

MONTHLY REPORT - JUNE 2023

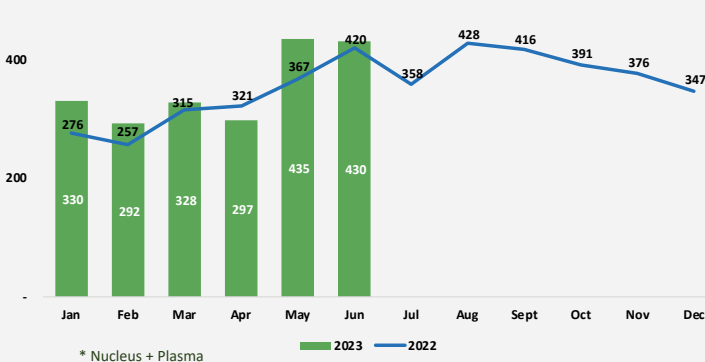
OPERATIONAL PERFORMANCE HIGHLIGHT

Description (000 tons)	6 Months Performance		Change	2022 (Full Year)
	2023	2022		
Total Harvested FFB (Nucleus and Plasma)	2,111	1,957	7.9%	4,273
Harv. FFB by Region				
Sumatra	816	766	6.6%	1,676
Kalimantan	960	842	14.0%	1,884
Sulawesi	335	349	-4.0%	713
FFB Processed				6,868
Nucleus and Plasma	2,111	1,957	7.9%	4,273
3rd Parties	1,232	1,430	-13.9%	2,595
CPO	619	638	-3.1%	1,304
Kernel	131	138	-5.1%	282

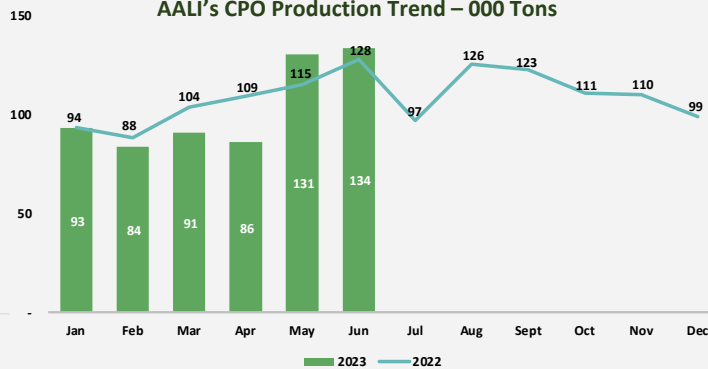
PT Astra Agro Lestari Tbk ("the Company") as of June 2023 has produced 2,1 million tons of Fresh Fruit Bunches (FFB), or an increase of 7.9% compared to June 2022. This increase was in line with the 9.3% increase in nucleus FFB production as of June 2023 compared to the same period in 2022.

The Company also produced 619 thousand tons of Crude Palm Oil (CPO) as of June 2023, which decreased by 3.1% compared to June 2022. This was in line with the decrease in Kernel production by 5.1% to 131 thousand tons as of June 2023 compared to June 2022 of 138 thousand tons.

AAI's FFB Production Trend* – 000 Ton



AAI's CPO Production Trend – 000 Tons



FINANCIAL PERFORMANCE HIGHLIGHT

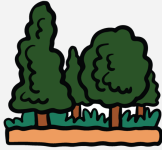
Description - Rp. Billion	6M23	6M22	Change
Net Revenue	9,391	10,965	-14.4%
Cost of Revenue	8,363	9,144	-8.5%
Gross Profit	1,027	1,821	-43.6%
Gross Profit Margin	10.9%	16.6%	-5.7%
Profit Attributable to Owners of the Company	368	809	-54.6%
Net Income Margin Attributable to owners of the Company	3.9%	7.4%	-3.5%

The Company recorded a 14.4% decrease in net revenue from Rp 11.0 trillion in June 2022 to Rp 9.4 trillion in June 2023. This was due to a 24.4% decrease in the Company's average CPO price and a 50.9% decrease in the average Kernel price as of June 2023 compared to June 2022. The decrease resulted in a 54.6% decrease in profit attributable to owners of the Company from Rp 809 billion as of June 2022 to Rp 368 billion as of June 2023.

SUSTAINABILITY ASPIRATION

Portfolio

Rehabilitation Program



In 2023, we are targeting to carry out **rehabilitation** of **184 ha** consisting of 159 ha of riparian areas, 2 ha of mangroves, and 23.71 ha of other land rehabilitation with a total of **38,000 trees to be planted spread over 32 subsidiaries.**

as of Q1 2023, a total of **11,144 tree seedlings** were planted equivalent to an estimated area of **±49.42 ha** spread across 15 subsidiaries



Sustainable Peatland Management



Peat management carried out by the Company always aligned with the Minister of Environment and Forestry (KLHK). In addition, the development of Sustainable Peatland Management (SPM), which is the Company's internal peat management tools, is in line with applicable regulations. This includes **the process of delineating peat areas to regulate monitoring implementation in Ministry Decree No. 14/2017 concerning Procedures for Inventory of Peat Ecosystems and Ministry Decree No. 15/2017 concerning Procedures for Measuring Groundwater Levels in Peat Ecosystems.**

Fire Management System

Astra Agro routinely make preparations to anticipate fires in all subsidiaries, starting by **updating re-prone maps, checking facilities and infrastructure, personnel readiness, and personnel training** through firefighting simulations so all personnel are ready when the dry season arrives.



Masyarakat Peduli Api (MPA)

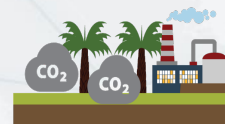


The company continue to **foster the existing 111 MPA** groups by carrying out collaborative activities including economic development, routine training for preparedness for fire prevention and mitigation and maintenance of all equipment so that the equipment is always in **good condition and ready to be used in the event of a fire**

Greenhouse Gas (GHG) Emission Reduction

GHG emission calculations that have been carried out in the Q1 period are based on the GHG Protocol method of calculating **Scope 1 and Scope 2 emissions.** Scope 1 AAL calculations are emissions from fossil fuels, coals, process emission from Company's operations such as fertilizers, pesticide and herbicide application, agrochemical and POME. Scope 2 AAL calculation represents emissions from electricity purchases.

In Q1, the actual GHG emissions (Scope 1 and Scope 2) that have been released amounted to **221.392 tCO₂eq** with **Scope 1 composition of 97% (215.078 tCO₂) and Scope 2 of 3% (6.313 tCO₂).**



SUSTAINABILITY ASPIRATION

Portfolio

Responsible CPO Sourcing

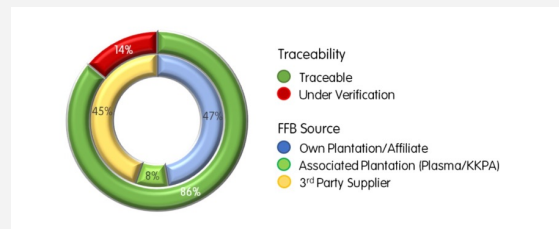
A. Traceability of CPO/PKO Supply Chain

1. Traceability to Mill

In Q1 2023, we continue to maintain a **100% traceability commitment** of CPO/PKO sourced from **46 mills (26 internal and 20 external)**.

2. Traceability of FFB Sources from CPO/PKO Third Party Supplier

For this period, the traceability of FFB supply sources in **CPO/PKO suppliers is still at 86%**. Details of FFB supply sources of CPO/PKO suppliers are available in the diagram below, **where 47% came from own plantation/affiliate and 45% came from third parties**.



Traceability of FFB sources from CPO/PKO suppliers

B. Aligning Suppliers with AAL's Sustainability Assessment Mechanism

Based on the results of the gap compliance assessment, in Q1 2023, the average **SAT fulfilment of CPO/PKO suppliers is at 87% from 20 suppliers** which increased by 1% compared to previous period. Progress in fulfilling the gaps is supported by suppliers where one supplier already **has a Sustainability Policy** that was not available previously, this shows that the supplier's commitment to being **in line with the Company's Sustainability Policy** is very high.

C. Potential Supplier Violations

Based on the findings and verifications carried out in the first quarter of 2023, **no violations were committed** by direct suppliers in our supply chain or by affiliated subsidiaries in our suppliers' parent groups.

SUSTAINABILITY ASPIRATION

Portfolio

FFB Sourcing Smallholder Support

A. Traceability of FFB Supply

In this first quarter of 2023, we were able to maintain the commitment and consistency of **100% traceability of FFB sources** with the composition of FFB volume received, **consisting of 48% sourced from own plantations, 6% sourced from associated plantations, and 46% sourced from third party/independent suppliers.**

B. Support Program for FFB Suppliers

Compared to Q1 2022, there was a decrease in incoming FFB supply production, so the traceable smallholders we work with decreased from **±48,000 to ±42,500 traceable smallholders** in Q1 2023. Nonetheless, we **continue to support our FFB supply partners and smallholders** to improve their productivity and **in line with AAL's Sustainability Policy.**

The following is a continuation of some of the operational development and assistance programs, especially for independent smallholders that we continue to provide along with their progress throughout Q1 2023:

1. Training and Capacity Building

In this quarter, we held **three online training sessions** with **five topics related to operational aspects**, namely 1) Nutrient Deficiency Symptoms, 2) Oil Palm Nursery, 3) Oil Palm Replanting, 4) Rodent Pest Control and 5) Horned Beetle Pest Control **which consist of 197 participants**

2. Facilitating Partnership Support Programs

There are a total of **five support programs** that we offer for our networking partners, which consist of financing and procuring oil palm seeds, fertilizers, provision of transport units for FFB evacuation, herbicide facilitation programs, FFB transport units and heavy equipment.