projects with mining subsidiaries PT Maruwai Coal (MC) and AI. With MC, ACEI has reached an initial agreement to develop a mini-hydro power plant (MHPP) project with 4 MW capacity in Central Kalimantan. With AI, ACEI is currently under an initial development stage for an 8 MWp / 4 MWh hybrid solar PV and BESS project which will be located in the mining port in Kelanis, Central Kalimantan.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

In FY22, we experienced 13 lost-time injuries (LTI) throughout Adaro Group’s operations. We recorded a lost-time injury frequency rate (LTIFR) of 0.12, flat y-o-y from FY21, and severity rate (SR) of 57.27 in FY22, lower compared FY21 SR of 176.86. Total man-hours worked in the FY22 period was 113,907,691, representing a 10% increase from 102,966,988 in FY21. Regrettably, we experienced one fatality in September. We have conducted thorough analysis of the accident and further emphasize the implementation of Adaro Zero Accident Mindset (AZAM) throughout the Adaro Group.

In 4Q22, Adaro Group’s HSE Division carried out several programs namely safety leadership for Adaro Logistics and the HSE Annual Forum. The safety leadership training aims to strengthen the supervisory and leadership functions for employees and crew members of Adaro Logistics. In the HSE Annual Forum, HSE representatives from every strategic business units gathered to discuss, among others, work programs, major occupational health and safety risk management, enterprise HSE risk management, and adoption of artificial intelligence and machine learning.

CORPORATE ACTIVITIES AND AWARD

October 2022

- Adaro celebrated its 30th anniversary this year. During the celebration for its 30th anniversary, Adaro unveiled its business transformation to three pillars: Adaro Energy, Adaro Minerals and Adaro Green. The transformation is in line with the company's vision to be more sustainable and to expand the company's businesses outside of coal. This is done to capture growth opportunities in the green economy and align the strategy with what the world needs and for Indonesia's growth. Adaro's President Director Garibaldi Thohir also conveyed the spirit of transformation in the President's Message delivered at the celebration of Adaro's anniversary. "Let's build a bigger and greener Adaro"
- In commemoration of this milestone anniversary, Adaro distributed approximately 30,000 food packages worth Rp9.4 billion to underprivileged families across Indonesia.

November 2022

- Adaro won the Gold Award in the category of Excellence in Provision of Literacy and Education Award, at the 14th Global CSR & ESG Summit & Awards 2022 event in Vietnam.
- ADMR and Hyundai Motor Company signed a Memorandum of Understanding to secure stable aluminum supply to establish a comprehensive cooperative system regarding the production and supply of aluminum by ADMR's subsidiary.
- Total Eren S.A. and PT Adaro Power won the bid and was appointed for the development of the Tanah Laut Wind Power Plant South Kalimantan.
- TPI, a subsidiary of AP and a joint venture with EWP Indonesia conducted a ceremony to mark the Financial Completion for the Kalsel 2x100 MW CFPP. This was an important milestone in the senior loan agreement, which was completed on 5 April 2022.

December 2022

- Adaro, in collaboration with the Ministry of Energy and Mineral Resources made an IDR 5 billion donation under the "Adaro for Indonesia" program for the provision of medicine and medical equipment and facilities, to be distributed by the Indonesian Army for the victims of the earthquake in Cianjur.
- *Katadata* awarded the Green Initiative Award in the Energy Category to Adaro. Adaro received the award for its business diversification initiative into the green energy segment and increasing the share of new and renewable energy in its energy mix.
- TPI won the Best Performance Power Plant 2022, the 5 Star award for the 2020 Grid Code compliance criteria, which is the highest achievement for all power plants connected to the Kalimantan electricity system.
- AI wins the GOLD PROPER Award for the fifth time, the highest award in environmental management.
- Other SBUs that participated in the PROPER assessment, namely PT Maruwai Coal (MC), PT Mustika Indah Permai (MIP), PT Laskar Semesta Alam (LSA), PT Semesta Centramas (SCM), PT Indonesia Bulk Terminal (IBT), PT Makmur Sejahtera Wisesa (MSW), PT

Tanjung Power Indonesia (TPI), and PT Maritim Barito Perkasa (MBP) received BLUE PROPER Award from the Ministry of Environment and Forestry.

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