

IMPORTANT NOTICE

This offering is available only to investors who are either (1) qualified institutional buyers (as defined below) under Rule 144A under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or (2) Institutional Accredited Investors (as defined below) or (3) addressees outside of the United States as defined in Regulation S under the Securities Act.

IMPORTANT: You must read the following notice before continuing. The following notice applies to the offering memorandum (the “**Offering Memorandum**”) following this page, whether received by email, accessed from an internet page or otherwise received as a result of electronic communication, and you are therefore advised to read this notice carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing or making any other use of the Offering Memorandum, you agree to be bound by the following terms and conditions and each of the restrictions set out in the Offering Memorandum, including any modifications made to them from time to time, any time you receive any information from us as a result of such access or use.

Nothing in this electronic transmission constitutes an offer of securities for sale or solicitation in any jurisdiction where it is unlawful to do so. The securities have not been, and will not be, registered under the Securities Act, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws.

The Offering Memorandum may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

Any investment decision should be made on the basis of the pricing supplement and conditions of the securities and the information contained in an offering memorandum that will be distributed to you prior to the closing date and not on the basis of the Offering Memorandum. If you have gained access to this transmission contrary to any the foregoing restrictions, you are not authorised and will not be able to purchase any of the securities described therein.

Confirmation of your Representation: In order to be eligible to view the Offering Memorandum or make an investment decision with respect to the securities, investors must be (a) qualified institutional buyers (“**QIBs**”) (within the meaning of Rule 144A under the Securities Act), (b) accredited investors within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D of the Securities Act that are institutions (“**Institutional Accredited Investors**”) or (c) located outside the United States. The Offering Memorandum is being sent at your request and, by accepting the transmission and accessing the Offering Memorandum, you shall be deemed to have represented to us (i) that you and any customers you represent are (A) QIBs, (B) Institutional Accredited Investors or (C) outside the United States and the electronic mail address that you gave us and to which this transmission has been delivered is not located in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States or the District of Columbia and (ii) that you consent to delivery of such Offering Memorandum by electronic transmission.

The Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located. If this is not the case, you must return the Offering Memorandum to us immediately. You must not deliver or disclose the contents of the Offering Memorandum, electronically or otherwise, to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the underwriters or any affiliate of the underwriters is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the relevant underwriters or such affiliate on behalf of the Issuer in such jurisdiction.

The Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of Perusahaan Penerbit SBSN Indonesia III, the Republic of Indonesia, CIMB Investment Bank Berhad, Deutsche Bank AG, London Branch, Dubai Islamic Bank PJSC, The Hongkong and Shanghai Banking Corporation Limited and Standard Chartered Bank, the Dealers, the Delegate, the Agents nor any person who controls any of them nor any director, officer, employee nor agent of any of them or affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from CIMB Investment Bank Berhad, Deutsche Bank AG, London Branch, Dubai Islamic Bank PJSC, The Hongkong and Shanghai Banking Corporation Limited and Standard Chartered Bank or the Dealers.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The Offering Memorandum is not an offer to sell these securities and is not a solicitation of an offer to buy these securities in any jurisdiction where such offer or sale is prohibited.

Actions That You May Not Take: You may not purchase or subscribe for any securities by replying to this communication. Any reply e-mail communication that purports to be an order or subscription for securities will be ignored or rejected.



REPUBLIC OF INDONESIA
(THROUGH PERUSAHAAN PENERBIT SBSN INDONESIA III)
U.S.\$35,000,000,000 TRUST CERTIFICATE ISSUANCE PROGRAM

Under the trust certificate issuance program (the “**Program**”) described in this offering memorandum (the “**Offering Memorandum**”), Perusahaan Penerbit Surat Berharga Syariah Negara (“**SBSN**”) Indonesia III, established in Indonesia based on Government Regulation No. 57 of 2011 on the Establishment of Perusahaan Penerbit SBSN Indonesia III in conjunction with Law No. 19 of 2008 on Sovereign Sukuk (SBSN) and Government Regulation No. 56 of 2008 on Perusahaan Penerbit SBSN (as amended by Government Regulation No. 73 of 2012) (in its capacity as issuer, the “**Issuer**” or “**PPSI-III**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue trust certificates (the “**Certificates**”) in ijarah or wakala series (an “**Ijarah Series**” or a “**Wakala Series**”, respectively, and each, a “**Series**”) and in any currency agreed between the Issuer and the relevant Dealer (as defined below).

Certificates may only be issued in registered form. The maximum aggregate face amount of all Certificates (“**face amount**”) from time to time outstanding under the Program will not exceed U.S.\$35,000,000,000 (or its equivalent in other currencies calculated as described in the Program Agreement as defined herein), subject to increase as described herein.

The Certificates may be issued on a continuing basis to the Dealers and any additional dealer(s) appointed under the Program from time to time (each, a “**Dealer**” and, together, the “**Dealers**”) pursuant to the terms of an amended and restated program agreement dated 17 May 2022 (as the same may be amended or supplemented from time to time, the “**Program Agreement**”) which appointment may be for a specific issue or on an ongoing basis. References in this Offering Memorandum to the “**relevant Dealer**” shall, in the case of Certificates being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe to such Certificates.

An investment in Certificates issued under the Program involves certain risks. For a discussion of these risks, see “Investment Considerations.”

Each Series of Certificates issued under the Program will be constituted by (i) an amended and restated master declaration of trust (the “**Master Declaration of Trust**”) dated 17 May 2022 entered into between the Issuer, the Trustee, the Republic of Indonesia (the “**Republic**”) and The Bank of New York Mellon (the “**Delegate**”) and (ii) a supplemental declaration of trust (the “**Supplemental Declaration of Trust**”) and, together with the Master Declaration of Trust, the “**Declaration of Trust**”) in relation to the relevant Series. Pursuant to the Declaration of Trust, the Issuer (in its capacity as the trustee for and on behalf of the Certificateholders (as defined herein), the “**Trustee**”) will declare that it will hold the Trust Assets (as defined herein) upon trust absolutely for the holders of the Certificates of the relevant Series *pro rata* according to the face amount of Certificates held by each Certificateholder in accordance with the Declaration of Trust, the terms and conditions of the Certificates (the “**Conditions**”) and the applicable pricing supplement relating to such Series (the “**applicable Pricing Supplement**”). Notice of the aggregate face amount of each Series of Certificates, whether that Series will be an Ijarah Series or a Wakala Series, and any other terms and conditions not contained herein which are applicable to the Series will be set out in the applicable Pricing Supplement.

Application has been made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for permission to deal in and quotation for any Certificates which are agreed at the time of issue thereof to be so listed on the SGX-ST. Such permission will be granted when such Certificates have been admitted to the Official List of the SGX-ST. The SGX-ST takes no responsibility for the correctness of any statements made or opinions expressed herein. An approval-in-principle and the admission of any Certificates to the Official List of the SGX-ST are not to be taken as an indication of the merits of the Issuer, the Republic, the Program or the Certificates. Unlisted Certificates may be issued under the Program. The applicable Pricing Supplement in respect of any Series will specify whether or not such Certificates will be listed and, if so, on which exchange(s) the Certificates are to be listed. There is no assurance that the application to the Official List of the SGX-ST for the listing of the Certificates of any Series will be approved. Each of the Issuer and the Republic is an “**Exempt Offeror**” for the purposes of Article 13(1) of the Markets Law, Dubai International Financial Centre Law No. 1 of 2012 (the “**Markets Law 2012**”) of the Dubai Financial Services Authority (the “**DFSA**”). Accordingly, this Offering Memorandum has not been approved by the DFSA for the purposes of Articles 14 and 15 of the Markets Law 2012. Application has been made to the DFSA for certain Certificates issued under the Program during the period of 12 months from the date of this Offering Memorandum to be admitted to the official list of securities (the “**DFSA Official List**”) maintained by the DFSA and to Nasdaq Dubai Ltd. (“**Nasdaq Dubai**”) for such Certificates to be admitted to trading on Nasdaq Dubai.

Investors should also note that the Certificates will be delisted from the SGX-ST, Nasdaq Dubai and/or any further stock exchanges following the occurrence of a Tangibility Event (see Condition 9.4 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*)).

The Certificates will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, Certificates will be offered, sold or delivered (i) outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”) (the “**Regulation S Certificates**”) and (ii) within the United States in reliance on Rule 144A under the Securities Act (Rule 144A) only to persons who are “**qualified institutional buyers**” (each a “**QIB**”) within the meaning of Rule 144A, acting for their own account or for the account of one or more QIBs (the “**Rule 144A Certificates**”) or to accredited investors as that term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D of the Securities Act that are institutions (“**Institutional Accredited Investors**”), acting for their own account or for the account of one or more Institutional Accredited Investors (the “**Definitive IAI Certificates**”). Each purchaser of the Certificates in making its purchase will be deemed to have made certain acknowledgements, representations and agreements. Prospective purchasers are hereby notified that sellers of the Rule 144A Certificates may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Certificates are subject to other restrictions on transferability and resale; see “**Plan of Distribution**” and “**Transfer Restrictions**”.

The Certificates will be represented by one or more global certificates in fully registered form which will, unless otherwise specified in the applicable Pricing Supplement, be registered in the name of a nominee of The Depository Trust Company (“**DTC**”) or, in the case of Regulation S Certificates only, may alternatively be registered in the name of a nominee for the common depository for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, SA (“**Clearstream, Luxembourg**”). It is expected that delivery of the Certificates in book-entry form will be made against payment on the Issue Date (as defined herein) through the book-entry facilities of DTC or Euroclear and Clearstream, Luxembourg, as the case may be.

Beneficial interests in the Certificates will be shown on, and transfers thereof, unless otherwise specified in the applicable Pricing Supplement, will be effected only through, records maintained by DTC and its direct or indirect participants, including Euroclear and Clearstream, Luxembourg, or, in the case of Regulation S Certificates only, Euroclear or Clearstream, Luxembourg. Except as described herein, definitive Certificates will not be issued in exchange for beneficial interests in global certificates.

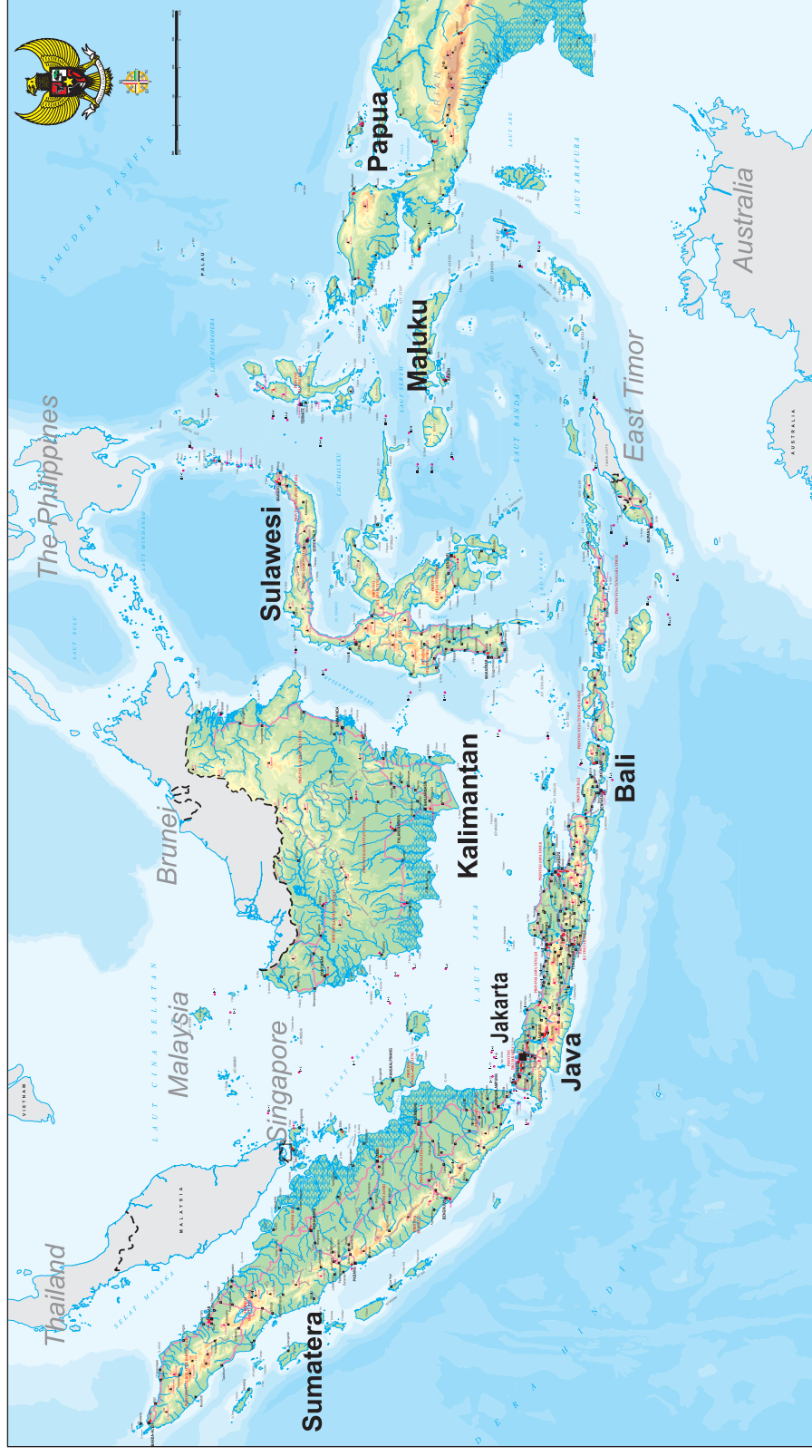
The transaction structure relating to the Certificates (as described in this Offering Memorandum) has been approved by CIMB Islamic Bank Berhad, Khaliq Islamic, Shariah Adviser of Deutsche Bank AG, London Branch, the Internal Sharia Supervisory Committee (ISCD) of Dubai Islamic Bank PJSC, the HSBC Global Shariah Supervisory Committee and the Standard Chartered Bank Global Sharia Supervisory Committee. Prospective Certificateholders should not rely on such approvals in deciding whether to make an investment in the Certificates and should consult their own Sharia advisers as to whether the proposed transaction described in such approvals is in compliance with their individual standards of compliance with Sharia principles. None of the Issuer, the Republic, the Dealers, the Delegate or any of the Agents makes any representation as to the Sharia compliance of the Certificates and/or any trading thereof.

Arrangers

CIMB	Deutsche Bank	Dubai Islamic Bank	HSBC	Standard Chartered Bank
<i>Dealers</i>				
CIMB	Deutsche Bank	Dubai Islamic Bank	HSBC	Standard Chartered Bank

The date of this Offering Memorandum is 17 May 2022

Republic of Indonesia



Source: National Coordinating Agency for Surveys and Mapping, with modifications

The Issuer and the Republic accept responsibility for the information contained in this Offering Memorandum. To the best of the knowledge of each of the Issuer and the Republic (each having taken all reasonable care to ensure that such is the case), the information contained in this Offering Memorandum is in accordance with the facts subsisting on the date of this Offering Memorandum and does not omit anything likely to affect the import of such information.

This Offering Memorandum should be read and construed together with any amendments or supplements hereto and, in relation to any Series of Certificates, should be read and construed together with the applicable Pricing Supplement.

Copies of the applicable Pricing Supplement will be available from the registered office of the Issuer and the specified office set out below of the Principal Paying Agent (as defined below).

The Issuer has agreed to comply with any undertakings given by it from time to time to the SGX-ST in connection with Certificates in a Series to be listed on the SGX-ST and, without prejudice to the generality of the foregoing, shall in connection with the listing of the Certificates on the SGX-ST or any other relevant stock exchange, so long as any Certificate remains outstanding, prepare a supplement to this Offering Memorandum, or, as the case may be, publish a new offering memorandum, whenever required by the rules of the SGX-ST or any other relevant stock exchange and in any event (i) if the maximum aggregate face amount of the Certificates that may be issued under the Program is increased, (ii) upon the Issuer or the Republic becoming aware that (A) there has been a significant change (including any change to the Conditions of a Series of Certificates to be listed on the SGX-ST) affecting any matter contained in this Offering Memorandum or (B) a significant new matter has arisen, the inclusion of information in respect of which would have been required to be in this Offering Memorandum if it had arisen before this Offering Memorandum was issued or (iii) if the terms of the Program are modified or amended in a manner which would make this Offering Memorandum, as supplemented, materially inaccurate or misleading. In the event that a supplement to this Offering Memorandum is produced pursuant to such undertakings, a copy of such supplement will accompany this Offering Memorandum. Any such supplement to this Offering Memorandum will also be available from the specified office of the Principal Paying Agent. See *“General Information — Documents Available.”*

None of the Arrangers, the Dealers, the Delegate nor any of the Agents (each as defined herein) has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Arrangers, the Dealers, the Delegate or any of the Agents as to the accuracy, adequacy, reasonableness or completeness of the information contained in or incorporated by reference into this Offering Memorandum or any other information provided by the Issuer or the Republic or any other person in connection with the Program or the Certificates or their distribution. None of the Arrangers, the Dealers, the Delegate nor any of the Agents accepts any liability or responsibility in relation to the information contained in or incorporated by reference into this Offering Memorandum or any other information provided by the Issuer or the Republic in connection with the Program or for any statements made or purported to be made by the Arrangers, the Dealers, the Delegate or the Agents or on its behalf in connection with the Issuer or the Republic or the offering of the Certificates. The Arrangers, the Dealers, the Delegate and the Agents accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which any of them might otherwise have in respect of this Offering Memorandum or any such statement. The SGX-ST takes no responsibility for the contents of this Offering Memorandum nor does it make any representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon any part of the contents of this Offering Memorandum. The statements made in this paragraph are made without prejudice to the responsibility of the Issuer and Republic under the Program.

No person is or has been authorised in connection with the offering of the Certificates to give any information or to make any representation other than as contained in this Offering Memorandum or any other information supplied in connection with the Program or the Certificates, and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Republic, the Arrangers, the Dealers, the Trustee, the Delegate, the Agents or any other person. Neither the delivery of this Offering Memorandum, any other information supplied in connection with the Program or the Certificates nor any sale of any Certificates shall, under any circumstances, constitute a representation or create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the affairs of any party mentioned herein since that date.

Neither this Offering Memorandum nor any other information supplied in connection with the Program or the Certificates is intended to provide the basis of any credit or other evaluation or should be considered as a

recommendation by the Issuer, the Republic, the Arrangers, the Dealers, the Trustee, the Delegate or the Agents that any recipient of this Offering Memorandum should purchase any of the Certificates. Each investor contemplating purchasing any Certificates should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Republic. None of the Arrangers, the Dealers, the Delegate or the Agents undertakes to review the Issuer's or the Republic's financial condition or affairs during the life of the arrangements contemplated by this Offering Memorandum nor to advise any investor or potential investor in the Certificates of any information relating to the Issuer and the Republic coming to its attention.

Pursuant to the recommendations in the ICMA Green Bond Principles, Social Bond Principles and Sustainability Bond Guidelines by the International Capital Market Association from time to time (the “**ICMA Principles**”) the Republic has engaged the Centre for International Climate Research (“**CICERO**”) and the International Institute for Sustainable Development (“**IISD**”) to issue a framework overview and second party opinion dated 1 September 2021 (the “**CICERO and IISD Report**”) in relation to the Republic's SDGs Government Securities Framework (the “**SDGs Government Securities Framework**”), which is described in “*Republic of Indonesia — SDGs Government Securities Framework*” in this Offering Memorandum, to confirm the SDGs Government Securities Framework's alignment with the ICMA Principles. The CICERO and IISD Report is not incorporated into, and does not form part of, this Offering Memorandum. None of the Arrangers, the Dealers, the Delegate or the Agents make any representation as to the suitability or content of the SDGs Government Securities Framework and none of the Republic, the Issuer, the Arrangers, the Dealers, the Delegate or the Agents make any representation as to the suitability of the CICERO and IISD Report. The CICERO and IISD Report is not a recommendation to buy, sell or hold securities and is only current as of the date it was initially issued. Furthermore, the CICERO and IISD Report is for information purposes only and neither CICERO nor IISD accept any form of liability for its content and/or any liability for loss arising from the use of the CICERO and IISD Report and/or the information provided therein.

No comment is made or advice given by the Issuer, the Republic, the Arrangers, the Dealers, the Trustee, the Delegate or the Agents in respect of taxation matters relating to the Certificates or the legality of the purchase of the Certificates by an investor under any applicable law.

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN TAX ADVISER, LEGAL ADVISER, SHARIA ADVISER AND BUSINESS ADVISER AS TO TAX, LEGAL, SHARIA, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF THE CERTIFICATES.

None of the Arrangers, Dealers nor any of their respective affiliates shall be responsible for any act or omission of the Republic or any other person in connection with the Program and the issue and offering of Certificates thereunder.

This Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy any Certificates in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Offering Memorandum and the offer or sale of the Certificates may be restricted by law in certain jurisdictions. None of the Issuer, the Republic, the Arrangers, the Dealers, the Trustee, the Delegate or the Agents represents that this Offering Memorandum may be lawfully distributed, or that any Certificates may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Republic, the Arrangers, the Dealers, the Trustee, the Delegate or the Agents which is intended to permit a public offering of any Certificates or distribution of this Offering Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Certificates may be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Offering Memorandum or any Certificates may come must inform themselves about, and observe, any such restrictions on the distribution of this Offering Memorandum and the offering and sale of the Certificates. In particular, there are restrictions on the distribution of this Offering Memorandum and the offer or sale of Certificates in the United States, the United Kingdom, the European Economic Area, Hong Kong, Japan, Singapore, Brunei, the United Arab Emirates (excluding the Dubai International Finance Centre), Dubai International Financial Centre, the Kingdom of Saudi Arabia, the State of Qatar, the Kingdom of Bahrain, the State of Kuwait, Malaysia and Switzerland. See “*Plan of Distribution*.”

THE CERTIFICATES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE

UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF CERTIFICATES OR THE ACCURACY OR THE ADEQUACY OF THIS OFFERING MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

The Certificates have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. Certificates may not be offered, sold or delivered within the United States, except in transactions exempt from, or in transactions not subject to, the registration requirements of the Securities Act. This Offering Memorandum has been prepared by the Issuer and the Republic for use in connection with the offer and sale of Certificates outside the United States in reliance upon Regulation S and within the United States (i) to QIBs in reliance upon and as defined in Rule 144A, or (ii) to a limited number of Institutional Accredited Investors pursuant to an exemption from the registration requirements of the Securities Act, or (iii) in transactions otherwise exempt from registration. Prospective purchasers are hereby notified that sellers of Certificates may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on transfer of the Certificates, see “*Plan of Distribution*” and “*Transfer Restrictions*.”

Purchasers of Definitive IAI Certificates will be required to execute and deliver an investor representation letter. Each purchaser or holder of Regulation S Certificates, Rule 144A Certificates and Definitive IAI Certificates, or any Certificates issued in registered form in exchange or substitution therefor will be deemed, by its acceptance or purchase of any such Certificates, to have made certain representations and agreements intended to restrict the resale or other transfer of such Certificates as set out in “*Transfer Restrictions*”. Unless otherwise stated, terms used in this paragraph have the meanings given to them in “*Global Certificates — Form of the Certificates*.”

Certain information under the heading “*Clearance and Settlement*” has been extracted from information provided by the clearing systems referred to therein. The Republic confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant clearing systems, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In making an investment decision regarding the Certificates, prospective investors must rely on their own examination of the Issuer, the Republic, the terms of the Program and the Certificates, including the merits and risks involved. None of the Arrangers, the Dealers, the Issuer, the Delegate, the Agents or the Republic makes any representation to any investor in the Certificates regarding the legality of its investment under any applicable laws. Any investor in the Certificates should be able to bear the economic risk of an investment in the Certificates for an indefinite period.

IN CONNECTION WITH THE ISSUE OF CERTIFICATES IN ANY SERIES UNDER THE PROGRAM, SUBSEQUENT TO THE ISSUE OF CERTIFICATES, THE DEALER OR DEALERS (IF ANY) NAMED AS THE STABILISING MANAGER(S) (EACH, A STABILISING MANAGER) (OR PERSONS ACTING ON BEHALF OF ANY STABILISING MANAGER(S)) IN THE APPLICABLE PRICING SUPPLEMENT MAY OVER-ALLOT CERTIFICATES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE CERTIFICATES IN SUCH A SERIES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE ISSUE DATE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE CERTIFICATES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE CERTIFICATES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER(S) (OR PERSONS ACTING ON BEHALF OF ANY STABILISATION MANAGER(S)) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES. SEE “*Plan of Distribution*.”

MIFID II PRODUCT GOVERNANCE/TARGET MARKET — The Pricing Supplement in respect of any Certificates may include a legend entitled “**MiFID II product governance/Professional investors and ECPs only target market**” which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any person subsequently offering, selling or recommending the Certificates (a “**distributor**”) should take into consideration the target market assessment;

however, a distributor subject to Directive 2014/65/EU (as amended, “**MiFID II**”) is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance Rules**”), any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET — The Pricing Supplement in respect of any Certificates may include a legend entitled “**UK MiFIR Product Governance/Professional investors and ECPs only target market**” which will outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any person subsequently offering, selling or recommending the Certificates (a “**UK distributor**”) should take into consideration the target market assessment; however, a UK distributor subject to the UK Financial Conduct Authority Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Certificates is a UK manufacturer in respect of such Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a UK manufacturer for the purpose of the UK MiFIR Product Governance Rules.

SINGAPORE SECURITIES AND FUTURES ACT CLASSIFICATION

The Pricing Supplement in respect of any Certificates may include a legend entitled “*Singapore Securities and Futures Act Product Classification*” which will state the product classification of the Certificates pursuant to section 309B(1) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “**SFA**”).

The Issuer will make a determination in relation to each issue about the classification of the Certificates being offered for purposes of section 309B(1)(a). Any such legend included on the relevant Pricing Supplement will constitute notice to “relevant persons” for purposes of section 309B(1)(c) of the SFA.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

THIS OFFERING MEMORANDUM MAY NOT BE DISTRIBUTED IN THE KINGDOM OF SAUDI ARABIA EXCEPT TO SUCH PERSONS AS ARE PERMITTED UNDER THE RULES ON THE OFFER OF SECURITIES AND CONTINUING OBLIGATIONS ISSUED BY THE CAPITAL MARKET AUTHORITY OF THE KINGDOM OF SAUDI ARABIA (THE “**CMA**”).

THE CMA DOES NOT MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF THIS OFFERING MEMORANDUM, AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM, OR INCURRED IN RELIANCE UPON, ANY PART OF THIS OFFERING MEMORANDUM. PROSPECTIVE PURCHASERS OF THE CERTIFICATES OFFERED UNDER THE PROGRAM SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE ACCURACY OF THE INFORMATION RELATING TO THE CERTIFICATES. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS OFFERING MEMORANDUM, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISER.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

THIS OFFER IS A PRIVATE PLACEMENT. IT IS NOT SUBJECT TO THE REGULATIONS OF THE CENTRAL BANK OF BAHRAIN THAT APPLY TO PUBLIC OFFERINGS OF SECURITIES AND THE EXTENSIVE DISCLOSURE REQUIREMENTS AND OTHER PROTECTIONS THAT THESE REGULATIONS CONTAIN. THIS OFFERING MEMORANDUM IS THEREFORE INTENDED ONLY FOR “**ACCREDITED INVESTORS**” AS DEFINED BY THE CENTRAL BANK OF BAHRAIN.

THE FINANCIAL INSTRUMENTS OFFERED PURSUANT TO THIS OFFERING MEMORANDUM MAY ONLY BE OFFERED IN MINIMUM SUBSCRIPTIONS OF U.S.\$200,000 (OR ITS EQUIVALENT IN FOREIGN CURRENCIES).

THE CENTRAL BANK OF BAHRAIN ASSUMES NO RESPONSIBILITY FOR THE ACCURACY AND COMPLETENESS OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER ARISING FROM RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS OFFERING MEMORANDUM.

THE BOARD OF DIRECTORS AND THE MANAGEMENT OF THE OFFEROR ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE BOARD OF DIRECTORS AND THE MANAGEMENT, WHO HAVE TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE, THE INFORMATION CONTAINED IN THIS OFFERING MEMORANDUM IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE RELIABILITY OF SUCH INFORMATION.

THIS OFFERING MEMORANDUM CONTAINS INFORMATION WHICH SHOULD BE READ CAREFULLY BEFORE ANY DECISION IS MADE WITH RESPECT TO THE PROPOSALS CONTAINED THEREIN AND THE INVESTORS ARE RECOMMENDED TO TAKE THEIR OWN FINANCIAL ADVICE IN RESPECT OF ANY OF THE TERMS AND CONDITIONS OF THIS OFFERING MEMORANDUM.

NOTICE TO RESIDENTS OF MALAYSIA

THE CERTIFICATES MAY NOT BE OFFERED FOR SUBSCRIPTION OR PURCHASE AND NO INVITATION TO SUBSCRIBE FOR OR PURCHASE THE CERTIFICATES IN MALAYSIA MAY BE MADE, DIRECTLY OR INDIRECTLY, AND THIS OFFERING MEMORANDUM OR ANY DOCUMENT OR OTHER MATERIALS IN CONNECTION THEREWITH MAY NOT BE DISTRIBUTED IN MALAYSIA OTHER THAN TO PERSONS FALLING WITHIN THE CATEGORIES OF PERSON SPECIFIED UNDER PART 1 OF SCHEDULE 6 (OR SECTION 229(1)(B)), PART 1 OF SCHEDULE 7 (OR SECTION 230(1)(B)), AND SCHEDULE 8 (OR SECTION 257(1)) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 OF MALAYSIA (“CMSA”), READ TOGETHER WITH SCHEDULE 9 (OR SECTION 257(3)) OF THE CMSA.

THE SECURITIES COMMISSION MALAYSIA SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE ISSUER OR THE REPUBLIC AND ASSUMES NO RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENTS MADE OR OPINIONS OR REPORTS EXPRESSED IN THIS OFFERING MEMORANDUM.

EXCHANGE RATES

Unless otherwise indicated, all references in this Offering Memorandum to “**Rupiah**” or “**Rp**” are to the currency of Indonesia, those to “**dollars**,” “**U.S. dollars**” or “**U.S.\$**” are to the currency of the United States of America, those to “**JP ¥**” are to the lawful currency of Japan, those to “**€**” or “**euro**” are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty Establishing the European Community, as amended, those to “**SDR**” are to Special Drawing Rights of the International Monetary Fund (“**IMF**”) and those to “**ID**” are to Islamic Dinars of the Islamic Development Bank. References in this document to “**Indonesia**” or the “**Republic**” are to the Republic of Indonesia and to the “**Government**” are to the Government of Indonesia.

For ease of presentation, certain financial information relating to the Republic included herein is presented as translated into U.S. dollars. Unless otherwise specified herein, all translations of Rupiah into U.S. dollars or from U.S. dollars into Rupiah were made at the middle exchange rate, the mid-point between the buy and sell rate (the “**BI middle exchange rate**”), between the Rupiah and the U.S. dollar, as announced by Bank Indonesia, the Indonesian Central Bank, as of the respective dates to which such information relates. However, these translations should not be construed as a representation that the Rupiah amount actually represents such U.S. dollar amount or could be converted into U.S. dollars at the rate indicated or any other rate. The BI middle exchange rate was Rp14,354 = U.S.\$1.00 on 18 April 2022. In addition, unless otherwise specified herein, all

translations of Rupiah into currencies other than U.S. dollars, or from such other currencies into Rupiah, were made at the BI middle exchange rate between the Rupiah and such other currencies as announced by Bank Indonesia as of the respective dates to which such information relates.

The following table sets forth information on exchange rates between the Rupiah and U.S. dollars as of the end of the periods indicated.

	Rupiah per U.S. dollar	
	End of Period	Average ⁽¹⁾
2016	13,473	13,305
2017	13,568	13,385
2018	14,380	14,246
2019	13,883	14,139
2020	14,050	14,525
2021	14,252	14,296
2022		
January	14,382	14,338
February	14,367	14,342
March	14,369	14,344
April ⁽²⁾	14,354	14,346

Source: Bank Indonesia

(1) Average exchange rate on year-to-date or month-to-date basis.

(2) As of 18 April 2022.

Statistical Data

Unless otherwise indicated, all statistical data and figures for 2022 or any part thereof are estimates based upon preliminary data and are subject to review and adjustment.

Certain budget figures appear as audited numbers in the relevant year's Central Government Financial Report (*Laporan Keuangan Pemerintah Pusat*, or "**LKPP**").

Certain statistical or financial information included in this Offering Memorandum may differ from previously published information for a number of reasons, including basis of presentation and ongoing statistical revisions. Also, certain monetary amounts included in this Offering Memorandum have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures that precede them.

FORWARD-LOOKING STATEMENTS

Forward-looking statements are statements that are not about historical facts, including statements about the Republic's beliefs and expectations. Such statements, certain of which can be identified by the use of forward looking terminology such as "believes", "expects", "may", "are expected to", "intends", "will", "will continue", "should", "could", "would be", "seeks", "approximately", "estimates", "predicts", "projects", "aims" or "anticipates", or similar expressions or the negative thereof or other variations thereof or comparable terminology, or by discussions of strategy, plans or intentions, involve a number of risks and uncertainties. These statements are based on current plans, estimates and projections, and therefore, you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made. Some of the statements contained in this Offering Memorandum under the section entitled "*Republic of Indonesia*" are forward looking. They include statements concerning, among others:

- the Republic's economic, business and political conditions and prospects;
- the Republic's financial stability;
- the depreciation or appreciation of the Rupiah;
- changes in interest rates; and
- governmental, statutory, regulatory or administrative initiatives.

Without prejudice to any requirements under applicable laws and regulations, the Republic expressly disclaims any obligation or undertaking to disseminate after the date of this Offering Memorandum any updates or revisions to any forward looking statements contained herein to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any such forward looking statement is based, including changes in Indonesia's economic policy or budgeted expenditures, or to reflect the occurrence of unanticipated events.

Forward-looking statements involve inherent risks and uncertainties. The Republic cautions you that a number of important factors could cause actual results to differ materially from those expressed in any forward-looking statement. These factors include, but are not limited to:

- adverse external factors, such as high international interest rates and recession or low growth in the Republic's trading partners. High international interest rates could increase the Republic's current account deficit and budgetary expenditures. Recession or low growth in the Republic's trading partners could lead to fewer exports from the Republic and, indirectly, lower growth in the Republic;
- instability or volatility in the international financial markets. This could lead to domestic volatility, making it more difficult for the Government to achieve its macroeconomic goals. This could also lead to declines in foreign direct and portfolio investment inflows;
- adverse domestic factors, such as a decline in domestic savings and investment, increases in domestic inflation, high domestic interest rates and exchange rate volatility. Each of these factors could lead to lower growth or lower international reserves; and
- other adverse factors, such as adverse oil price movements, climatic or seismic events, international or domestic hostilities, political uncertainty and delays in implementing and realising infrastructure projects and economic policies.

DATA DISSEMINATION

Indonesia subscribes to the IMF's Special Data Dissemination Standard, which is designed to improve the timeliness and quality of information of subscribing member countries. This standard requires subscribing member countries to provide schedules, referred to as the "Advance Release Calendar", indicating, in advance, the date on which data will be released. For Indonesia, precise dates or "no-later-than-dates" for the release of data are disseminated three months in advance through the Advance Release Calendar, which is published on the Internet under the IMF's Dissemination Standards Bulletin Board. Summary methodologies of all metadata to enhance transparency of statistical compilation are also provided on the Internet under the IMF's Dissemination Standards Bulletin Board. The internet website for Indonesia's Advance Release Calendar and metadata is located at <http://dsbb.imf.org/Pages/SDDS/ARCCtyCtgList.aspx?ctycode=IDN>. Neither the Republic, nor any of the Arrangers or Dealers accept any responsibility for information included on that website, and its contents are not intended to be incorporated by reference into this Offering Memorandum.

ENFORCEMENT

The Issuer is established by the Republic under Government Regulation No. 57 of 2011 on the Establishment of Perusahaan Penerbit SBSN Indonesia III in conjunction with Law No. 19 of 2008 on Sovereign Sukuk (SBSN) and Government Regulation No. 56 of 2008 on Perusahaan Penerbit SBSN (as amended by Government Regulation No. 73 of 2012) and is wholly-owned by the Republic. All of the directors of the Issuer reside in the Republic and substantially all of the assets of the Issuer and of such directors are located outside the United States. As a result, it may not be possible for investors to effect service of process outside the Republic upon the Issuer or such persons, or to enforce judgments against them obtained in courts outside the Republic, including any judgment predicated upon United States federal securities laws. The Issuer has been advised by its Indonesian legal counsel that there is doubt as to the enforceability in the Republic in original actions or in actions for enforcement of judgments of United States courts of civil liabilities predicated solely upon the federal securities laws of the United States.

The Republic is a sovereign nation. Consequently, it may be difficult for holders of the Certificates to obtain or enforce judgments against the Republic.

Subject to the following paragraph, to the extent that the Republic may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal

proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, the Republic will agree in the Transaction Documents (as defined herein) not to claim and will irrevocably and unconditionally waive such immunity in relation to any proceedings. Further, the Republic will irrevocably and unconditionally consent to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any proceedings.

The Republic's waiver of immunity is a limited and specific waiver for the purposes of the Certificates and the Transaction Documents and under no circumstances should it be interpreted as a general waiver by the Republic or a waiver with respect to proceedings unrelated to the Certificates or the Transaction Documents.

Furthermore, notwithstanding anything to the contrary in the foregoing, no waiver of immunity or consent shall be deemed or interpreted to include any waiver of immunity or consent in respect of:

- actions brought against the Republic arising out of or based upon U.S. federal or state securities laws;
- attachment under Indonesian laws;
- present or future “**premises of the mission**” as defined in the Vienna Convention on Diplomatic Relations signed in 1961;
- “**consular premises**” as defined in the Vienna Convention on Consular Relations signed in 1963;
- any other property or assets used solely or mainly for governmental or public purposes in the Republic or elsewhere; and
- military property or military assets or property or assets of the Republic related thereto,

provided that the foregoing limitations shall not preclude any proceeding to enforce any provision of the relevant Transaction Documents relating to the Assets (as defined herein).

Because the Republic has not submitted to jurisdiction or waived its sovereign immunity in connection with any action arising out of or based on United States federal or state securities laws, it will not be possible to obtain a judgment in the United States against the Republic based on such laws unless a court were to determine that the Republic is not entitled to sovereign immunity under the U.S. Foreign Sovereign Immunities Act of 1976 with respect to such actions. The Republic may assert immunity to such actions or with respect to the property or assets described above. Investors may have difficulty making any claims based upon such securities laws or enforcing judgments against the property or assets described above.

The Republic has appointed the Representative Office of Bank Indonesia in London as its authorised agent upon whom process may be served in any action arising out of or based on the Certificates or the Declaration of Trust. Such appointment is irrevocable until all amounts in respect of the Certificates have been paid in full or unless and until a successor has been appointed as the Republic's authorised agent and such successor has accepted such appointment. The Republic has agreed that it will at all times maintain an authorised agent to receive such service, as provided above. The Representative Office of Bank Indonesia is not the agent for receipt of service of process for actions under the United States federal or state securities laws.

The Republic is subject to suit in competent courts in Indonesia. However, the Law on State Treasury (Law No. 1 of 2004 as amended by Government Regulation in Lieu of Law No. 1 of 2020 on Policies on State Finance and Financial System Stability to Deal with Covid-19 Pandemic and/or Threat to the National Economy and/or Financial System Stability (as further ratified by the People's Representative Council (*Dewan Perwakilan Rakyat* or “**DPR**”) by virtue of Indonesian Law No. 2 of 2020)) prohibits the seizure or attachment of property or assets owned by the Republic. Furthermore, a judgment of a non-Indonesian court will not be enforceable by the courts of Indonesia, although such a judgment may be admissible as evidence in a proceeding on the underlying claim in an Indonesian court. Re-examination of the underlying claim *de novo* would be required before the Indonesian court.

CERTAIN DEFINED TERMS AND CONVENTIONS

Unless otherwise indicated, all references in this Offering Memorandum to (i) “**tons**” are to metric tons, each of which is equal to 1,000.0 kilograms or approximately 2,204.6 pounds, (ii) “**barrels**” are to U.S. barrels, each of which is equal to 159.0 litres, (iii) “**LNG**” are to liquefied natural gas and (iv) “**LPG**” are to liquefied

petroleum gas. Measures of distance referred to herein are stated in kilometres or “**km**” each of which is equal to 1,000.0 metres or approximately 0.62 miles. Measures of area referred to herein are stated in square kilometres, each of which is equal to approximately 0.39 square miles, or in hectares, each of which is equal to approximately 2.47 acres.

The Ministry of Energy and Mineral Resources publishes an average monthly and annual price for Indonesian crude oil which is commonly referred to as the Indonesian Crude Price (the “**ICP**”). ICP is calculated as the sum of (i) 50.0% of the average price for Indonesian crude oil published by Platts, a division of The McGraw-Hill Companies, and (ii) 50.0% of a crude oil price for Indonesian crude oil published by RIM Intelligence Co. of Japan for the relevant period. The Government evaluates the methodology of the calculation of the ICP from time to time and, if appropriate, adjusts the formula to ensure that the ICP closely tracks world market prices for Indonesian crude oil. The Government uses the ICP for various accounting and other purposes. For instance, the Ministry of Finance of the Republic (the “**Ministry of Finance**”) uses the ICP as an assumption underlying the preparation of the Government budget. See “*Republic of Indonesia — Government Budget.*”

Statistical information included in this Offering Memorandum is the latest official data publicly available at the date of this Offering Memorandum. Financial data provided in this Offering Memorandum may be subsequently revised in accordance with Indonesia’s ongoing maintenance of its economic data. The Republic has no obligation to distribute such revised data to any holder of Certificates.

In August 2014, the Republic revised its methodology in compiling balance of payments data, using the sixth edition of Balance of Payments and International Investment Position Manual (“**BPM6**”). This revised methodology was implemented to comply with international best practices. BPM6 will be implemented gradually in Indonesia’s balance of payments (“**BOP**”) statistics. The first phase of implementation, which began in the second quarter of 2014, involves reclassifying existing data components and improving the methodology in accordance with BPM6, using sources of data currently available.

The shift to the new methodology impacts the following data:

- In the goods account, the changes include: (a) reclassifying “goods for processing” as “manufacturing services on physical inputs owned by others” and “repairs on goods” as “maintenance and repair services” in the services account; and (b) incorporating only “goods procured in ports by carriers” and “general merchandise on a balance of payments basis”.
- In the services account, the changes include: (a) combining “information and computer services” and “communication services (excluding postal and couriers)” into “telecommunication, computer and information services”; (b) reclassifying “postal and couriers services” to “transportation services”; and (c) incorporating the “financial intermediation services” section into “indirectly measured estimates” (“**FISIM**”).
- The income account and current transfers account are renamed the primary income account and secondary income account, respectively, to comply with the terms used in the System of National Accounts 2008 and adjustments were made to the accounts after the implementation of FISIM.
- In the financial account, the changes include: (a) the presentation format of direct investment data, which was previously based on the directional principle of investment (direct investments abroad and foreign direct investments in Indonesia) that was based on the principle of assets-liabilities (“**direct investments — asset**” and “**direct investments — liability**”). Notwithstanding the change, the net value of direct investments according to BPM6 is the same as that in the fifth edition of Balance of Payments and International Investment Program Manual; and (b) including financial derivative data as an independent component, which is consistent with the information displayed by Indonesia’s International Investment Position Statistics.
- In the current account, the changes include: (a) the calculation of several indicators associated with the account; (b) reclassifying “goods for processing” from goods to services; and (c) recording net values instead of gross values. While the changes resulted in smaller values of imports of goods and services and current account receipts, and larger values of indicators for reserve adequacy and the debt service ratio, the level of the current account remains unchanged from the previous methodology.

The shift to the new methodology does not affect the “net errors and omissions”, “total balance”, and “reserves and related items” values in the current and financial accounts.

In this Offering Memorandum, GDP is shown in both current and constant market prices. GDP at current market prices values a country’s output using the actual prices for each year, while GDP at constant market

prices (also referred to as “real” GDP) values output using the prices from a base year, thereby eliminating the distorting effects of inflation and deflation. In 2015, Statistics Indonesia (*Badan Pusat Statistik* or “**BPS**”) adopted the calendar year 2010 as the base year (the “**Base Year**”) for the calculation of Indonesia’s GDP in constant market prices. Unless stated otherwise, all GDP growth rates in this Offering Memorandum (in aggregate or by sector) are based on constant market prices using the Base Year. Percentage shares of Indonesia’s GDP represented by various sectors (unless otherwise noted) use current market prices.

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SUMMARY

Overview

Indonesia is the world's fourth most populous country, with a population of approximately 272.7 million in 2021. It is a developing nation in Southeast Asia, spread across an archipelago of approximately 16,766 islands.

Despite a contraction in 2020 largely due to the negative impact of the Covid-19 outbreak, in recent years Indonesia has enjoyed relatively high economic growth and consolidated its transformation to a participatory democracy that places greater political power in the hands of local and regional governments. The Republic's domestic economic activity started to recover and its economic growth resumed in 2021.

Selected Key Economic Indicators

The following table sets forth certain of the Republic's principal economic indicators as of and for the specified dates and periods.

	Year Ended 31 December					
	2016 ^L	2017 ^L	2018 ^L	2019 ^L	2020 ^L	2021 ^P
National account and prices:						
Real GDP growth (period-on-period) . . .	5.0%	5.1%	5.2%	5.0%	(2.1)%	3.7%
Per capita GDP (in millions of Rupiah)	48.0	51.9	56.0	59.1	56.9	62.2
Per capita GDP (in U.S. dollars) ⁽¹⁾	3,604	3,877	3,927	4,175	3,912	4,350
Average exchange rate (Rupiah per U.S. dollar) ⁽²⁾	13,305	13,385	14,246	14,139	14,525	14,296
Inflation rate ((year-on-year) change in CPI)	3.0%	3.6%	3.1%	2.7%	1.7%	1.9%
External sector:						
Current account (% of GDP) ⁽³⁾	(1.8)%	(1.6)%	(2.9)%	(2.7)%	(0.4)%	0.3%
Fiscal account:						
Budget deficit (% of GDP)	(2.5)%	(2.5)%	(1.8)%	(2.2)%	(6.1)%	(4.7)%
External debt of the central Government (in trillions of Rupiah)	1,496.3	1,648.2	1,857.4	1,815.1	2,041.0	2,075.2
Debt service ratio (% of Government revenue)	32.5%	34.0%	39.1%	42.8%	45.4%	42.2%

Sources: Statistics Indonesia (*Badan Pusat Statistik* ("BPS")), Bank Indonesia and Ministry of Finance

^L *Laporan Keuangan Pemerintah Pusat* ("LKPP") (Financial Report of Central Government/Audited).

^P Preliminary.

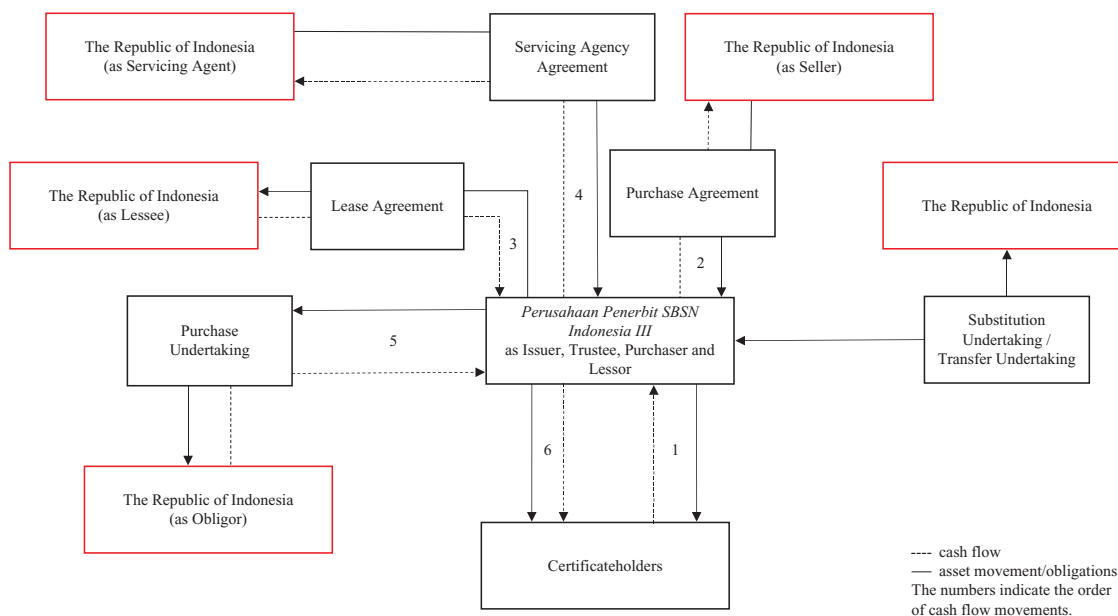
- (1) Per capita GDP in U.S. dollars has been converted from Rupiah into U.S. dollars and the U.S. dollar amounts of external debt of the central Government have been converted into Rupiah at the following exchange rates: Rp13,305 per U.S.\$ for 2016, Rp13,385 per U.S.\$ for 2017, Rp14,257 per U.S.\$ for 2018, Rp14,148 per U.S.\$ for 2019, Rp14,556 per U.S.\$ for 2020, and Rp14,309 per U.S.\$ for 2021. These exchange rates are calculated by BPS with reference to the weighted average monthly exchange rates applicable to export and import transactions for each month in a given period.
- (2) Official average exchange rate for the relevant period published by Bank Indonesia in its annual report.
- (3) As published by Bank Indonesia in Indonesia's balance of payments report.

STRUCTURE DIAGRAM AND CASH FLOWS

Set out below is a simplified structure diagram and description of the principal cash flows underlying each Ijara Series and Wakala Series. Potential investors are referred to the terms and conditions of the Certificates and the detailed descriptions of the relevant Transaction Documents set out elsewhere in this Offering Memorandum for a fuller description of certain cash flows and for an explanation of the meaning of certain capitalised terms used below.

IJARA SERIES

Structure Diagram



Principal cash flows

Payments by the Certificateholders and the Issuer

On the Issue Date of each Ijara Series, the Certificateholders will pay the Issue Price in respect of the Certificates to PPSI-III and PPSI-III will pay such amount to the Republic as the price payable under the Master Purchase Agreement (as defined herein) as supplemented by a Supplemental Purchase Agreement (as defined herein and together with the Master Purchase Agreement, the “**Purchase Agreement**”) for the purchase of the Ijara Assets identified in the Supplemental Purchase Agreement.

Periodic Payments by the Issuer

On or prior to each Periodic Distribution Date, the Lessee will pay to PPSI-III an amount reflecting the rental due under the Lease Agreement in respect of the Ijara Assets, which is intended to be sufficient to fund the Periodic Distribution Amounts payable by the Issuer under the Certificates and shall be applied by the Issuer for that purpose.

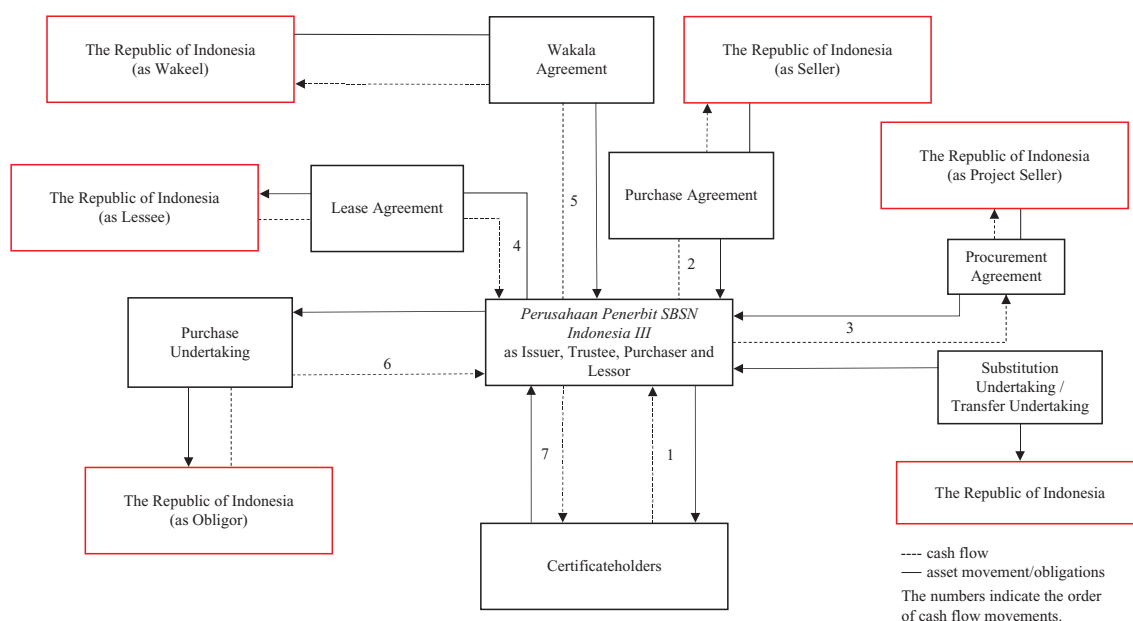
Dissolution Payment by the Republic

On the Scheduled Dissolution Date, PPSI-III will have the right under the Purchase Undertaking (as defined herein) to require the Republic to purchase all of its rights, title, benefits and entitlements in, to and under the Ijara Assets. The Exercise Price (as defined herein) payable by the Republic to the Issuer for such purpose is intended to fund the Dissolution Distribution Amount payable by the Issuer under the Certificates.

The Trust may be dissolved prior to the Scheduled Dissolution Date by reason of redemption following the occurrence of a Dissolution Event (as defined in Condition 12 (*Dissolution Events*)). In such case, the amounts payable by the Issuer on the due date for dissolution will be funded by the Republic purchasing PPSI-III’s rights, title, benefits and entitlements in, to and under the Ijara Assets and paying the Exercise Price to (or to the order of) PPSI-III pursuant to the terms of the Purchase Undertaking.

WAKALA SERIES

Structure Diagram



Principal cash flows

Payments by the Certificateholders and the Issuer

On the Issue Date of each Wakala Series, the Certificateholders will pay the Issue Price in respect of the Certificates to PPSI-III and PPSI-III will pay (i) more than 50.0% of such amount to the Republic as the price payable under the Purchase Agreement for the purchase of the Ijara Assets identified in the Supplemental Purchase Agreement and (ii) less than 50.0% of such amount to the Republic as the price payable under the Master Procurement Agreement (as defined herein) as supplemented by a Supplemental Procurement Agreement (as defined here and together with the Master Procurement Agreement, the “**Procurement Agreement**”) for the purchase of the Project Assets identified in the Supplemental Procurement Agreement, and the procurement of the construction of the relevant Project Assets and their delivery upon completion.

Periodic Payments by the Issuer

On or prior to each Periodic Distribution Date, the Lessee will pay to PPSI-III an amount reflecting the rental due under the Lease Agreement in respect of the Assets, which is intended to be sufficient to fund the Periodic Distribution Amounts payable by the Issuer under the Certificates and shall be applied by the Issuer for that purpose. The Lessee will further pay to PPSI-III an amount reflecting the rental due in respect of any Project Assets following their completion and delivery.

Dissolution Payment by the Republic

On the Scheduled Dissolution Date, PPSI-III will have the right under the Purchase Undertaking to require the Republic to purchase all of its rights, title, benefits and entitlements in, to and under the Ijara Assets and the Project Assets (as a single portfolio of assets for the relevant Series). The Exercise Price payable by the Republic to the Issuer for such purpose is intended to fund the Dissolution Distribution Amount payable by the Issuer under the Certificates.

The Trust may be dissolved prior to the Scheduled Dissolution Date by reason of redemption following the occurrence of a Dissolution Event or where all of the Certificates of a relevant Series are redeemed following the occurrence of a Tangibility Event (as defined in Condition 9.4 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*)). In such case, the amounts payable by the Issuer on the due date for dissolution will be funded by the Republic: (i) purchasing PPSI-III’s rights, title, benefits and

entitlements in, to and under the Ijara Assets and the Project Assets that have been completed and delivered and paying the Exercise Price to (or to the order of) PPSI-III pursuant to the terms of the Purchase Undertaking; and (ii) if applicable, making payment of any Non-Delivery Payment Amount pursuant to the terms of the relevant Supplemental Procurement Agreement.

SUMMARY OF THE PROGRAM

The following is an overview of the principal features of the Certificates issued under the Program. This overview should be read as an introduction to, and is qualified in its entirety by reference to, the more detailed information appearing elsewhere in this Offering Memorandum and the applicable Pricing Supplement. This overview may not contain all of the information that prospective investors should consider before deciding to invest in the Certificates. Accordingly, any decision by a prospective investor to invest in the Certificates should be based on a consideration of this Offering Memorandum as a whole and the applicable Pricing Supplement.

Words and expressions defined in “*Terms and Conditions of the Certificates*” shall have the same meanings in this overview. Reference to a “**Condition**” is to a numbered condition of the Terms and Conditions of the Certificates (the “**Conditions**”).

Parties

Issuer Perusahaan Penerbit SBSN Indonesia III (“**PPSI-III**”), a legal entity established in the Republic by the Government under Government Regulation No. 57 of 2011 on the Establishment of Perusahaan Penerbit Surat Berharga Syariah Negara Indonesia III in conjunction with Law No. 19 of 2008 on Sovereign Sukuk (Surat Berharga Syariah Negara) and Government Regulation No. 56 of 2008 on Perusahaan Penerbit Surat Berharga Syariah Negara as amended by Government Regulation No. 73 of 2012 on the amendment of Government Regulation No. 56 of 2008 on Perusahaan Penerbit Surat Berharga Syariah Negara. The Issuer has been established solely for the purpose of issuing Sharia compliant securities in foreign currencies in the international markets. In accordance with the Declaration of Trust, PPSI-III will (in its capacity as Trustee) act as trustee in respect of the Trust Assets for the benefit of each Series of Certificateholders (see “— *Trustee*” below).

Ownership of the Issuer The Issuer’s entire issued share capital is held by the Republic.

Seller The Republic (in such capacity, the “**Seller**”).

In respect of each Ijara Series, the Seller will sell to the Issuer pursuant to the Purchase Agreement (to hold as trustee for and on behalf of the Certificateholders) certain Ijara Assets identified in the relevant Supplemental Purchase Agreement.

In respect of each Wakala Series, the Seller will sell to the Issuer pursuant to:

- the Purchase Agreement (to hold as trustee for and on behalf of the Certificateholders) certain Ijara Assets identified in the relevant Supplemental Purchase Agreement for a purchase price of more than 50.0% of the Issue Price; and
- the Procurement Agreement (to hold as trustee for and on behalf of the Certificateholders) certain Project Assets identified in the Supplemental Procurement Agreement for a purchase price of less than 50.0% of the Issue Price, further to which the Project Seller will procure the construction of the relevant Project Assets and deliver such assets upon completion.

Lessor PPSI-III (in such capacity, the “**Lessor**”).

In respect of each Ijara Series, the Lessor may, from time to time, lease to the Lessee and the Lessee may, from time to time, lease from the Lessor pursuant to the Master Lease Agreement and a

Supplemental Lease Agreement (together, the “**Lease Agreement**”), certain Ijara Assets identified in that Supplemental Lease Agreement.

In respect of each Wakala Series, the Lessor may, from time to time, lease to the Lessee and the Lessee may, from time to time, lease from the Lessor pursuant to the Lease Agreement:

- certain Ijara Assets identified in the relevant Supplemental Lease Agreement; and
- following their completion and delivery, certain Project Assets identified in the Supplemental Lease Agreement.

Lessee The Republic (in such capacity, the “**Lessee**”). In respect of each Ijara Series and Wakala Series, and in accordance with the Lease Agreement, the Lessee may, from time to time, lease the Ijara Assets and, in respect of a Wakala Series, following their completion and delivery, the relevant Project Assets, in consideration for rental payable to the Lessor in the amounts and on the dates specified in the Lease Agreement. The rental for the Ijara Assets will be used to fund the Periodic Distribution Amounts payable by PPSI-III (in its capacity as Issuer) in respect of each Ijara Series and Wakala Series.

Servicing Agent In respect of an Ijara Series, the Republic (in such capacity, the “**Servicing Agent**”). Under the Lease Agreement, the Lessor will be responsible for *inter alia* insuring the Properties (as defined below), paying proprietorship taxes and performing major maintenance and structural repair. In accordance with the Servicing Agency Agreement, the Lessor will delegate this responsibility to the Servicing Agent to perform on the Lessor’s behalf. Pursuant to the Servicing Agency Agreement, the Servicing Agent will also maintain a separate ledger account which shall be used to record all rental received by the Servicing Agent pursuant to the Lease Agreement.

Wakeel In respect of a Wakala Series, the Republic (in such capacity, the “**Wakeel**”). Under the Lease Agreement, the Lessor will be responsible for *inter alia* insuring the Properties, paying proprietorship taxes and performing major maintenance and structural repair. In accordance with the Wakala Agreement, the Lessor will delegate this responsibility to the Wakeel to perform on the Lessor’s behalf. Pursuant to the Wakala Agreement, the Wakeel will also maintain a separate ledger account which shall be used to record all rental received by the Wakeel pursuant to the Lease Agreement. The Wakeel shall also ensure that the Tangible Asset Ratio is, at all times, more than 50% and shall ensure at all times the appointment of a Sharia adviser to monitor compliance by the Republic with the terms of the Transaction Documents to which it is a party.

Arrangers CIMB Investment Bank Berhad, Deutsche Bank AG, London Branch, Dubai Islamic Bank PJSC, The Hongkong and Shanghai Banking Corporation Limited and Standard Chartered Bank.

Dealers CIMB Investment Bank Berhad, Deutsche Bank AG, London Branch, Dubai Islamic Bank PJSC, The Hongkong and Shanghai Banking Corporation Limited and Standard Chartered Bank.

Trustee PPSI-III (in such capacity, the “**Trustee**”). In accordance with the Declaration of Trust, the Trustee will act as trustee in respect of the Trust Assets for the benefit of each Series of Certificateholders.

Delegate	The Bank of New York Mellon (the “ Delegate ”). In accordance with the Declaration of Trust, the Trustee will unconditionally and irrevocably delegate to the Delegate certain present and future duties, powers, authorities and discretions vested in the Trustee by certain provisions of the Declaration of Trust.
Principal Paying Agent	The Bank of New York Mellon.
Registrar and Transfer Agent	The Bank of New York Mellon as registrar and transfer agent with respect to Certificates held through DTC. The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar and The Bank of New York Mellon, London Branch as transfer agent with respect to Certificates held through Euroclear and/or Clearstream, Luxembourg.
Calculation Agent	The Bank of New York Mellon.
Summary of the Transaction Structure and Documents	An overview of the structure of the transaction and the principal cash flows is set out under “ <i>Structure Diagram and Cash Flows</i> ” and a description of the principal terms of the significant Transaction Documents is set out under “ <i>Summary of the Principal Transaction Documents</i> .”
Summary of the Certificates Method of Issue	The Certificates may be issued on a syndicated or non-syndicated basis. The Certificates will be issued in series (each a “ Series ”). Each Series will be issued on the relevant Issue Date specified in the applicable Pricing Supplement.
Program Size	Up to U.S.\$35,000,000,000 (or its equivalent in other currencies calculated as described in the Program Agreement) outstanding at any time. The Issuer may increase the amount of the Program in accordance with the terms of the Program Agreement.
Distribution	Certificates may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.
Currencies	Subject to any applicable legal or regulatory restrictions, any currency agreed between the Issuer and the relevant Dealer.
Maturities	The Certificates will have such maturities as may be agreed between the Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Issuer or the Specified Currency (as defined in the applicable Pricing Supplement).
Trust Assets	Each Certificate evidences an undivided ownership interest in the Trust Assets of each Series, subject to the terms of the Transaction Documents. The Trust Assets in respect of each Series consist of: all of the Issuer’s rights, title, interest and benefit in, to and under the Ijara Assets, in the case of an Ijara Series, and the Ijara Assets and the Project Assets, in the case of a Wakala Series (as varied from time to time as a result of the exercise of rights granted under the Substitution Undertaking or prior to the completion and delivery of Project Assets as provided in the Procurement Agreement and which, as of any Transfer Date, shall exclude the Transferred Assets);

- all of the Issuer's rights, title, interest and benefit in, to and under the Transaction Documents (other than in relation to any representations given to the Issuer by the Republic pursuant to the Transaction Documents which relate to that Series);
- all monies that from time to time are, standing to the credit of the Transaction Account for that Series; and
- all proceeds of the foregoing.

Issue Price Certificates may be issued on a fully paid basis and at an issue price which is at par.

Periodic Distributions Certificateholders are entitled to receive Periodic Distribution Amounts (as defined in the Conditions) calculated on the basis specified in the Pricing Supplement applicable to the relevant Series.

Benchmark Replacement If the Republic (in consultation, to the extent practicable, with the Calculation Agent or such other person specified in the applicable Pricing Supplement as the party responsible for calculating the Rate(s) and Periodic Distribution Amount(s)) determines that a Benchmark Event has occurred, the Trustee and the Republic shall use reasonable endeavours to appoint an Independent Adviser to determine a Successor Rate failing which an Alternative Rate to be used in place of the original Reference Rate. An Adjustment Spread may also be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate as the case may be.

Scheduled Dissolution of the Trust ... Certificates shall be redeemed on the Scheduled Dissolution Date and at the Dissolution Distribution Amount as may be specified in the applicable Pricing Supplement.

Dissolution Date The Scheduled Dissolution Date or any earlier date of dissolution of the Trust in accordance with the Conditions.

Early Dissolution of the Trust Other than as a result of the occurrence of a Dissolution Event, a Total Loss Event or (in the case of a Wakala Series) the exercise of the Tangibility Event Put Right (with respect to all the outstanding Certificates) following the occurrence of a Tangibility Event, the Trust will not be subject to dissolution, and the Certificates will not be redeemed, prior to the Scheduled Dissolution Date.

A “**Tangibility Event**” shall occur if, at any time, the Tangible Asset Ratio, other than as a result of the occurrence of a Total Loss Event or a Partial Loss Event, falls below 33 *per cent*.

Dissolution Events and Republic Events

The Dissolution Events are set out in Condition 12 (*Dissolution Events*). Following the occurrence of a Dissolution Event which is continuing, the Certificates may be redeemed in full at the Dissolution Distribution Amount. The Exercise Price paid pursuant to the Purchase Undertaking shall be used to fund the Dissolution Distribution Amount.

The Dissolution Events include the Republic Events which are certain events relating to the Republic, as set out in the Purchase Undertaking. These include (without limitation) a Partial Loss Dissolution Event.

“Partial Loss Dissolution Event” means the termination of the lease of the Assets in accordance with the Lease Agreement on the 91st day after the date of occurrence of the Partial Loss Event as a result of either: (a) provided that the Properties (as defined in the Lease Agreement) have not been replaced in accordance with the Servicing Agency Agreement or the Wakala Agreement (as applicable), the delivery by the Republic of a Partial Loss Termination Notice to the Lessor within 60 days after the date of occurrence of the Partial Loss Event in accordance with the Lease Agreement; or (b) the failure by the Republic to replace the Properties (as defined in the Lease Agreement) within 90 days after the date of occurrence of the Partial Loss Event in accordance with the Servicing Agency Agreement or the Wakala Agreement (as applicable).

“Partial Loss Event” means the partial impairment of one or more of the Properties in a manner that substantially deprives the Lessee from the benefits expected from the whole of the Properties, as determined by the Lessee and the occurrence of which: (a) has been certified in writing by a recognised independent industry expert; (b) has not arisen as a result of the Lessee’s negligence or misconduct; and (c) does not constitute a Total Loss Event.

Dissolution Distribution Amount The aggregate outstanding face amount of the relevant Certificates *plus* the Periodic Distribution Amounts accrued and unpaid (if any) to the due date for dissolution or redemption.

Total Loss Event The Trustee shall, upon receipt of notice from the Republic or otherwise upon becoming aware, of the occurrence of a Total Loss Event, unless the properties underlying the Assets are replaced by the Republic in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable, redeem the Certificates, in whole but not in part, by no later than the close of business in London on the 61st day after the occurrence of the Total Loss Event (a **“Total Loss Dissolution Date”**). The Certificates will be redeemed at their Dissolution Distribution Amount using the proceeds of: (a) the Insurances payable in respect of the Total Loss Event, and (b) if required, the Loss Shortfall Amount, which are required in each case to be paid into the Transaction Account by no later than close of business in London on the 61st day following the occurrence of the Total Loss Event. Upon payment in full of the Dissolution Distribution Amount to all Certificateholders, the Trustee shall be bound to dissolve the Trust.

Following the occurrence of a Total Loss Event, the Servicing Agent or the Wakeel (as applicable) shall promptly notify the Trustee and the Delegate of the same and the Trustee shall:

(a) promptly notify the Certificateholders (the **“Trading Notice”**) (i) of the occurrence of a Total Loss Event and (ii) from the date of the Trading Notice and until any further notice from the Trustee, in consultation with the Sharia adviser (appointed pursuant to the Servicing Agency Agreement or the Wakala Agreement, as applicable), the Certificates should be tradable only in accordance with the Sharia principles of debt trading (such as the principle that debt is to be traded (A) at par on a spot settlement basis or (B) against tangible assets and/or eligible commodities on a spot settlement basis); and

(b) give notice in writing to the Delegate and the Certificateholders of the Total Loss Dissolution Date following the occurrence of a Total Loss Event (unless the properties underlying the Assets are replaced by the Republic in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable).

“**Total Loss Event**” means the total loss or destruction of, or damage to the whole of, the Properties, or any event or occurrence that renders the whole of the Properties permanently unfit for any economic use and (but only after taking into consideration any insurance or other indemnity granted by any third party in respect of the Properties) the repair or remedial work in respect thereof is wholly uneconomical.

Cancellation of Certificates held by the Republic

The Republic may at any time purchase Certificates at any price in the open market or otherwise. Following any purchase of Certificates, the Republic may at its option hold or resell such Certificates or surrender the Certificates for cancellation by PPSI-III. Should the Republic wish to cancel any Certificates so purchased, it shall deliver a transfer notice (a “**Transfer Notice**”) to PPSI-III (in accordance with the terms of the Transfer Undertaking) whereupon PPSI-III shall, in accordance with the terms of the Transfer Undertaking, be obliged to transfer all of PPSI-III’s rights, title, benefits and entitlements in, to and under the Transferred Assets (as specified in the Transfer Notice) to the Republic in consideration for which the relevant Certificates shall be surrendered to PPSI-III for cancellation.

The transfer of the Transferred Assets will take effect by the Republic and PPSI-III entering into a transfer agreement (in the form scheduled to the Transfer Undertaking). Following the entry into such transfer agreement, PPSI-III shall cancel the relevant Certificates identified in the Transfer Notice on the Transfer Date specified in the Transfer Notice (which shall be a Periodic Distribution Date).

Covenants

The Purchase Undertaking contains a negative pledge given by the Republic. See “*Summary of the Principal Transaction Documents*.”

Role of Delegate

Pursuant to the Declaration of Trust, the Trustee will delegate to the Delegate certain of the present and future duties, powers, trusts, authorities and discretions vested in the Trustee by certain provisions of the Declaration of Trust. In particular, the Delegate shall be entitled to:

- deliver an Exercise Notice to the Republic in accordance with the Purchase Undertaking; and
- following a Dissolution Event, take any enforcement action in the name of the Trustee against the Republic.

Asset Substitution

Pursuant to a Substitution Undertaking entered into by PPSI-III in favour of the Republic, the Republic may, subject to certain conditions, require PPSI-III to accept the substitution of certain new assets (the “**New Assets**”) in replacement of certain existing Ijara Assets or, in the case of a Wakala Series and following the completion and delivery of such Project Assets, Project Assets subject to the Lease Agreement (together, the “**Replaced Assets**”) as described in a substitution notice provided by the Republic to PPSI-III, provided that the Republic certifies that (a) the New Assets

are of a Value equal or greater than the Value of the Replaced Assets; and (b) (in the case of a Wakala Series only) immediately following substitution pursuant to the terms of the Substitution Undertaking, the Tangible Asset Ratio shall be more than 50 per cent.. Upon the Republic giving notice of substitution to PPSI-III, (i) PPSI-III shall enter to a substitution sale agreement (in the form scheduled to the Substitution Undertaking) with the Republic to effect the transfer and conveyance of the Replaced Assets and the New Assets; and (ii) PPSI-III (as Lessor) and the Republic (as Lessee) shall amend the Supplemental Lease Agreement(s) in respect of such Series to reflect the change in composition of the properties that are subject to the Lease. If the value of the Replaced Assets as certified by the Republic is more than 20 *per cent.* of the aggregate outstanding face amount of the Certificates of such Series then the existing Supplemental Lease Agreement in respect of the relevant Replaced Assets shall be terminated and the Lessee and the Lessor shall immediately enter into a new Supplemental Lease Agreement in respect of the New Assets.

PPSI-III may also replace Project Assets under the Procurement Agreement prior to the completion and delivery of the relevant assets pursuant to the specified Project by the amendment of the schedule to the relevant Supplemental Procurement Agreement specifying such Project Assets.

In addition, the Servicing Agent or the Wakeel, as the case may be, may in accordance with the Servicing Agency Agreement or the Wakala Agreement, as the case may be, upon the occurrence of a Loss Event (as defined in the Lease Agreement), procure new properties with a value not less than the value of the Properties the subject of the Loss Event and shall convey the Beneficial Rights in and to such new properties to PPSI-III. Such replacement shall only be effective upon the entry into of a replacement Supplemental Lease Agreement in relation thereto pursuant to the terms of the Master Lease Agreement, which shall be entered into on the Replacement Date.

**Form and Delivery of the
Certificates**

The Certificates will be represented by one or more global certificates in fully registered form which will, unless otherwise specified in the applicable Pricing Supplement, be deposited on or about the Issue Date with a custodian for and registered in the name of a nominee of DTC, except that global certificates representing Regulation S Certificates may, if specified in the applicable Pricing Supplement, be deposited on or about its Issue Date with a common depository for, and registered in the name of a nominee of the common depository for Euroclear and Clearstream, Luxembourg.

It is expected that delivery of the Certificates in book-entry form will be made against payment on the Issue Date through the book-entry facilities of DTC or Euroclear or Clearstream, Luxembourg, as the case may be.

Beneficial interests in the global certificates deposited with DTC will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct or indirect participants, including Euroclear and Clearstream, Luxembourg. Beneficial interests in the global certificates deposited with the common depository for Euroclear and Clearstream, Luxembourg will be shown

on, and transfers thereof will be effected only through records maintained by Euroclear and Clearstream, Luxembourg and its direct or indirect participants. See “*Global Certificates*” and “*Clearance and Settlement*”. Except as described herein, definitive Certificates will not be issued in exchange for beneficial interests in global certificates.

Denominations The Certificates will be issued in such denominations as may be agreed between the Issuer, the Republic and the relevant Dealer save that the minimum denomination of each Certificate will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Specified Currency, above, save that the minimum denomination of each Certificate admitted to trading on a regulated market within the European Economic Area or offered to the public in a Member State of the European Economic Area, in circumstances which require the publication of a prospectus under the Prospectus Regulation, will be €100,000 (or, if the Certificates are denominated in a currency other than euro, the equivalent amount in such currency).

Status of the Certificates Each Certificate represents an undivided ownership interest in the Trust Assets of the relevant Series and will rank *pari passu*, without any preference, with the other Certificates of the Series.

Transaction Account The Principal Paying Agent will maintain and operate a separate non-interest bearing transaction account in New York denominated in the Specified Currency for each Series of Certificates in the name of the Issuer (the “**Transaction Account**”) into which, among other things, payments to the Issuer by the Lessee, the Servicing Agent or the Wakeel, as the case may be, and the Republic under the Lease Agreement, the Servicing Agency Agreement or the Wakala Agreement, as the case may be, the Purchase Undertaking or (in the case of a Wakala Series only) the relevant Supplemental Procurement Agreement, respectively, will be credited. Periodic Distribution Amounts and the Dissolution Distribution Amount will be paid to holders of the Certificates from funds standing to the credit of the Transaction Account in accordance with the order of priority described under “*Priority of Distributions*” below.

Priority of Distributions On each Periodic Distribution Date or on the relevant Dissolution Date (or, in the case of a Wakala Series only, a Tangibility Event Put Date) and upon payment of continuing rentals by the Republic following the failure of the Republic to pay the Exercise Price due under the Purchase Undertaking, the Principal Paying Agent shall apply the monies standing to the credit of the relevant Transaction Account in the following order of priority:

- *first*, to the Delegate in respect of all amounts owing to it under the Transaction Documents in its capacity as Delegate;
- *second*, to the Principal Paying Agent for application in or towards payment *pari passu* and ratably of all Periodic Distribution Amounts due but unpaid;
- *third*, only if such payment is made on the Dissolution Date (or, in the case of a Wakala Series only, a Tangibility Event Put Date), to the Principal Paying Agent for application in or towards payment *pari passu* and ratably of the Dissolution Distribution Amount;

- *fourth*, only if such payment is made on the Dissolution Date, to the Servicing Agent or the Wakeel, as the case may be, in or towards payment of all outstanding Servicing Agency Expenses or Management Expenses, respectively; and
- *fifth*, only if such payment is made on the Dissolution Date, to the Issuer in payment of any surplus.

Enforcement The Delegate shall not be bound in any circumstances to take any action to enforce or to realise the Assets or take any action against the Issuer or the Republic under any Transaction Document unless directed or requested to do so (a) by an Extraordinary Resolution or in the absence of an Extraordinary Resolution (b) in writing by the holders of at least 25.0% of the aggregate outstanding face amount of the Certificates and in either case then only if it shall be indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing. No Certificateholder shall be entitled to proceed directly against the Issuer or the Republic unless (i) the Delegate, having become bound so to proceed, fails to do so within 60 days of becoming so bound and such failure is continuing and (ii) the relevant Certificateholder (or such Certificateholder together with the other Certificateholders) who proposes to proceed directly against the Issuer or the Republic, holds at least 25.0% of the outstanding aggregate face amount of the Certificates. Under no circumstances shall the Delegate or any Certificateholders have any right to cause the sale or other disposition of any of the Assets (other than in accordance with the Purchase Undertaking) and the sole right of the Delegate and the Certificateholders in respect of the Assets shall be to enforce their respective obligations under the Transaction Documents.

Withholding Tax All payments by the Issuer under the Certificates are to be made without withholding or deduction for or on account of taxes, unless the withholding or deduction of the taxes is required by Indonesian law. In such event, the Issuer will be required pursuant to Condition 10 (*Taxation*) to pay such additional amounts as may be necessary to ensure that the full amount which otherwise would have been due and payable under the Certificates is received by the Certificateholders. All payments by each of the Lessee and the Republic to the Issuer under the Transaction Documents are to be made without withholding or deduction for or on account of taxes, unless the withholding or deduction of the taxes is required by Indonesian law. In such event, the relevant payer will be required pursuant to the relevant Transaction Documents to pay to the Issuer such additional amounts as may be necessary to ensure that the Issuer will receive the full amount which otherwise would have been due and payable.

Costs Undertaking The Republic will execute a Costs Undertaking pursuant to which it will agree to reimburse, among others, the Trustee, the Delegate and the Agents for certain expenses incurred by them and indemnify such parties in respect of certain liabilities incurred by them.

Use of Proceeds The proceeds of the issue of the Certificates of each Series will be paid by PPSI-III in its capacity as Purchaser and Issuer on the Issue Date to the Seller as the purchase price for the Assets of such Series.

Listing Application has been made to the SGX-ST for permission to deal in and quotation of any Certificates that may be issued pursuant to the

Program and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. There is no assurance that the application to the Official List of the SGX-ST for the listing of a particular Series will be approved. For so long as any Certificates are listed on the SGX-ST and the rules of the SGX-ST so require, such Certificates will be traded on the SGX-ST in a minimum board lot size of S\$200,000 (or its equivalent in any other currency).

Application has also been made for certain Certificates issued under the Program to be admitted to listing on the DFSA Official List of securities and to be admitted to trading on Nasdaq Dubai. The Certificates may also be listed on such other or further stock exchange(s) as may be agreed between the Issuer and the relevant Dealer in relation to each Series. Unlisted Certificates may also be issued under the Program. The relevant Pricing Supplement will state whether or not the Certificates of a Series will be listed on any exchange(s) and, if so, on which exchange(s) the Certificates are to be listed.

Clearing Systems DTC or Euroclear and/or Clearstream, Luxembourg and, in relation to any Series, such other clearing system as may be agreed between the Republic, the Issuer, the Delegate and the relevant Dealer. See “*Clearance and Settlement*.”

Ratings A Series of Certificates may be rated or unrated. Where a Series of Certificates is to be rated, such rating will be specified in the applicable Pricing Supplement.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Certificateholder Meetings A summary of the provisions for convening meetings of Certificateholders to consider matters relating to their interests is set out in Condition 16 (*Meetings of Certificateholders; Written Resolutions*) and Condition 17 (*Aggregation Agent; Aggregation Procedures*).

Tax Considerations See “*Taxation*” for a description of certain tax considerations applicable to the Certificates.

Transaction Documents The Transaction Documents are the Purchase Agreement, the Lease Agreement, the Procurement Agreement (in the case of a Wakala Series), the Servicing Agency Agreement (in the case of an Ijara Series) or the Wakala Agreement (in the case of a Wakala Series), the Purchase Undertaking, the Transfer Undertaking, any sale agreement, any transfer agreement, the Substitution Undertaking, the Declaration of Trust, the Agency Agreement and the Costs Undertaking.

Governing Law The Purchase Undertaking, the Transfer Undertaking, the Declaration of Trust, the Certificates, the Agency Agreement and the Costs Undertaking will be governed by English law.

The Lease Agreement, the Purchase Agreement, the Procurement Agreement, the Servicing Agency Agreement, the Wakala Agreement and the Substitution Undertaking will be governed by Indonesian law.

Selling Restrictions See “*Plan of Distribution*” for a description of the restrictions on the distribution of this Offering Memorandum and the offer or sale of Certificates in the United States, the United Kingdom, the European Economic Area, Hong Kong, Japan, Singapore, Brunei, the United Arab Emirates, Dubai International Financial Centre, the Kingdom of Saudi Arabia, the State of Qatar, the Kingdom of Bahrain, the State of Kuwait, Malaysia and Switzerland.

Waiver of Immunity Subject to the following paragraph, to the extent that the Republic may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, the Republic will agree in the Lease Agreement, Purchase Undertaking, the Transfer Undertaking, Declaration of Trust, Agency Agreement and Costs Undertaking not to claim and will irrevocably and unconditionally waive such immunity in relation to any proceedings. Further, the Republic will irrevocably and unconditionally consent to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any proceedings.

Notwithstanding anything to the contrary in the foregoing, no waiver of immunity or consent shall be deemed or interpreted to include any waiver of immunity or consent in respect of (i) actions brought against the Republic arising out of or based upon United States federal or state securities laws, (ii) attachment under Indonesian laws, (iii) present or future ‘premises of the mission’ as defined in the Vienna Convention on Diplomatic Relations signed in 1961, (iv) ‘consular premises’ as defined in the Vienna Convention on Consular Relations signed in 1963, (v) any other property or assets used solely or mainly for governmental or public purposes in the Republic or elsewhere, or (vi) military property or military assets or property or assets of the Republic related thereto; provided that the foregoing limitations shall not preclude any proceeding to enforce any provision of the relevant Transaction Documents relating to the Assets.

INVESTMENT CONSIDERATIONS

An investment in the Certificates involves certain risks. Prospective investors should carefully consider, in the light of their own financial circumstances and investment objectives, the following factors in addition to the matters set forth elsewhere in this Offering Memorandum, prior to investing in the Certificates. Each of the Republic and the Issuer believes that the factors described below represent the principal risks inherent in investing in the Certificates, but the Republic and the Issuer may be unable to pay any amounts on or in connection with any Certificate for other reasons and neither the Republic nor the Issuer represents that the statements below regarding the risks of holding any Certificate are exhaustive or that the statements below relate to any other risks not described therein. There may also be other considerations, including some which may not be presently known to the Republic or the Issuer or which the Republic or the Issuer currently deem immaterial, that may impact on any investment in the Certificates.

Prospective investors should also read the detailed information set out elsewhere in this Offering Memorandum and reach their own views prior to making any investment decision. Words and expressions defined elsewhere in this Offering Memorandum shall have the same meanings in this section.

Investment consideration relating to the Issuer

The Issuer must rely on payments by the Republic.

The Issuer will not engage in (and has not, to date, engaged in) any business activity other than the issuance of the Certificates under the Program, the acquisition of Ijara Assets and Project Assets as described herein, acting in the capacity as Trustee and other activities incidental or related to the foregoing as required under the Transaction Documents.

The Issuer's only material assets, which will be held in trust for Certificateholders, will be the Trust Assets relating to each Series, including its right to receive payments from the Lessee under the Lease Agreement relating to each Ijara Series and the Wakeel under the Wakala Agreement relating to each Wakala Series, and payment from the Republic of the Exercise Price under the Purchase Undertaking. Therefore, the Issuer is subject to all the risks to which the Republic is subject to the extent that such risks could limit the Republic's ability to satisfy in full and on a timely basis its obligations under the Transaction Documents to which it is a party.

Investors should therefore carefully review the description of the Republic herein under "*Republic of Indonesia*".

The ability of the Issuer to pay amounts due on the Certificates of each Series will primarily be dependent upon receipt by the Issuer from the Lessee of all amounts due under the Lease Agreement, in the case of an Ijara Series, and from the Wakeel of all amounts due under the Wakala Agreement, in the case of a Wakala Series and from the Republic of the Exercise Price under the Purchase Undertaking. In the event of any shortfall in such amounts, the ability of the Issuer to meet its payment obligations under the Certificates may be adversely affected.

Investment considerations relating to the Certificates

Limitations relating to the indemnity provisions under the Purchase Undertaking and the Master Declaration of Trust

The Republic has undertaken:

- (I) in the Purchase Undertaking and the Master Declaration of Trust that, *inter alia*, in respect of each Series:
 - (a) if, at the time of delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, the Republic is in actual or constructive possession, custody or control of all or any part of the Assets or the Tangibility Event Assets, as the case may be; and
 - (b) if, following delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, *inter alia* the relevant Exercise Price or the Tangibility Event Exercise Price, as the case may be, is not paid in accordance with the provisions of the Purchase Undertaking for any reason whatsoever,

the Republic shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the Certificates then outstanding or the Tangibility Event Certificates (as defined in the Purchase Undertaking), as the case may be, and, accordingly, the amount payable under any such indemnity claim will equal the Exercise Price or the Tangibility Event Exercise Price, as the case may be.

- (II) in the Master Declaration of Trust that, *inter alia*, in respect of each Wakala Series, if the aggregate amount of any and all Non-Delivery Payment Amounts (as defined in the relevant Supplemental Procurement Agreement) payable pursuant to the relevant Supplemental Procurement Agreement is not paid on the relevant Dissolution Date or any applicable Tangibility Event Put Date in accordance with the provisions of such Supplemental Procurement Agreement for any reason whatsoever, the Republic shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the relevant Certificates then outstanding and, accordingly, the amount payable under any such indemnity claim will equal such unpaid Non-Delivery Payment Amounts.

In relation to (A) paragraph (I) above, subject to the satisfaction of the conditions in (a) and (b) as described thereunder, if the Republic fails to pay the Exercise Price or the Tangibility Event Exercise Price, as the case may be, in accordance with the Purchase Undertaking, and (B) paragraph (II) above, if the Republic fails to pay the Non-Delivery Payment Amounts in accordance with the relevant Supplemental Procurement Agreement, the Delegate (on behalf of the Certificateholders) may, subject to the matters set out in Condition 13 (*Enforcement and Exercise of Rights*) and the terms of the Master Declaration of Trust, seek to enforce, *inter alia*, the provisions of (in the case of paragraph (I) above) the Purchase Undertaking and (in the case of paragraphs (I) and (II) above) the Master Declaration of Trust against the Republic by commencing legal proceedings.

However, investors should note that in relation to paragraph (I) above, in the event that the Republic does not have actual or constructive possession, custody or control of all or any part of the relevant Assets or the Tangibility Event Assets, as the case may be, at the time of delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, the condition in (a) as described above will not be satisfied and, therefore, no amounts will be payable by the Republic under the separate indemnity provisions. For the avoidance of doubt, no investigation has been or will be made by the Trustee, the Arrangers, the Dealers, the Delegate or the Agents as to whether the Republic has or will continue to have actual or constructive possession, custody or control of any Assets, or Tangibility Event Assets, as the case may be.

Accordingly, in the aforesaid events, the Delegate (on behalf of the Certificateholders) may be required to establish that there has been a breach of contract by the Republic and prove for damages. Such breach of contract may be due to (a) (in relation to paragraph (I) above) a breach by the Republic of the requirement to purchase the Trustee's rights, benefits and entitlements, in, to and under the relevant Assets or the Tangibility Event Assets, as the case may be, on the Dissolution Date, the Scheduled Dissolution Date or the Tangibility Event Put Date (as applicable) pursuant to the provisions of the Purchase Undertaking, (b) (in relation to paragraph (I) above) a breach by the Republic (in its capacity as Lessee) of its undertaking to maintain actual or constructive possession, custody or control of all of the Assets or the Tangibility Event Assets, as the case may be, or (c) (in relation to paragraph (II) above) a breach by the Republic of its obligation under the relevant Supplemental Procurement Agreement to pay the Non-Delivery Payment Amounts.

As a result, the Delegate (on behalf of the Certificateholders) may not be able to recover, or may face significant challenges in recovering, an amount equal to the Exercise Price, the Tangibility Event Exercise Price or the Non-Delivery Payment Amount, as the case may be, and in turn, the amount payable to the Certificateholders upon redemption.

There is currently no secondary market for the Certificates and there may be limited liquidity for Certificateholders.

There is no assurance that a secondary market for the Certificates will develop or, if it does develop, that it will provide the Certificateholders with liquidity of investment or that it will continue for the life of the Certificates. Accordingly, a Certificateholder may not be able to sell their Certificates easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The market value of the Certificates may fluctuate and a lack of liquidity, in particular, can have a material adverse effect on the market value of the Certificates. Accordingly, the purchase of the Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Certificates and the financial and other risks associated with an investment in the Certificates. An investor in the Certificates must be prepared to hold the Certificates for an indefinite period of time or until their maturity.

The Certificates may be subject to restrictions on transfer which may adversely affect the value of the Certificates.

The Certificates have not been and will not be registered under the Securities Act or any United States state securities laws and the Issuer has not undertaken to effect any exchange offer for the Certificates in the future.

The Certificates may not be offered in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and applicable United States state securities laws, or pursuant to an effective registration statement, in a transaction that will not require the Issuer to register as an investment company under the United States Investment Company Act of 1940, as amended (the “**Investment Company Act**”). The Certificates and the Agency Agreement will contain provisions that will restrict the Certificates from being offered, sold or otherwise transferred except pursuant to the exemptions available pursuant to Rule 144A and Regulation S, or other exemptions, under the Securities Act. Furthermore, the Issuer has not registered the Certificates under any other country’s securities laws. Investors must ensure that their offers and sales of the Certificates within the United States and other countries comply with applicable securities laws. See “*Transfer Restrictions.*”

Credit ratings may not reflect all risks.

A Series of Certificates issued under the Program may or may not be rated. Where a Series is to be rated, one or more independent credit rating agencies may assign credit ratings to the Certificates. The ratings may not reflect the potential impact of all risks related to the transaction structure, the market, the additional factors discussed above or any other factors that may affect the value of the Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

The Certificates contain collective action clauses under which the terms of any one series of securities and/or multiple series of securities may be modified without the consent of all the holders of the securities of that series or all the holders of any other series of securities being aggregated, as the case may be.

The Conditions of the Certificates contain provisions regarding modifications commonly referred to as “collective action” clauses. Such clauses permit defined majorities to bind all Certificateholders, including Certificateholders who did not attend, Certificateholders who did not vote and Certificateholders who voted in a manner contrary to the defined majority. The relevant provisions also permit, in relation to reserved matters, multiple series of securities (including, without limitation, any trust certificates (such as the Certificates), notes, bonds, debentures or other debt securities issued by the Trustee or the Republic, as the case may be, in one or more series with an original stated maturity of more than one year) to be aggregated for voting purposes (provided that each such series also contains the collective action clauses in the terms and conditions of such securities).

The Republic and the Trustee expect that all series of securities issued by the Republic and the Trustee in future will include such collective action clauses, thereby giving the Republic and/or the Trustee the ability to request modifications (including in respect of Reserved Matters (as defined in the Conditions of the Certificates)) across multiple series of securities. This means that a defined majority of the holders of such series of securities (when taken in the aggregate) would be able to bind all holders of securities in all the relevant aggregated series.

Any modification relating to Reserved Matters (as defined in the Conditions of the Certificates), including in respect of payments and other important terms (such as, without limitation, changes to the Scheduled Dissolution Date or any other date for payment of amounts in respect of the Certificates), may be made to the Certificates with the consent of the holders of at least 75% of the aggregate principal amount outstanding of Certificates represented at a meeting, and to multiple series of securities with the consent of either (A) both (i) the holders of at least 66⅔% of the aggregate principal amount of the outstanding securities of all affected series of securities being aggregated (taken in aggregate) and (ii) the holders of more than 50% in aggregate principal amount of the outstanding securities in each affected series of securities capable of being aggregated (taken individually) or (B) the consent of the holders of at least 75% of the aggregate principal amount of the outstanding securities of all affected series of securities being aggregated. For further details, see Condition 16 (*Meetings of Certificateholders; Written Resolutions*).

Any modification proposed by the Republic or the Trustee (as the case may be) may, at the option of the Republic or the Trustee (as the case may be), be made in respect of some series of securities only and, for the avoidance of doubt, the provisions may be used for different groups of two or more series of securities simultaneously. At the time of any proposed modification, the Republic or the Trustee (as the case may be) will

be obliged, *inter alia*, to specify which method or methods of aggregation will be used by the Republic or the Trustee (as the case may be).

There is a risk therefore that the Conditions of the Certificates may be modified in circumstances whereby the holders of securities voting in favour of modification may be holders of a different series of securities and, as such, less than 75% of the holders of the Certificates would have voted in favour of such modification. In addition, there is a risk that the provisions allowing for aggregation across multiple series of securities may make the Certificates less attractive to purchasers in the secondary market on the occurrence of a Dissolution Event or in a distress situation. This risk may be exacerbated should holders of interest-bearing securities pass resolutions pursuant to the multiple series single limb voting mechanism which have the effect of contractually binding holders of the Certificates to modifications that result in the Certificates no longer being Sharia compliant. Further, any such modification in relation to any Certificates may adversely affect their trading price.

The Declaration of Trust may be modified without notice to Certificateholders.

The Declaration of Trust contains provisions permitting the Delegate from time to time and at any time without any consent or sanction of the Certificateholders to make any modification of, or to the waiver or authorisation of any breach or proposed breach of, any provision of the Declaration of Trust or determine, without any such consent or sanction, that any Dissolution Event shall not be treated as such if, in the opinion of the Delegate, (i) such modification is of a formal, minor or technical nature, or (ii) such modification is made to correct a manifest or proven (to the satisfaction of the Delegate) error, or (iii) such modification, waiver, authorisation or determination is not materially prejudicial to the interests of Certificateholders. Unless the Delegate otherwise decides, any such modification shall as soon as practicable thereafter be notified to the Certificateholders and shall in any event be binding upon the Certificateholders.

The United States Internal Revenue Service may treat the Certificates as an interest in a grantor trust for federal income tax purposes, which may result in the Issuer and United States holders being subject to significant penalties.

The Issuer believes that it is appropriate to treat the Certificates as representing debt obligations of the Republic and intends to do so. However, the United States Internal Revenue Service (the “**IRS**”) may seek to characterise the Certificates as interests in a grantor trust for U.S. federal income tax purposes. Under this characterisation, the Issuer and United States holders (as defined in “*Taxation — United States Federal Income Tax Considerations*”) would be required to comply with certain information reporting requirements applicable to foreign trusts, or risk significant penalties. The Issuer does not expect that it will provide information that would allow either itself or United States holders to comply with these requirements if they were determined to be applicable. Should the IRS characterise the Certificates as interests in a grantor trust and should the Issuer be unable to provide the information necessary for itself and for United States holders to comply with the foreign trust information reporting requirements, both the Issuer and United States holders may be subject to significant penalties that may adversely affect the Issuer’s financial position and the returns of United States holders from the Certificates. See “*Taxation — United States Federal Income Tax Considerations — Potential Alternative Characterisation.*”

The regulation and reform of “benchmarks” may adversely affect the value of Certificates linked to or referencing such “benchmarks”.

Interest and profit rates and indices which are deemed to be “benchmarks”, (including, without limitation, the euro interbank offered rate (“**EURIBOR**”)) are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Certificates linked to or referencing such a “benchmark”.

Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”) became applicable from 1 January 2018. The Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the EU. It will, among other things, (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and (ii) prevent certain uses by EU supervised entities of “benchmarks” administered by administrators that are not authorised or registered (or, if non-EU based, not deemed equivalent or recognised or endorsed). The Benchmarks Regulation form part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Benchmarks Regulation**”) and applies in the same manner within the UK.

The Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material impact on any Certificates linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the requirements of the Benchmarks Regulation. Such changes could, among other things, have the effect of reducing, increasing or otherwise affecting the volatility of the published rate or level of the relevant benchmark.

More broadly, any of the international or national or other proposals for reform, or the general increased regulatory scrutiny of “benchmarks”, could increase the costs and risks of administering or otherwise participating in the setting of a “benchmark” and complying with any such regulations or requirements. Such factors may have the following effects on certain “benchmarks” (including EURIBOR): (i) discourage market participants from continuing to administer or contribute to the “benchmark”; (ii) trigger changes in the rules or methodologies used in the “benchmark” or (iii) lead to the disappearance of the “benchmark”. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Certificates linked to or referencing EURIBOR.

The euro risk free-rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk-free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Certificates linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The Terms and Conditions of the Certificates provide for certain fallback arrangements in the event that a Benchmark Event (as defined in the Terms and Conditions) occurs in respect of a Reference Rate or other relevant reference rate and/or any page on which such benchmark may be published (or any other successor service) becomes unavailable. Such fallback arrangements include the possibility that the Rate could be set by reference to a Successor Rate or an Alternative Rate (both as defined in the Terms and Conditions), with the application of an adjustment spread (which could be positive, negative or zero), and may include amendments to the Terms and Conditions of the Certificates to ensure the proper operation of the new benchmark, all as determined by the Independent Adviser (if appointed) (acting in good faith and in a commercially reasonable manner) and as more fully described at Condition 7.9 (*Benchmark Replacement*). It is possible that the adoption of a Successor Rate or Alternative Rate, including any adjustment spread, may result in any Certificates linked to or referencing a Reference Rate performing differently (which may include payment of a lower Rate) than they would if the Reference Rate were to continue to apply in its current form. There is also a risk that the relevant fallback provisions may not operate as expected or intended at the relevant time.

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of the Rate for a particular Return Accumulation Period may result in the Rate for the last preceding Return Accumulation Period being used. This may result in the effective application of a fixed rate for floating rate Certificates based on the rate which was last observed on the Relevant Screen Page.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmarks Regulation reforms or possible cessation or reform of certain reference rates in making any investment decision with respect to any Certificates linked to or referencing a benchmark and the material adverse effect these may have on the value or liquidity of, and return on, any Certificates which reference any such benchmark.

Other investment considerations

The Certificates may not be a suitable investment for all investors.

The Certificates may not be a suitable investment for all investors. Each potential investor in the Certificates must determine the suitability of its investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Certificates, the merits and risks of investing in the Certificates and the information contained in this Offering Memorandum;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Certificates and the impact the Certificates will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Certificates, including where the currency of payment is different from the potential investor's currency;
- understand thoroughly the terms of the Certificates and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

Where the proceeds of a Series are specified as being used to finance or refinance Eligible SDGs Expenditures with Green and Blue focus, as defined under the SDGs Government Securities Framework, such Certificates may not be suitable for environmentally focused prospective investors.

In connection with a potential issuance of Certificates the proceeds of which will be used by the Republic to finance or refinance Eligible SDGs Expenditures with Green and Blue focus, the Republic has (i) adopted the SDGs Government Securities Framework; (ii) obtained from CICERO and IISD a framework overview and second party opinion dated 1 September 2021; and (iii) agreed to certain reporting and use of proceeds obligations. Prospective investors should be aware however that it will not be a Dissolution Event under the Terms and Conditions of the Certificates if the Republic fails to comply with such obligations and the SDGs Government Securities Framework may be revised by the Republic at any time. No assurance can be given that any Eligible SDGs Expenditures with Green and Blue focus financed or refinanced with the proceeds of the issuance of Certificates will fulfil the environmental and sustainability criteria anticipated or required by prospective investors. In addition, a withdrawal of the CICERO and IISD Report due to a failure to comply with the reporting requirements stipulated in the SDGs Government Securities Framework, for example, may affect the value of the Certificates and/or may have consequences for certain investors with portfolio mandates to invest in green assets.

Certificateholders may be adversely affected by the occurrence of a Total Loss Event or a Partial Loss Event despite the Issuer's obligation to adequately insure the Properties.

The Servicing Agent has undertaken in the Servicing Agency Agreement and the Wakeel has undertaken in the Wakala Agreement, among other things, to insure the Properties in the name of the Issuer, against the occurrence of *inter alia* a Total Loss Event at their full reinstatement value.

Nevertheless, should such an event occur, unless the properties underlying the Assets are replaced by the Republic in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable, the Lease Agreement will be terminated and the Certificates will be redeemed at an amount equal to the Dissolution Distribution Amount using the proceeds of: (a) the Insurances payable in respect of the Total Loss Event, and (b) if required, the Loss Shortfall Amount (as defined below), which are required in each case to be paid into the Transaction Account by no later than close of business in London on the 61st day following the occurrence of the Total Loss Event. In connection with this, the Servicing Agency Agreement and the Wakala Agreement provide that if, following the occurrence of *inter alia* a Total Loss Event, the amount (if any) with respect to Insurances credited to the Collection Account is less than the Full Reinstatement Value (the difference between the Full Reinstatement Value and the amount credited to the Collection Account being the **Loss Shortfall Amount**), the Servicing Agent or the Wakeel (as applicable) undertakes to (i) transfer the amounts (if any) with respect to Insurances credited to the Collection Account; and (ii) pay directly (in same day, freely transferable, cleared

funds) the Loss Shortfall Amount, in each case to the Transaction Account by no later than close of business in London on the 61st day following the occurrence of the Total Loss Event. In this context, subject to transferring such amounts (if any) with respect to Insurances credited to the Collection Account and/or paying such Loss Shortfall Amount, there will be no further claim against the Servicing Agent or the Wakeel (as applicable) for failing to comply with its insurance obligations pursuant to the terms of the Servicing Agency Agreement or the Wakala Agreement (as applicable).

Potential investors should be aware that, unless the properties underlying the Assets are replaced by the Republic in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable, (i) rental under the Lease Agreement will cease automatically upon the occurrence of a Total Loss Event and accordingly the Periodic Distribution Amounts received by Certificateholders will reflect this fact and (ii) there may be a delay in the Issuer receiving the proceeds of insurance (or shortfall amounts from the Servicing Agent or Wakeel, as the case may be) and therefore in Certificateholders receiving the full Dissolution Distribution Amount in respect of their Certificates, and no additional Periodic Distribution Amounts will be paid in respect of this delay.

In addition, if a Partial Loss Event (as defined in Condition 12 (*Dissolution Events*)) occurs with respect to the Properties of a Series, the Lessee may, on or before the 60th day after the Partial Loss Event (and provided that the relevant Properties have not already been replaced in accordance with the Transaction Documents), deliver to the Lessor a Partial Loss Termination Notice, which shall be effective on the 91st day after the date of the Partial Loss Event. If the Lessee does not serve a Partial Loss Termination Notice on or before the 60th day after the Partial Loss Event but fails to replace the relevant Properties on or before the 90th day after the date of the Partial Loss Event, the Lease shall automatically terminate on the 91st day after the Partial Loss Event occurred and such termination of the Lease in either of the circumstances set out in this paragraph shall constitute a Partial Loss Dissolution Event (as defined in Condition 12 (*Dissolution Events*)) and, accordingly, a Dissolution Event, following which the Certificates of the relevant Series may be redeemed in full in accordance with the Conditions.

If a Tangibility Event occurs, the Certificates will be delisted, and in each case, this could adversely affect the value at which an investor could sell its Certificates

If a Tangibility Event occurs, the Certificateholders will be notified that (i) a Tangibility Event has occurred, together with an explanation of the reasons for, and evidence of, such occurrence, (ii) as determined in consultation with the Sharia adviser (appointed pursuant to the Servicing Agency Agreement or the Wakala Agreement, as applicable), the Certificates should be tradable only in accordance with the Sharia principles of debt trading (such as the principle that debt is to be traded (A) at par on a spot settlement basis or (B) against tangible assets and/or eligible commodities on a spot settlement basis); (iii) on the date falling 15 days following the Tangibility Event Put Date, the Certificates will be delisted from any stock exchange (if any) on which the Certificates have been admitted to listing, and (iv) Certificateholders have the option to have some or all of their Certificates redeemed during the Tangibility Event Put Period (see Condition 9.4 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*)), and upon receipt of such notice, the Certificateholders may elect to redeem all or any of their Certificates in accordance with the Conditions. Accordingly, a Tangibility Event may have a significant adverse effect on the liquidity and market value of the Certificates.

Certificateholders may be adversely affected by a change of English law or the laws of Indonesia.

The structure of the issue of the Certificates is based on English law, the laws of Indonesia and administrative practices in effect as at the date of this Offering Memorandum. No assurance can be given as to the impact of any possible change to English law, the laws of Indonesia or administrative practices in either jurisdiction after the date of this Offering Memorandum, nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments under the Certificates or of the Republic to comply with its obligations under the Transaction Documents to which it is a party.

Certificateholders will be reliant on the procedures of the clearing systems to exercise certain rights under the Certificates.

The Certificates will be represented on issue by one or more global certificates that will, unless otherwise specified in the applicable Pricing Supplement, be deposited with a custodian for DTC or, in the case of Regulation S Certificates only, may alternatively be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the global certificates and the Conditions, investors will not be entitled to receive Certificates in definitive form. DTC and its direct and indirect

participants (including Euroclear and Clearstream, Luxembourg) or, as the case may be, Euroclear and Clearstream, Luxembourg and its direct or indirect participants will maintain records of the beneficial interests in the global certificates. While the Certificates are represented by the global certificates, investors will be able to trade their beneficial interests only through DTC and its respective participants or Euroclear and Clearstream, Luxembourg, and their respective participants as the case may be, unless otherwise specified in the applicable Pricing Supplement.

While the Certificates are represented by the global certificates, the Issuer will discharge its payment obligation under the Certificates by making payments through the relevant clearing systems. A holder of a beneficial interest in a global certificate must rely on the procedures of the relevant clearing system and its participants to receive payments under the relevant Certificates. None of the Issuer, the Delegate nor any of the Agents has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interest in a global certificate.

Holders of beneficial interests in a global certificate will not have a direct right to vote in respect of the relevant Certificates. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

There is no assurance that the Certificates will be deemed Sharia compliant by all Sharia scholars.

CIMB Islamic Bank Berhad, Khalij Islamic, Sharia Adviser of Deutsche Bank AG, London Branch, the Internal Sharia Supervisory Committee (ISCD) of Dubai Islamic Bank PJSC, the HSBC Global Shariah Supervisory Committee and the Standard Chartered Bank Global Sharia Supervisory Committee have confirmed that the structure and mechanism described under the Transaction Documents are, in their view, compliant with the principles of Sharia as applicable to, and interpreted by, them. The National Sharia Board — Indonesian Council of Ulama has provided similar confirmation. However, there can be no assurance that: (i) the transaction structure or any issue and trading of any Certificates will be deemed to be Sharia compliant by any other Sharia board, adviser or scholars; or (ii) any modifications to the transaction structure or any Transaction Document going forward would be deemed to be Sharia compliant (including, without limitation, with respect to any Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) Sharia Standards) by the aforementioned (or any other) Sharia boards, advisers or scholars. None of the Issuer, the Republic, the Arrangers, the Dealers, the Delegate or the Agents makes any representation as to the Sharia compliance of any Series and potential investors are reminded that, as with any Sharia views, differences in opinion are possible and different Sharia standards may be applied by different Sharia boards and Sharia scholars. In addition, none of the Arrangers, the Dealers, the Delegate or the Agents will have any responsibility for monitoring or ensuring compliance with any Sharia principles of debt trading referred to in Condition 9.4 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*) nor shall it be liable to any Certificateholder or any other person in respect thereof. Potential investors should obtain their own independent Sharia advice as to the compliance of the structure and mechanism described under the Transaction Documents and the issue and trading of any Series with Sharia principles. Questions as to the Sharia permissibility of the Transaction Documents or the tradability of the Certificates may limit the liquidity and adversely affect the market value of the Certificates.

Sharia requirements in relation to interest awarded by a court.

In accordance with applicable Sharia principles, each of the Trustee and the Delegate will waive all and any entitlement it may have to interest awarded in its favour by any court in connection with any dispute under any of the Transaction Documents to which it is a party. Should there be any delay in the enforcement of an arbitral award or a judgment against the Republic, interest may well accrue in respect of that delay and, as a result of the waiver referred to above, Certificateholders will not be entitled to receive any part of such interest. Certificateholders should note that the Trust Assets specifically exclude any rights which have been expressly waived by the Trustee in any of the Transaction Documents (which, to the extent applicable, would extend to any award of interest made in favour of the Trustee by a court in respect of a dispute).

Certificateholders may be adversely affected by certain exchange rate risks and exchange controls.

The Issuer will make payments to Certificateholders in the Specified Currency set out in the applicable Pricing Supplement. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the “**Investor's Currency**”) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due

to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (i) the Investor's Currency equivalent yield on the Certificates, (ii) the Investor's Currency equivalent value of the amounts payable on the Certificates and (iii) the Investor's Currency equivalent market value of the Certificates. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, the payments received by investors may be adversely affected.

TERMS AND CONDITIONS OF THE CERTIFICATES

The following is the text of the Terms and Conditions of the Certificates which (subject to modification and except for the text in italics) will be endorsed on each Certificate in definitive form issued under the Program. The applicable Pricing Supplement in relation to any Series of Certificates may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, supplement, replace or modify the following Terms and Conditions for the purpose of such Certificates.

Perusahaan Penerbit SBSN Indonesia III (in its capacity as issuer, the “**Issuer**” and in its capacity as trustee, the “**Trustee**”) has established a program (the “**Program**”) for the issuance of up to U.S.\$35,000,000,000 trust certificates (the “**Certificates**”).

Certificates issued under the Program are issued in ijara or wakala series (an “**Ijara Series**” or a “**Wakala Series**”, respectively, and each a “**Series**”), as specified in the applicable Pricing Supplement. The final terms for each Series are set out in the applicable Pricing Supplement attached to or endorsed on this Certificate which supplement these Terms and Conditions (the “**Conditions**”) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Certificate. References to the applicable Pricing Supplement are to the pricing supplement (or the relevant provisions thereof) attached to or endorsed on this Certificate.

Each Certificate will represent an undivided ownership interest in the Trust Assets of each Series (as described in Condition 4.1 (*Summary of the Trust*)) which are held by the Trustee on trust (the “**Trust**”) for, *inter alia*, the benefit of the registered holders of the Certificates pursuant to (i) an amended and restated master declaration of trust (the “**Master Declaration of Trust**”) dated 17 May 2022 (the “**Program Update Date**”) and made between the Issuer, the Trustee, the Republic of Indonesia (the “**Republic**”) and The Bank of New York Mellon (the “**Delegate**”) and (ii) a supplemental declaration of trust (the “**Supplemental Declaration of Trust**”) and, together with the Master Declaration of Trust, the “**Declaration of Trust**”) having the details set out in the applicable Pricing Supplement. In these Conditions, references to Certificates shall be references to the Certificates which are the subject of the applicable Pricing Supplement.

Payments relating to the Certificates will be made pursuant to an amended and restated agency agreement dated the Program Update Date (the “**Agency Agreement**”) made between the Issuer, the Republic, The Bank of New York Mellon as principal paying agent (in such capacity, the “**Principal Paying Agent**”) in respect of any Certificates held through DTC, The Bank of New York Mellon, London Branch as paying agent in respect of any Regulation S Certificates held through Euroclear and/or Clearstream, Luxembourg (in such capacity, a “**Paying Agent**”) and, together with the Principal Paying Agent and any further or other paying agents appointed from time to time in respect of the Certificates, the “**Paying Agents**”), The Bank of New York Mellon as registrar in respect of any Certificates held through DTC and The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar only in respect of any Regulation S Certificates held through Euroclear and/or Clearstream, Luxembourg (each in such capacity, a “**Registrar**”), The Bank of New York Mellon as transfer agent in respect of any Certificates held through DTC and The Bank of New York Mellon, London Branch as transfer agent in respect of any Regulation S Certificates held through Euroclear and/or Clearstream, Luxembourg (in such capacity, a “**Transfer Agent**”) and, together with the Registrars and any further or other transfer agents appointed from time to time in respect of the Certificates, the “**Transfer Agents**”), The Bank of New York Mellon, London Branch as calculation agent in respect of any Regulation S Certificates held through Euroclear and/or Clearstream, Luxembourg (in such capacity, the “**Regulation S Calculation Agent**”) and The Bank of New York Mellon as calculation agent in respect of any Certificates held through DTC (in such capacity, the “**DTC Calculation Agent**”). The Regulation S Calculation Agent and the DTC Calculation Agent shall be referred to collectively as the “**Calculation Agents**” and each reference to a “**Calculation Agent**” shall be to the Regulation S Calculation Agent or the DTC Calculation Agent as the context requires. The Paying Agents, Transfer Agents and the Calculation Agents are together referred to in these Conditions as the **Agents**. References to the “**Agents**” or any of them shall include their successors.

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents (as described in Condition 4.1 (*Summary of the Trust*)). In these Conditions, words and expressions defined and rules of construction and interpretation set out in the Declaration of Trust shall, unless defined herein or the context otherwise requires, have the same meanings herein.

The Certificateholders (as defined in Condition 1.2 (*Title*)) are entitled to the benefit of, are bound by, and are deemed to have notice of the Transaction Documents (copies of which are available for inspection between

9.30am and 3.00pm, Monday to Friday (excluding public holidays) at the specified offices of the Principal Paying Agent) namely:

- the Master Purchase Agreement and the Supplemental Purchase Agreement(s);
- the Master Procurement Agreement and the Supplemental Procurement Agreement(s);
- the Master Lease Agreement and the Supplemental Lease Agreement(s);
- the Servicing Agency Agreement;
- the Wakala Agreement;
- the Purchase Undertaking;
- the Transfer Undertaking;
- the Substitution Undertaking;
- the Master Declaration of Trust and the Supplemental Declaration(s) of Trust;
- the Pricing Supplement;
- the Agency Agreement; and
- the Costs Undertaking,

each as defined herein and as may be amended and restated from time to time.

Each initial Certificateholder, by its acquisition and holding of its interest in a Certificate, shall be deemed to authorise and direct Perusahaan Penerbit SBSN Indonesia III (“**PPSI-III**”), on behalf of the Certificateholders, (i) to apply the sums paid by it in respect of its Certificates in acquiring the Trust Assets and (ii) to enter into each Transaction Document to which it is a party, subject to the terms and conditions of the Declaration of Trust and these Conditions.

1 FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Certificates are issued in registered form in the Specified Denominations (as defined in respect of each Series in the applicable Pricing Supplement). A certificate will be issued to each Certificateholder in respect of its registered holding of Certificates. Each certificate will be numbered serially with an identifying number which will be recorded on the relevant certificate and in the relevant register of Certificateholders (the Register) which the Issuer will cause to be kept by the relevant Registrar.

Upon issue, unless otherwise specified in the applicable Pricing Supplement, the certificates will be represented by a Global Certificate deposited with a custodian for DTC, or in the case of Certificates issued outside the United States in reliance on Regulation S of the United States Securities Act of 1933, as amended (the Securities Act), the Certificates may be represented by a Global Certificate deposited with a common depository for Euroclear and Clearstream, Luxembourg. The Conditions are modified by certain provisions contained in the Global Certificates. Except in certain limited circumstances, owners of interests in the Global Certificates will not be entitled to receive definitive certificates representing their holdings of Certificates. See “Global Certificates.”

1.2 Title

The Issuer will cause the relevant Registrar to maintain the Register in respect of the Certificates in accordance with the provisions of the Agency Agreement. Title to the Certificates passes only by registration in the Register. The registered holder of any Certificate will (except as otherwise required by law) be treated as the absolute owner of the Certificates represented by the Certificate for all purposes (whether or not any payment thereon is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate) and no person will be liable for so treating the holder of any Certificate. The registered holder of a Certificate will be recognised by the Issuer as entitled to such Certificate free from any equity, set-off or counterclaim on the part of the Issuer against the original or any intermediate holder of such Certificate. In these Conditions, Certificateholder and (in relation to a Certificate) holder of Certificates have the meanings given thereto in the Master Declaration of Trust.

2 TRANSFERS OF CERTIFICATES

2.1 Transfers

Subject to Conditions 2.4 (*Closed Periods*) and 2.5 (*Regulations*) and to the provisions of the Agency Agreement, a Certificate may be transferred in the Specified Denomination only by depositing the Certificate, with the form of transfer, as set forth in Schedule 2 (*Form of Transfer Certificate pursuant to Rule 144A*) or Schedule 3 (*Form of Transfer Certificate pursuant to Regulation S*), as applicable, of the Agency Agreement on the back of such Certificate duly completed and signed by the Certificateholder as the transferor, at the specified office of any of the Transfer Agents. No transfer of title to a Certificate will be valid unless and until entered on the Register.

Transfer of interests in the Certificates represented by a Global Certificate will be effected in accordance with the rules of the relevant clearing system through which the interest is held.

2.2 Delivery of New Certificates

Each new Certificate to be issued upon any transfer of Certificates will, within five business days of receipt by the relevant Transfer Agent of the original Certificate and the duly completed form of transfer endorsed on the relevant Certificate (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), be delivered at the specified office of the relevant Transfer Agent or be mailed by uninsured mail at the risk of the holder entitled to the Certificate (free of charge and at the Issuer's expense) to the address specified in the form of transfer. For the purposes of this Condition 2, "**business day**" shall mean a day (other than Saturday or Sunday) on which banks are open for business in the city in which the specified office of the Transfer Agent with whom a Certificate is deposited in connection with a transfer is located.

Where some but not all of the Certificates in respect of which a Certificate is issued are to be transferred, a new Certificate in respect of the Certificates not so transferred will, within five business days of receipt by the relevant Transfer Agent of the original Certificate, be delivered at the specified office of the relevant Transfer Agent or be mailed by uninsured mail at the risk of the holder of the Certificates not so transferred (free of charge and at the Issuer's expense) to the address of such holder appearing on the Register or as specified in the form of transfer.

Except in the limited circumstances described herein (see "*The Global Certificates — Registration of Title*"), owners of interests in the Certificates will not be entitled to receive physical delivery of Certificates. Issues of Certificates upon transfer of Certificates are subject to compliance by the transferor and transferee with the procedures described above and in the Declaration of Trust and, in the case of Rule 144A Certificates and Definitive IAI Certificates, compliance with the legend set forth under "*Transfer Restrictions*."

2.3 Formalities Free of Charge

Registration of any transfer of Certificates will be effected at the expense of the Issuer and without charge by or on behalf of the Issuer or any Transfer Agent but upon (i) payment (or the giving of such indemnity or security as the Issuer or any Transfer Agent may require) by the transferee in respect of any stamp duty, tax or other governmental charges which may be imposed in relation to such transfer; (ii) the Registrar being satisfied in its absolute discretion with the documents of title and/or the identity of the person making the application; and (iii) the Issuer or the relevant Transfer Agent (after consultation with the Issuer if it so requires) being satisfied that the regulations concerning the Certificates have been complied with.

2.4 Closed Periods

No Certificateholder may require the transfer of a Certificate to be registered during the period of seven days ending on (and including) the due date for any payment of the Dissolution Distribution Amount (as defined in Condition 9.1 (*Scheduled Dissolution*)) or any Periodic Distribution Amount (as defined in Condition 6.2 (*Periodic Distribution Amount*)).

2.5 Regulations

All transfers of Certificates and entries on the Register will be made subject to the detailed regulations concerning transfer of Certificates scheduled to the Master Declaration of Trust. The regulations may be

changed by the Issuer from time to time with the prior written approval of the Registrars. A copy of the current regulations will be mailed (free of charge and at the Issuer's expense) by the Registrar to any Certificateholder who requests in writing a copy of such regulations.

The holder of Certificates shall be entitled to receive, in accordance with Condition 2.2 (*Delivery of New Certificates*), only one Certificate in respect of his entire holding of Certificates. In the case of a transfer of a portion of the face amount of a Certificate, a new Certificate in respect of the balance of the Certificates not transferred will be issued to the transferor in accordance with Condition 2.2 (*Delivery of New Certificates*).

3 STATUS

3.1 Status

Each Certificate evidences an undivided ownership interest in the Trust Assets, subject to the terms of the Transaction Documents and these Conditions. Each Certificate ranks *pari passu*, without any preference or priority, with the other Certificates.

3.2 Agreement of Certificateholders

By purchasing Certificates, each Certificateholder is deemed to have agreed that notwithstanding anything to the contrary contained in these Conditions or any Transaction Document:

- (a) prior to the date which is one year and one day after the date on which all amounts owing by the Issuer under the Transaction Documents to which it is a party have been paid in full, it will not institute against, or join with any other person in instituting against, the Issuer or the Trustee any bankruptcy, reorganisation, arrangement or liquidation proceedings or other proceedings under any bankruptcy or similar law; and
- (b) no recourse shall be had for the payment of any amount or performance of any obligation hereunder against any director of PPSI-III and no personal liability shall attach to or be incurred by the directors of the Trustee under the Declaration of Trust or other Transaction Documents save in the case of wilful default or gross negligence.

4 TRUST

4.1 Summary of the Trust

PPSI-III has entered into an amended and restated master purchase agreement (the “**Master Purchase Agreement**”) dated 17 May 2022 with the Republic (in such capacity, the “**Seller**”), as supplemented by a supplemental purchase agreement dated on or about the Issue Date (as defined in the Pricing Supplement) (the “**Supplemental Purchase Agreement**” and together with the Master Purchase Agreement, the “**Purchase Agreement**”). Pursuant to the Purchase Agreement, the Seller has sold to PPSI-III beneficial rights in and to certain properties (as further described in the Schedule to the Purchase Agreement) (the “**Ijara Assets**”).

In the case of a Wakala Series, PPSI-III has also entered into an amended and restated master procurement agreement (the “**Master Procurement Agreement**”) dated 17 May 2022 with the Republic (in such capacity, the “**Project Seller**”), as supplemented by a supplemental procurement agreement dated on or about the Issue Date (the “**Supplemental Procurement Agreement**” and together with the Master Procurement Agreement, the “**Procurement Agreement**”). Pursuant to the Procurement Agreement, the Project Seller has sold to PPSI-III beneficial rights in and to certain assets (as further described in the Schedule to the Procurement Agreement) (the “**Project Assets**”) and has undertaken to procure the construction of the relevant assets (the construction of such assets being, a “**Project**”) pursuant to the specified Project in respect of such Project Assets and deliver such assets to PPSI-III upon completion.

PPSI-III (in its capacity as “**Lessor**”) has leased the Ijara Assets so sold to it by the Republic and, in the case of a Wakala Series, following the completion and delivery of assets pursuant to a specified Project, will lease the relevant Project Assets (together with the Ijara Assets, the “**Assets**”, as modified, where the context requires, to give effect to any substitution by the Republic, the transfer of Transferred Assets (as defined below) to the Republic pursuant to the Transfer Undertaking (as defined below) or purchase of beneficial rights in and to replacement properties in connection with certain loss events by the Servicing Agent or Wakeel (each as defined below), as the case may be) to the Republic (in such capacity, the “**Lessee**”) pursuant to an amended and restated master lease agreement (the “**Master Lease Agreement**”).

dated 17 May 2022, as supplemented by a supplemental lease agreement between PPSI-III and the Republic dated on or about the Issue Date (as the same may be replaced from time to time in accordance with the provisions thereunder), in the case of the Ijara Assets, and otherwise following the completion and delivery of the relevant assets, in the case of the Project Assets (the “**Supplemental Lease Agreement**” and together with the Master Lease Agreement, the “**Lease Agreement**”).

Under an amended and restated servicing agency agreement (the “**Servicing Agency Agreement**”) dated 17 May 2022, PPSI-III has appointed the Republic as servicing agent (the “**Servicing Agent**”) in respect of the properties underlying the Assets for an Ijara Series. Under an amended and restated wakala agreement (the “**Wakala Agreement**”) dated 17 May 2022, PPSI-III has appointed the Republic as agent (the “**Wakeel**”) in respect of the properties underlying the Assets (including any Project Assets in respect of which the relevant assets are still to be completed pursuant to the specified Project and delivered) for a Wakala Series.

PPSI-III has executed an amended and restated substitution undertaking (the “**Substitution Undertaking**”) dated 17 May 2022 in favour of the Republic pursuant to which the Republic may, subject to certain conditions, require PPSI-III to accept the substitution of certain new assets (the “**New Assets**”) in replacement of certain existing Assets (the “**Replaced Assets**”) as described in a substitution notice provided by the Republic to PPSI-III (the “**Substitution Notice**”). Upon the Republic giving a Substitution Notice to PPSI-III, to give effect to such substitution, (i) PPSI-III shall enter into a substitution sale agreement (in the form scheduled to the Substitution Undertaking) with the Republic and (ii) PPSI-III (in its capacity as Lessor) and the Republic (in its capacity as Lessee) shall amend the Supplemental Lease Agreement to reflect the change in the composition of the properties that are subject to the Lease Agreement. If the value of the Replaced Assets as certified by the Republic is more than 20 *per cent.* of the aggregate outstanding face amount of the Certificates of such Series then the existing Supplemental Lease Agreement in respect of the relevant Replaced Assets shall be terminated and the Lessee and the Lessor shall immediately enter into a new Supplemental Lease Agreement in respect of the New Assets. PPSI-III and the Republic may also replace Project Assets under the Procurement Agreement prior to the completion and delivery of the relevant assets pursuant to the specified Project by the amendment of the schedule to the relevant Supplemental Procurement Agreement specifying such Project Assets.

The Republic has executed an amended and restated purchase undertaking (the “**Purchase Undertaking**”) dated 17 May 2022 in favour of PPSI-III to purchase all of PPSI-III’s rights, title, benefits and entitlements in, to and under (a) the Assets (including any Project Assets which have been completed pursuant to the specified Project and delivered) on the Scheduled Dissolution Date (as defined in Condition 9.1 (*Scheduled Dissolution*)) or, if earlier, on the due date for dissolution, at the Exercise Price (as defined in the Purchase Undertaking); and (b) (only in the case of a Wakala Series) the Tangibility Event Assets (as defined in the Purchase Undertaking) on the Tangibility Event Put Date (as defined in Condition 9.4 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*)) at the Tangibility Event Exercise Price (as defined in the Purchase Undertaking).

PPSI-III has executed an amended and restated transfer undertaking (the “**Transfer Undertaking**”) dated 17 May 2022 in favour of the Republic. Under the terms of the Transfer Undertaking, if at any time the Republic wishes to cancel any Certificates that it has purchased pursuant to Condition 9.6 (*Purchases*), the Republic may, by exercising its right under the Transfer Undertaking and by serving a transfer notice (the “**Transfer Notice**”) on PPSI-III, require PPSI-III to transfer all of PPSI-III’s rights, title, benefits and entitlements in and to the Transferred Assets (specified in the Transfer Notice) to the Republic in consideration for which the Certificates shall be surrendered for cancellation. The transfer of the Transferred Assets will take effect by the Republic and PPSI-III entering into a transfer agreement (in the form scheduled to the Transfer Undertaking) (the “**Transfer Agreement**”). Following the entry into such Transfer Agreement, PPSI-III shall cancel the relevant Certificates identified for cancellation in the Transfer Notice on the Transfer Date specified in the Transfer Notice (which shall be a Periodic Distribution Date). PPSI-III (in its capacity as “**Lessor**”) and the Republic (in its capacity as “**Lessee**”) shall amend the Supplemental Lease Agreement to reflect the change in the composition of the properties that are subject to the Lease Agreement and, where the Transferred Assets include any Project Assets which are still to be completed pursuant to the specified Project and delivered, PPSI-III and the Republic (in its capacity as the Project Seller) shall amend the Supplemental Procurement Agreement to reflect the change in composition of the Project Assets.

The Republic has executed an amended and restated costs undertaking (the “**Costs Undertaking**”) dated 17 May 2022, whereby it undertakes to pay certain fees and expenses of, and indemnify against certain liabilities incurred by, among others, the Delegate and the Agents.

In relation to each Series, the Issuer shall establish a non-interest bearing transaction account in New York in the Specified Currency (details of which are specified in the applicable Pricing Supplement) (the “**Transaction Account**”) in the name of the Issuer with the Principal Paying Agent into which the Republic will cause to be deposited all rental payments due under the Lease Agreement and amounts from such rental payments equal to the Periodic Distribution Amounts payable, the exercise prices payable under the Purchase Undertaking and, in the case of a Wakala Series, any Non-Delivery Payment Amount (as defined in the relevant Supplemental Procurement Agreement) payable under the relevant Supplemental Procurement Agreement. All other monies (if any) derived from the Trust Assets will be paid into the Transaction Account and payments to be made to holders of Certificates will be made from funds standing to the credit of the Transaction Account.

Pursuant to the Declaration of Trust, the Issuer will declare that it will hold, for each Series, assets (the “**Trust Assets**”) consisting of:

- (a) all of the Issuer’s rights, title, interest and benefit in, to and under the Ijara Assets, in the case of an Ijara Series, and the Ijara Assets and the Project Assets, in the case of a Wakala Series (as varied from time to time as a result of the exercise of rights granted under the Substitution Undertaking or prior to the completion and delivery of Project Assets as provided in the Procurement Agreement and which, as of any Transfer Date, shall exclude the Transferred Assets (as defined in the Transfer Undertaking));
- (b) all of the Issuer’s rights, title, interest and benefit in, to and under the Transaction Documents (other than in relation to any representations given to the Issuer by the Republic pursuant to the Transaction Documents which relate to that Series);
- (c) all monies that from time to time are, standing to the credit of the Transaction Account for that Series; and
- (d) all proceeds of the foregoing,

upon trust absolutely for the holders of the Certificates *pro rata* according to the face amount of Certificates held by each holder in accordance with the Declaration of Trust and these Conditions.

The Purchase Agreement, the Procurement Agreement (in the case of a Wakala Series), the Lease Agreement, the Servicing Agency Agreement (in the case of an Ijara Series) or the Wakala Agreement (in the case of a Wakala Series), the Purchase Undertaking, the Transfer Undertaking, the Substitution Undertaking, the Costs Undertaking, the Declaration of Trust, the Agency Agreement and any other agreements and documents delivered or executed in connection therewith are collectively referred to as the “**Transaction Documents**”.

4.2 Application of Proceeds from Trust Assets

Pursuant to the Declaration of Trust, the Trustee holds the Trust Assets for and on behalf of the holders of the Certificates. On each Periodic Distribution Date or on the Dissolution Date (or, in the case of a Wakala Series only, a Tangibility Event Put Date) and upon payment of any Rental (as defined in the Lease Agreement) pursuant to clause 4.3 (*Payments*) of the Purchase Undertaking, the Principal Paying Agent shall apply the monies standing to the credit of the Transaction Account in the following order of priority:

- (a) *first*, to the Delegate in respect of all amounts owing to it under the Transaction Documents in its capacity as Delegate;
- (b) *second*, to the Principal Paying Agent for application in or towards payment *pari passu* and ratably of all Periodic Distribution Amounts due but unpaid;
- (c) *third*, only if such payment is made on the Dissolution Date (or, in the case of a Wakala Series only, a Tangibility Event Put Date), to the Principal Paying Agent for application in or towards payment *pari passu* and ratably of the Dissolution Distribution Amount (as defined in Condition 9 (*Capital Distributions of the Trust*));
- (d) *fourth*, only if such payment is made on the Dissolution Date, to the Servicing Agent or the Wakeel, as the case may be, in or towards payment of all outstanding Servicing Agency Expenses or Management Expenses, as the case may be; and
- (e) *fifth*, only if such payment is made on the Dissolution Date, to the Issuer in payment of any surplus.

5 COVENANTS

The Issuer covenants that, among other things, for so long as any Certificate is outstanding, it shall not:

- (a) incur any indebtedness in respect of borrowed money whatsoever, or give any guarantee or indemnity in respect of any obligation of any person or issue any shares (or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares) except, in all cases, as contemplated in the Transaction Documents;
- (b) secure any of its present or future indebtedness for borrowed money by any Encumbrance (as defined in the Declaration of Trust) upon any of its present or future assets, properties or revenues (other than those arising by operation of law), except as permitted or provided under the Transaction Documents;
- (c) except as provided in the Declaration of Trust, act as trustee in respect of any trust other than the Trust established in respect of each Series of Certificates issued under the Program or in respect of any parties other than the Certificateholders;
- (d) enter into any contract, transaction, amendment, obligation or liability other than the Transaction Documents to which it is a party or as expressly permitted or required thereunder or engage in any business or activity other than: (i) as provided for or permitted in the Transaction Documents; (ii) the ownership, management and disposal of the Trust Assets or other trust assets as provided in the Transaction Documents; (iii) as required under Law No. 19 of 2008 on Sovereign Sukuk (Surat Berharga Syariah Negara), Government Regulation No. 56 of 2008 on Perusahaan Penerbit Surat Berharga Syariah Negara as amended by Government Regulation No. 73 of 2012 on the Amendment of Government Regulation No. 56 of 2008 on Perusahaan Penerbit Surat Berharga Syariah Negara and Government Regulation No. 57 of 2011 on the Establishment of Perusahaan Penerbit Surat Berharga Syariah Negara Indonesia III and (iv) such other matters which are incidental thereto;
- (e) sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or Encumber (as defined in the Declaration of Trust) (by security interest, lien (statutory or otherwise), preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of its interests in any of the Trust Assets of any Series except pursuant to the Transaction Documents;
- (f) amend or agree to any amendment of any Transaction Document to which it is a party (other than in accordance with the terms thereof), in each case in a manner which is materially prejudicial to the rights of the holders of the Certificates, without the approval of Certificateholders by way of Extraordinary Resolution;
- (g) exercise its option under the Purchase Undertaking except in its capacity as Trustee;
- (h) have any subsidiaries or employees;
- (i) redeem any of its capital or pay any dividend or make any other distribution to its shareholders;
- (j) use the proceeds of the issue of the Certificates of any Series for any purpose other than as stated in the Transaction Documents; or
- (k) prior to the date which is one year and one day after the date on which all amounts owing by the Issuer under the Transaction Documents to which it is a party have been paid in full, put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding up or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it.

6 FIXED PERIODIC DISTRIBUTION PROVISIONS

6.1 Application

This Condition 6 is applicable to the Certificates only if the Fixed Periodic Distribution Provisions are specified in the applicable Pricing Supplement as being applicable.

6.2 Periodic Distribution Amount

A Periodic Distribution Amount representing a defined share of the income of the Assets for each Series of Certificates will be payable in respect of the Certificates and be distributable by the Issuer to the Certificateholders in accordance with these Conditions.

6.3 Determination of Periodic Distribution Amount

Except as provided in the applicable Pricing Supplement, the Periodic Distribution Amount payable in respect of each Certificate for any Return Accumulation Period shall be the Fixed Amount and, if the Certificates are in more than one Specified Denomination, shall be the Fixed Amount in respect of each relevant Specified Denomination. Payments of the Periodic Distribution Amount on any Periodic Distribution Date may, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

As used in the Conditions, “**Return Accumulation Period**” means the period from (and including) a Periodic Distribution Date (or the Return Accumulation Commencement Date (as defined in the applicable Pricing Supplement)) to (but excluding) the next (or first) Periodic Distribution Date.

If any Periodic Distribution Amount is required to be calculated for a period other than a Return Accumulation Period or if no relevant Fixed Amount or Broken Amount is specified in the applicable Pricing Supplement, such Periodic Distribution Amount shall be calculated by applying the Rate to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

“**Day Count Fraction**” means, in respect of the calculation of Periodic Distribution Amount in accordance with this Condition 6.3:

- (a) if “**Actual/Actual (ICMA)**” is specified in the applicable Pricing Supplement:
 - (i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accumulation Commencement Date) to (but excluding) the relevant payment date (the Accrual Period) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or
 - (ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
 - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) if “**30/360**” is specified in the applicable Pricing Supplement, the number of days in the period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accumulation Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

“**Determination Period**” means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Return Accumulation Commencement Date (as specified in the applicable Pricing Supplement) or the final Periodic Distribution Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“**sub-unit**” means, with respect to any currency, the lowest amount of such currency that is available as legal tender in the country of such currency.

6.4 Payment in Arrear

Subject to Condition 6.5 (*Cessation of Profit Entitlement*), Condition 9.3 (*Dissolution Following a Total Loss Event*) and Condition 12 (*Dissolution Events*) below, and unless otherwise specified in the applicable Pricing Supplement, each Periodic Distribution Amount will be paid in respect of the relevant Certificates in arrears on each Periodic Distribution Date.

6.5 Cessation of Profit Entitlement

No further amounts will be payable on any Certificate from and including the Scheduled Dissolution Date or, as the case may be, the Dissolution Date.

7 FLOATING PERIODIC DISTRIBUTION PROVISIONS

7.1 Application

This Condition 7 is applicable to the Certificates only if the Floating Periodic Distribution Provisions are specified in the applicable Pricing Supplement as being applicable.

7.2 Periodic Distribution Amount

A Periodic Distribution Amount representing a defined share of the income in the Assets of each Series of Certificates will be payable in respect of the Certificates and be distributable by the Issuer to the Certificateholders in accordance with these Conditions. Such Periodic Distribution Amounts will be payable in arrears on either:

- (a) the Specified Periodic Distribution Date(s) in each year specified in the applicable Pricing Supplement; or
- (b) (if no Specified Periodic Distribution Date(s) is/are specified in the applicable Pricing Supplement, each date (each such date, together with each Specified Periodic Distribution Date, a Periodic Distribution Date) which falls the number of months or other period specified as the Specified Period in the applicable Pricing Supplement after the preceding Periodic “**Distribution Date**” or, in the case of the first Periodic Distribution Date, after the Return Accumulation Commencement Date.

Such Periodic Distribution Amounts will be payable in respect of each Return Accumulation Period. If a Business Day Convention is specified in the applicable Pricing Supplement and (x) if there is no numerically corresponding day in the calendar month in which a Periodic Distribution Date should occur or (y) if any Periodic Distribution Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (a) in any case where Specified Periods are specified in accordance with Condition 7.2(a) above, the Floating Rate Convention, such Periodic Distribution Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Periodic Distribution Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Periodic Distribution Date occurred; or
- (b) the Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day; or
- (c) the Modified Following Business Day Convention, such Periodic Distribution Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day; or
- (d) the Preceding Business Day Convention, such Periodic Distribution Date shall be brought forward to the immediately preceding Business Day.

In this Condition 7, “**Business Day**” means a day which is either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency; (ii) in relation to any sum payable in euro, a day on which the TARGET2 System is open, or (iii) in the case of a currency and/or one or more Additional Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres.

7.3 Screen Rate Determination for floating rate Certificates

If Screen Rate Determination is specified in the applicable Pricing Supplement as the manner in which the Rate(s) is/are to be determined, the Rate applicable to the Certificates for each Return Accumulation Period will be determined by the Calculation Agent on the following basis:

- (a) if the Reference Rate specified in the applicable Pricing Supplement is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time (as specified in the applicable Pricing Supplement) on the relevant Periodic Distribution Determination Date;
- (b) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Periodic Distribution Determination Date;
- (c) if, in the case of (a) above, such rate does not appear on that page or, in the case of (b) above, fewer than two such rates appear on that page or if, in either case, the Relevant Screen Page is unavailable, the Calculation Agent will:
 - (i) request each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Periodic Distribution Determination Date to prime banks in the London or Eurozone interbank market, as the case may be, in an amount that is representative for a single transaction in that market at that time; and
 - (ii) determine the arithmetic mean of such quotations; and
- (d) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the principal financial centre of the Specified Currency, selected by the Calculation Agent, at approximately 11.00 a.m. (local time in the principal financial centre of the Specified Currency) on the first day of the relevant Return Accumulation Period for loans in the Specified Currency to leading banks in, if the Reference Rate is EURIBOR, the Euro-zone interbank market for a period equal to the relevant Return Accumulation Period and in an amount that is representative for a single transaction in that market at that time, and the Rate for such Return Accumulation Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Return Accumulation Period, the Rate applicable to the Certificates during such Return Accumulation Period will be the sum of the Margin specified in the applicable Pricing Supplement and the rate or (as the case may be) the arithmetic mean last determined in relation to the Certificates in respect of a preceding Return Accumulation Period.

If the Rate cannot be determined because of the occurrence of a Benchmark Event, the Rate shall be calculated in accordance with the terms of Condition 7.9 (*Benchmark Replacement*).

7.4 Cessation of Profit Entitlement

No further amounts will be payable on any Certificate from and including the Scheduled Dissolution Date or, as the case may be, the Dissolution Date.

7.5 Calculation of Periodic Distribution Amount

The Calculation Agent will, as soon as practicable after the time at which the Rate is to be determined in relation to each Return Accumulation Period, calculate the Periodic Distribution Amount payable in respect of each Certificate for such Return Accumulation Period. The Periodic Distribution Amount will be calculated by applying the Rate applicable to the relevant Return Accumulation Period to the face amount (in the case of a Certificate in global form) or Specified Denomination (in the case of a Certificate in individual registered form) of such Certificate during such Return Accumulation Period, multiplying the product by the relevant Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards).

“**Day Count Fraction**” means, in respect of the calculation of a Periodic Distribution Amount in accordance with this Condition 7:

- (a) if “**Actual/365**” or “**Actual/Actual**” is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 365 (or, if any portion of that Return

Accumulation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Return Accumulation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Return Accumulation Period falling in a non-leap year divided by 365);

- (b) if “**Actual/365 (Fixed)**” is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 365;
- (c) if “**Actual/365 (Sterling)**” is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 365 or, in the case of a Periodic Distribution Date falling in a leap year, 366;
- (d) if “**Actual/360**” is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 360;
- (e) if “**30/360**” “**360/360**” or “**Bond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Return Accumulation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (A) the last day of the Return Accumulation Period is the 31st day of a month but the first day of the Return Accumulation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (B) the last day of the Return Accumulation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (f) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Pricing Supplement, the number of days in the Return Accumulation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Return Accumulation Period unless, in the case of the final Return Accumulation Period, the Scheduled Dissolution Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

“**Reference Banks**” means, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, selected by the Calculation Agent or as specified in the Pricing Supplement.

“**Relevant Screen Page**” means such page, section, caption, column or other part of a particular information service as may be specified in the Pricing Supplement.

“**TARGET2 System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

7.6 Calculation of Other Amounts

If the applicable Pricing Supplement specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the applicable Pricing Supplement.

7.7 Publication

The Calculation Agent will cause each Rate and Periodic Distribution Amount determined by it, together with the relevant Periodic Distribution Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, Paying Agents and each listing authority, stock exchange and/or quotation system (if any) by which the Certificates have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate, Periodic Distribution Amount and Periodic Distribution Date) in any event not later than the first day of the relevant Return Accumulation Period. Notice thereof shall also promptly be given to the Certificateholders by the Calculation Agent in accordance with Condition 15 (*Notices*). The Calculation Agent will be entitled to recalculate any Periodic Distribution Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Return Accumulation Period.

7.8 Notifications, etc. to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 7 by the Calculation Agent

will (in the absence of wilful default, bad faith or manifest or proven error) be binding on the Issuer, the Trustee, the Principal Paying Agent and all Certificateholders. No liability to the Issuer, the Trustee, the Republic, the Principal Paying Agent or the Certificateholders shall attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 7.

7.9 Benchmark Replacement

Notwithstanding the provisions in Condition 7.3 above, if a Benchmark Event occurs in relation to a Reference Rate when any Rate (or the relevant component part thereof) remains to be determined by such Reference Rate, then the following provisions shall apply:

- (a) the Trustee and the Republic shall use reasonable endeavours to appoint, as soon as reasonably practicable, an Independent Adviser to determine, no later than five Business Days prior to the relevant Periodic Distribution Determination Date relating to the next succeeding Return Accumulation Period (the “**IA Determination Cut-off Date**”), a Successor Rate or, alternatively, if there is no Successor Rate, an Alternative Rate and (in either case) any Adjustment Spread for purposes of determining the Rate (or the relevant component part thereof) applicable to the Certificates for all future Return Accumulation Periods (subject to the subsequent operation of this Condition 7.9);
- (b) if a Successor Rate or, failing which, an Alternative Rate (as applicable) is determined in accordance with the preceding provision, such Successor Rate or, failing which, an Alternative Rate (as applicable) shall be the Reference Rate for each of the future Return Accumulation Periods (subject to the subsequent operation of, and to adjustment as provided in this Condition 7.9);
- (c) if the Republic is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or an Alternative Rate prior to the IA Determination Cut-off Date, the Rate applicable to the next succeeding Return Accumulation Period shall be equal to the Rate last determined in relation to the Certificates in respect of the preceding Return Accumulation Period (or alternatively, if there has not been a first Periodic Distribution Date, the profit rate shall be the initial Rate) (subject, where applicable, to substituting the Margin that applied to such preceding Return Accumulation Period for the Margin that is to be applied to the relevant Return Accumulation Period); for the avoidance of doubt, the proviso in this Condition 7.9(c) shall apply to the relevant Return Accumulation Period only and any subsequent Return Accumulation Periods are subject to the subsequent operation of and to adjustment as provided in this Condition 7.9;
- (d) if the Independent Adviser determines a Successor Rate or, failing which, an Alternative Rate (as applicable) in accordance with the above provisions, the Independent Adviser may also (without the consent or approval of Certificateholders), acting in good faith and in a commercially reasonable manner, specify changes to these Conditions, including but not limited to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Periodic Distribution Determination Date, and/or the definition of Reference Rate applicable to the Certificates, and the method for determining the fallback rate in relation to the Certificates, in order to ensure the proper operation of such Successor Rate or Alternative Rate (as the case may be) and (in either case) any Adjustment Spread. If the Independent Adviser (in consultation with the Republic) determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as applicable). If the Independent Adviser is unable to determine the quantum of, or a formula or methodology for determining such Adjustment Spread, then such Successor Rate or Alternative Rate (as applicable) will apply without an Adjustment Spread;
- (e) if any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 7.9 and the Independent Adviser (if appointed) (acting in good faith and in a commercially reasonable manner) determines (i) that amendments to these Conditions, the Master Declaration of Trust, the Agency Agreement and/or any other Transaction Document are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the Benchmark Amendments) and (ii) the terms of the Benchmark Amendments, then the Trustee shall, subject to giving notice thereof in accordance with Condition 7.9(f), without any requirement for the consent or approval of Certificateholders, vary these Conditions, the Master Declaration of Trust, the Agency Agreement and/or such other Transaction Document(s) to give effect to such Benchmark Amendments with effect from the date specified in such notice. At the request of

the Republic, but subject to receipt by the Delegate of a certificate signed by two authorised signatories of the Republic confirming (1) that a Benchmark Event has occurred, (2) the Successor Rate or, as the case may be, the Alternative Rate and, (3) where applicable, any Adjustment Spread and/or the specific terms of any Benchmark Amendments and that any such Benchmark Amendments are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread, the Delegate shall, without any requirement for the consent or approval of the Certificateholders, be obliged to concur with the Republic in effecting any Benchmark Amendments (including, *inter alia*, by the execution of an agreement supplemental to or amending the Master Declaration of Trust, the Agency Agreement and/or any other Transaction Document). Notwithstanding the foregoing, the Delegate shall not be obliged so to concur if in the opinion of the Delegate doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Delegate in these Conditions or the Master Declaration of Trust in any way;

- (f) the Trustee shall promptly, following the determination of any Successor Rate or Alternative Rate (as applicable) or Adjustment Spread and the specific terms of any Benchmark Amendments to these Conditions, the Master Declaration of Trust, the Agency Agreement or any/other Transaction Document, promptly give notice thereof to the Delegate, the Principal Paying Agent, the Calculation Agent and the Certificateholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any;
- (g) the Delegate shall be entitled to rely on such certificates referred to in sub-paragraph (e) (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any) specified in such certificates will (in the absence of manifest error in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread (if any) and the Benchmark Amendments (if any), which are to be determined solely by the Trustee and the Republic following consultation with the Independent Adviser, and without prejudice to the Delegate's ability to rely on such certificate as aforesaid) be binding on the Republic, the Trustee, the Delegate, the Principal Paying Agent, the Calculation Agent and the Certificateholders; and
- (h) an Independent Adviser appointed pursuant to this Condition 7.9 shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Republic, the Trustee, the Delegate, the Principal Paying Agent, the Calculation Agent or the Certificateholders for any determination made by it pursuant to this Condition 7.9.

In this Condition 7.9:

“Adjustment Spread” means either (a) a spread (which may be positive or negative) or (b) a formula or methodology for calculating a spread, which the Independent Adviser (in consultation with the Republic) determines is required to be applied to the Successor Rate or the Alternative Rate (as applicable) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Rate, the Independent Adviser (in consultation with the Republic) (acting in good faith and in a commercially reasonable manner) determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as applicable); or
- (iii) if the Independent Adviser (in consultation with the Trustee and the Republic) determines that no such spread is customarily applied, the Independent Adviser (in consultation with the Trustee and the Republic) determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the relevant Reference Rate where such rate has been replaced by the Successor Rate or Alternative Reference Rate (as applicable);

“Alternative Rate” means the rate that the Independent Adviser determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining profit rates in respect of certificates denominated in the Specified Currency and of a comparable duration to the relevant Return Accumulation Period, or, if the Independent Adviser determines that there is no such rate, such other rate as the Independent Adviser determines in its sole discretion (acting in good faith and in a commercially reasonable manner) is most comparable to the relevant Reference Rate;

“**Benchmark Event**” means (i) the Reference Rate ceases to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered or ceasing to be published for at least five Business Days; (ii) a specified date referred to in a public statement by the administrator of the Reference Rate when it will cease publishing the Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Reference Rate); (iii) a specified date referred to in a public statement by the supervisor of the administrator of the Reference Rate when the Reference Rate has been or will be permanently or indefinitely discontinued; (iv) a public statement by the supervisor of the administrator of the Reference Rate that means the Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences; (v) a public statement by or on behalf of the supervisor of the administrator of the Reference Rate that the Reference Rate is or will be (or is or will be deemed by such supervisor to be) no longer representative of its relevant underlying market; or (vi) it has become unlawful to calculate any payments due to be made to any Certificateholder using the Reference Rate (including, without limitation, under the Benchmark Regulation (EU) 2016/1011, if applicable);

“**Independent Adviser**” means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case appointed by the Republic at its own expense;

“**Relevant Nominating Body**” means, in respect of a Reference Rate: (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank, reserve bank, monetary authority or any similar institution, for the currency to which the Reference Rate relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (C) a group of the aforementioned central banks or other supervisory authorities, (D) the Financial Stability Board or any part thereof, or (E) the International Swaps and Derivatives Association, Inc. or any part thereof; and

“**Successor Rate**” means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser determines is a successor to or replacement of the Reference Rate (for the avoidance of doubt, whether or not such Reference Rate has ceased to be available) which is formally recommended by any Relevant Nominating Body.

8 PAYMENT

8.1 Payments in Respect of Certificates

Subject to Condition 8.2 (*Payments Subject to Applicable Laws*), payment of the Dissolution Distribution Amount and any Periodic Distribution Amount will be made by the Principal Paying Agent in the Specified Currency, by wire transfer in same day funds to the registered account of each Certificateholder. Payments of the Dissolution Distribution Amount will only be made against surrender of the relevant Certificate at the specified office of any of the Paying Agents. The Dissolution Distribution Amount and each Periodic Distribution Amount will be paid to the Certificateholder shown on the Register at the close of business on the date (the “**Record Date**”) being the fifteenth day (whether or not a business day) before the date on which the Dissolution Distribution Amount or the relevant Periodic Distribution Amount, as the case may be, is due to be paid.

*For so long as the Certificates are represented by a Global Certificate deposited with a custodian for DTC or, in the case of Certificates issued outside the United States in reliance on Regulation S of the Securities Act, deposited with a common depository for Euroclear and Clearstream, Luxembourg, payments of the Distribution Amount and each Periodic Distribution Amount will be made to the person shown on the relevant Register as the registered Certificateholder represented by such Global Certificate at the close of business on the Clearing System Business Day before the due date for such payment (where “**Clearing System Business Day**” means a day on which each Clearing System with which the Global Certificate is being held is open for business).*

For the purposes of these Conditions, a Certificateholder’s “**registered account**” means the account in the Specified Currency maintained by or on behalf of it with a bank that processes payments in the Specified Currency, details of which appear on the Register at the close of business on the relevant Record Date and a Certificateholder’s “**registered address**” means its address appearing on the Register at that time.

8.2 Payments Subject to Applicable Laws

Payments in respect of Certificates are subject in all cases to any fiscal or other laws and regulations applicable in the place of payment and where appropriate, the place of the specified office of the Paying Agent to whom the relevant Certificate is surrendered, but without prejudice to the provisions of Condition 9 (*Capital Distributions of the Trust*).

8.3 Payment only on a Payment Business Day

Payment instructions (for value the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated by the Principal Paying Agent on the due date for payment or, in the case of a payment of the Dissolution Distribution Amount, if later, on the Business Day on which the relevant Certificate is surrendered at the specified office of a Paying Agent (if required to do so).

Certificateholders will not be entitled to any additional Periodic Distribution Amount, Dissolution Distribution Amount or other payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day or, if the relevant Certificateholder is late in surrendering its Certificate (if required to do so).

If the amount of the Dissolution Distribution Amount or any Periodic Distribution Amount is not paid in full when due, the Registrar will annotate the Register with a record of the amount actually paid.

In this Condition 8.3, “**Payment Business Day**” means:

- (a) a day on which banks in the relevant place of surrender of the definitive Certificate are open for presentation and payment of registered securities and for dealings in foreign currencies; and
- (b) in the case of payment by transfer to an account:
 - (i) if the currency of payment is euro, a TARGET2 Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Business Centre; or
 - (ii) if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the principal financial centre of the currency of payment and in each (if any) Additional Business Centre.

8.4 Agents

The names of the initial Agents and their initial specified offices are set out at the end of these Conditions. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that it will at all times maintain (a) a Principal Paying Agent and a Registrar in New York and a Registrar in Luxembourg and (b) a Paying Agent (which may be the Principal Paying Agent) having its specified office in New York. In addition, for so long as the Certificates are listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the rules thereof so require, in the event that any of the Global Certificates are exchanged for definitive Certificates, the Issuer shall appoint and maintain a paying agent in Singapore, where the definitive Certificates may be presented or surrendered for payment or redemption. In addition, in the event that any of the Global Certificates are exchanged for definitive Certificates, announcement of such exchange shall be made through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Certificates, including details of the paying agent in Singapore. Notice of any termination or appointment and of any changes in specified offices will be given to Certificateholders promptly by the Issuer in accordance with Condition 15 (*Notices*).

9 CAPITAL DISTRIBUTIONS OF THE TRUST

9.1 Scheduled Dissolution

Unless the Certificates are previously redeemed, the Issuer will redeem Certificates at the Dissolution Distribution Amount on the Scheduled Dissolution Date. Upon payment in full of the Dissolution Distribution Amount and the termination of the Trust, the Certificates shall cease to represent the Trust Assets and no further amounts shall be payable in respect thereof and the Issuer and the Trustee shall have no further obligations in respect thereof.

“**Dissolution Date**” means the Scheduled Dissolution Date or any other earlier date of dissolution of the Trust.

“Dissolution Distribution Amount” means the aggregate outstanding face amount of the relevant Certificates *plus* the Periodic Distribution Amounts accrued and unpaid (if any) to the due date for dissolution or redemption.

“Scheduled Dissolution Date” in relation to a Series of Certificates shall be specified in the applicable Pricing Supplement.

9.2 Dissolution Following a Dissolution Event

Upon the occurrence of a Dissolution Event (as defined in Condition 12 (*Dissolution Events*)), which is continuing, the Certificates may be redeemed at the Dissolution Distribution Amount and the Trust dissolved by the Trustee on the dates specified in Condition 12 (*Dissolution Events*).

9.3 Dissolution Following a Total Loss Event

The Trustee shall, upon receipt of notice from the Republic or otherwise upon becoming aware, of the occurrence of a Total Loss Event, unless the properties underlying the Assets are replaced by the Republic in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable, redeem the Certificates, in whole but not in part, by no later than the close of business in London on the 61st day after the occurrence of the Total Loss Event (a **“Total Loss Dissolution Date”**). The Certificates will be redeemed at their Dissolution Distribution Amount using the proceeds of: (a) the Insurances payable in respect of the Total Loss Event, and (b) if required, the Loss Shortfall Amount, which are required in each case to be paid into the Transaction Account by no later than close of business in London on the 61st day following the occurrence of the Total Loss Event. Upon payment in full of the Dissolution Distribution Amount to all Certificateholders, the Trustee shall be bound to dissolve the Trust.

Following the occurrence of a Total Loss Event, the Servicing Agent or the Wakeel (as applicable) shall promptly notify the Trustee and the Delegate of the same and the Trustee shall:

- (a) promptly notify Certificateholders (the **“Trading Notice”**) (i) of the occurrence of a Total Loss Event and (ii) that from the date of the Trading Notice and until any further notice from the Trustee, in consultation with the Sharia Adviser, the Certificates should be tradable only in accordance with the Sharia principles of debt trading (such as the principle that debt is to be traded (A) at par on a spot settlement basis or (B) against tangible assets and/or eligible commodities on a spot settlement basis); and
- (b) give notice in writing to the Delegate and the Certificateholders of the Total Loss Dissolution Date following the occurrence of a Total Loss Event (unless the properties underlying the Assets are replaced by the Republic in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable).

For the avoidance of doubt, neither the Delegate nor any Agent will have any responsibility for monitoring or ensuring compliance with any such Sharia principles of debt trading nor shall it be liable to any Certificateholder or any other persons in respect thereof.

“Insurances” means the insurances in respect of the properties underlying the Assets, as provided for in the Servicing Agency Agreement and the Wakala Agreement, as applicable;

“Loss Shortfall Amount” has the meaning given to it in the Servicing Agency Agreement and the Wakala Agreement, as applicable;

“Sharia Adviser” has the meaning given to it in the Servicing Agency Agreement and the Wakala Agreement, as applicable;

“Total Loss Event” means the total loss or destruction of, or damage to the whole of, the properties underlying the Assets, or any event or occurrence that renders the whole of the properties underlying the Assets permanently unfit for any economic use and (but only after taking into consideration any Insurances or other indemnity granted by any third party in respect of the properties underlying the Assets) the repair or remedial work in respect thereof is wholly uneconomical.

9.4 Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)

(Applicable only in the case of a Wakala Series)

If a Tangibility Event occurs, upon receipt of a Tangibility Event Trustee Notice from the Republic in accordance with the Wakala Agreement, the Trustee shall promptly give notice to the Delegate and the Certificateholders (a “**Tangibility Event Notice**”) in accordance with Condition 15 (*Notices*) specifying:

- (a) that a Tangibility Event has occurred, together with an explanation of the reasons for, and evidence of, such occurrence;
- (b) that, as determined in consultation with the Sharia Adviser, the Certificates should be tradable only in accordance with the Sharia principles of debt trading (such as the principle that debt is to be traded (A) at par on a spot settlement basis or (B) against tangible assets and/or eligible commodities on a spot settlement basis);
- (c) that, on the date falling 15 days following the Tangibility Event Put Date, the Certificates will be delisted from any stock exchange (if any) on which the Certificates have been admitted to listing; and
- (d) the Tangibility Event Put Period, during which period any Certificateholder shall have the option to require the redemption of all or any of its Certificates.

Any holder of Certificates may elect within the Tangibility Event Put Period to require the redemption of all or any of its Certificates.

If any Certificateholder elects to redeem its Certificates, in whole or in part, in accordance with this Condition 9.4, the Trustee shall redeem such Certificates on the Tangibility Event Put Date at its Dissolution Distribution Amount. If the Certificates are to be redeemed in whole, but not in part, on the Tangibility Event Put Date in accordance with this Condition 9.4, upon payment in full of the Dissolution Distribution Amount to all Certificateholders, the Trustee shall be bound to dissolve the Trust.

To exercise such option, the holder must deposit its Certificate(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed exercise notice (a “**Tangibility Event Exercise Notice**”) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the Tangibility Event Put Period. No Certificate so deposited and right exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Trustee.

For the avoidance of doubt, neither the Delegate nor any Agent will have any responsibility for monitoring or ensuring compliance with any such Sharia principles of debt trading referred to in (b) above nor shall it be liable to any Certificateholder or any other person in respect thereof.

For the purposes of these Conditions:

“**Tangible Asset Ratio**” means, in respect of each Wakala Series only, at any time, the ratio of:

- (a) the aggregate of the Values of:
 - (i) the Ijara Assets; and
 - (ii) any Project Assets that have been completed and delivered at, or prior to, such time in accordance with the Procurement Agreement,to:
- (b) the aggregate of the Values of:
 - (i) the Ijara Assets; and
 - (ii) the Project Assets,

provided that, the Issuer’s rights, title, interest and benefit in, to and under the aforesaid Ijara Assets and Project Assets in each case form part of the Trust Assets at such time;

a “**Tangibility Event**” shall occur if, at any time, the Tangible Asset Ratio, other than as a result of the occurrence of a Total Loss Event or a Partial Loss Event, falls to below 33 per cent.;

“**Tangibility Event Put Period**” shall be the period of 30 days commencing on the date that is the 60th day after a Tangibility Event Notice is given;

“**Tangibility Event Put Date**” means the first Business Day falling 75 days following the expiry of the Tangibility Event Put Period;

“**Tangibility Event Trustee Notice**” has the meaning given to it in the Wakala Agreement; and

“**Value**” means (a) subject to (b) below, in relation to each Property, Ijara Asset and/or Project Asset applicable to a Series, on any date, the amount in the Specified Currency (following conversion, if necessary) determined by the Republic as being equal to the relevant valuation obtained by the Republic of such Property, Ijara Asset and/or Project Asset on the date it was purchased or otherwise acquired by or on behalf of the Trustee as set out in the relevant Supplemental Purchase Agreement or Supplemental Procurement Agreement, as applicable, and/or other Transaction Documents, as the case may be; and (b) in relation to each Project Asset, applicable to a Series, that has been completed and delivered in accordance with the Procurement Agreement, on any date, the amount in the Specified Currency (following conversion, if necessary) determined by the Republic as being equal to the relevant valuation obtained by the Republic of such Project Asset on the date it was actually delivered as set out in, and in accordance with, the relevant Supplemental Procurement Agreement, as applicable, and/or other Transaction Documents, as the case may be.

9.5 No Other Dissolution

The Issuer shall not be entitled to redeem the Certificates, and the Trustee shall not be entitled to dissolve the Trust otherwise than as provided in this Condition 9 and in Condition 12 (*Dissolution Events*).

9.6 Purchases

Notwithstanding anything to the contrary in any Transaction Document, the Issuer or the Republic may at any time purchase or acquire any Certificates in any manner and at any price. Certificates which are purchased or acquired by the Issuer or the Republic may, at the Issuer’s or the Republic’s discretion, as the case may be, be held, resold or surrendered for cancellation (subject to such Certificates being deemed not to remain outstanding for certain purposes as provided under the Master Declaration of Trust if so held).

Any Certificates resold shall be assigned a separate CUSIP from the Certificates redeemed unless such resold Certificates are treated as being issued in a “qualified reopening” for U.S. federal income tax purposes.

9.7 Cancellations

Should the Republic wish to cancel any Certificates purchased pursuant to Condition 9.6 (*Purchases*), it shall deliver a Transfer Notice to PPSI-III (in accordance with the terms of the Transfer Undertaking) whereupon PPSI-III shall, in accordance with the terms of the Transfer Undertaking, be required to transfer all of PPSI-III’s rights, title, benefits and entitlements in and to the Transferred Assets to the Republic in consideration for which the Certificates shall be surrendered for cancellation. The transfer of the Transferred Assets will take effect by the Republic and PPSI-III entering into a transfer agreement (in the form scheduled to the Transfer Undertaking). Following the entry into such transfer agreement, PPSI-III shall cancel the relevant Certificates identified for cancellation in the Transfer Notice on the Transfer Date (which shall be a Periodic Distribution Date). In addition, Certificates which are redeemed will forthwith be cancelled and accordingly may not be held, reissued or resold.

10 TAXATION

All payments in respect of the Certificates shall be made without withholding or deduction for, or on account of, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature, imposed or levied by or on behalf of any Relevant Jurisdiction (“**Taxes**”), unless the withholding or deduction of the Taxes is required by Indonesian law. In such event, the Issuer will pay additional amounts so that the full amount which otherwise would have been due and payable under the Certificates is received by parties entitled thereto, except that no such additional amount shall be payable in relation to any payment in respect of any Certificate:

- (a) presented for payment (where presentation is required) by or on behalf of a Certificateholder who is liable for such Taxes in respect of such Certificate by reason of having some connection with a Relevant Jurisdiction other than the mere holding of such Certificate or receiving payments thereon; or
- (b) presented for payment (where presentation is required) more than 30 days after the Relevant Date (as defined below) except to the extent that a Certificateholder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming, whether or not such is in fact the case, that day to have been a Payment Business Day; or

- (c) presented for payment (where presentation is required) by or on behalf of a Certificateholder who is a fiduciary or partnership or other than the sole beneficial owner of such payment to the extent such payment would be required to be included in the income, for tax purposes, of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the Certificateholder.

In these Conditions:

“Relevant Date” means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Principal Paying Agent or the Trustee on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect shall have been duly given to Certificateholders by the Issuer in accordance with Condition 15 (*Notices*); and

“Relevant Jurisdiction” means the Republic or any political subdivision thereof having the power to tax. For the avoidance of doubt, neither the Agents nor the Delegate shall be responsible or liable for (a) determining whether the Issuer is liable to pay any taxes or the amounts payable (if any) in connection with this Condition 9; or (b) determining the sufficiency or insufficiency of any amounts so paid and neither the Agents nor the Delegate shall be responsible to the Certificateholders or any other person for any loss arising from any failure by it to do so.

The Lease Agreement and the Purchase Undertaking each provide that payments thereunder by the Republic shall be made without withholding or deduction for, or on account of, any present or future Taxes, unless the withholding or deduction of the Taxes is required by Indonesian law and, in such case, provide for the payment by the Republic of additional amounts so that the full amount which would otherwise have been due and payable is received by PPSI-III.

11 PRESCRIPTION

The right to receive distributions in respect of the Certificates will be forfeited unless claimed within periods of ten years (in the case of the Dissolution Distribution Amount) and five years (in the case of Periodic Distribution Amounts) from the Relevant Date in respect thereof, subject to the provisions of Condition 8 (*Payment*). Neither the Agents nor the Delegate shall be responsible or liable for any amounts so prescribed.

12 DISSOLUTION EVENTS

Upon the occurrence and continuation of any of the following events (**“Dissolution Events”**):

- (a) the Issuer defaults in the payment of any Dissolution Distribution Amount or Periodic Distribution Amount and such default is not cured within 30 days of the due date for payment;
- (b) the Issuer defaults in the performance of any covenant or obligation under the Declaration of Trust and such default continues for a period of 60 days after written notice thereof has been given to the Issuer by the Delegate or to the Issuer at the address of its agent for service of process in England by holders of Certificates representing at least 10.0% of the aggregate face amount of the Certificates outstanding;
- (c) the Issuer ceases to exist at any time on or after the Scheduled Dissolution Date but before redemption in full of the Certificates is made;
- (d) the Republic as Lessee rejects any Rental Fixing Notice as defined in and delivered under the relevant Lease Agreement; and
- (e) a Republic Event (as defined in the Purchase Undertaking) occurs,

the Delegate shall give notice of the occurrence of such Dissolution Event to the holders of Certificates in accordance with Condition 15 (*Notices*) with a request to such holders to indicate if they wish the Trust to be dissolved. If so requested in writing by the holders of at least 25.0% of the then aggregate face amount of the Certificates outstanding or if so directed by an Extraordinary Resolution, the Delegate shall (subject in each case to being indemnified and/or secured and/or pre-funded to its satisfaction) or, if the Delegate so decides in its discretion, the Delegate may (but shall have no obligation to), give notice to the Issuer, the Republic and all the holders of the Certificates in accordance with Condition 15 (*Notices*) that the Certificates are to be redeemed at the Dissolution Distribution Amount on the date specified in such notice (which may not be earlier than the date on which the Republic receives such notice) and that the Trust is to be dissolved on the day after the last outstanding Certificate has been redeemed, unless the Issuer or the

Republic has remedied the relevant Dissolution Event(s) and has notified the Delegate, each of the Agents and the holders of the Certificates prior to the receipt of such notice of dissolution from the Delegate, such notice to be provided by the Issuer or the Republic, (i) in respect of the Delegate and the Agents, in writing, signed by, in the case of the Issuer, the President Director of the Issuer and, in the case of the Republic, an authorised representative of the Republic and, (ii) in respect of the holders of the Certificates, in accordance with Condition 15 (*Notices*).

If the Dissolution Event(s) giving rise to such notice, other than the non-payment of the Dissolution Distribution Amount which has become due solely by reason of such notice, shall have been cured, waived or otherwise remedied, then the holders of more than 50.0% of the then aggregate face amount outstanding of the Certificates may instruct the Delegate in writing (and the Delegate shall act upon such instructions, subject to being indemnified and/or secured and/or prefunded against any liabilities which it may incur by doing so), on behalf of all Certificateholders, to waive the relevant Dissolution Event(s) and rescind and annul such notice and its consequences (but no such waiver or rescission and annulment shall extend to or affect any subsequent Dissolution Event or impair any right consequent thereon).

For the purpose of paragraph (a) above, amounts shall be considered due in respect of the Certificates (including any amounts calculated as being payable under Condition 6 (*Fixed Periodic Distribution Provisions*), Condition 7 (*Floating Periodic Distribution Provisions*), Condition 8 (*Payment*) and Condition 9 (*Capital Distributions of the Trust*)) notwithstanding that the Issuer or the Trustee has at the relevant time insufficient funds or Trust Assets to pay such amounts.

As set out in the Purchase Undertaking, each of the following events or circumstances shall constitute a “**Republic Event**”:

- (a) the Republic defaults in the payment of any Rental (as defined in the Lease Agreement) under the Lease Agreement, the Exercise Price (as defined in the Purchase Undertaking) under the Purchase Undertaking, the Tangibility Event Exercise Price (as defined in the Purchase Undertaking) under the Purchase Undertaking, any Non-Delivery Payment Amount (as defined in the relevant Supplemental Procurement Agreement) under the relevant Supplemental Procurement Agreement or any Loss Shortfall Amount under the Servicing Agency Agreement or the Wakala Agreement, as applicable, and any such default is not cured within 30 days of the due date for payment;
- (b) a Partial Loss Dissolution Event occurs;
- (c) the Republic (acting in any capacity): (i) delivers a notice to the Trustee and/or the Delegate pursuant to clause 6.3 of the Servicing Agency Agreement or clause 6.3 of the Wakala Agreement, as applicable; or (ii) does not perform or comply with any one or more of its other obligations in respect of the Transaction Documents (including those set out in clauses 2.2 and 2.3 of the relevant Supplemental Lease Agreement but other than those set out in clauses 6.1, 6.2 and 6.3 of the Servicing Agency Agreement and clauses 6.1, 6.2, 6.3 and 10 of the Wakala Agreement, as applicable, the failure to comply with which shall not constitute a Republic Event) and/or defaults in the performance of any other covenant in the Purchase Undertaking, and any such default continues for a period of 60 days after written notice thereof has been given to the Republic by the Delegate or to the Republic at the address of its agent for service of process in England by holders of Certificates representing at least 10.0% of the aggregate face amount of the Certificates outstanding;
- (d) any Public External Indebtedness (as defined in the Purchase Undertaking) in a principal amount in excess of U.S.\$50,000,000 (or the equivalent amount thereof in any other currency) is accelerated (other than by optional or mandatory prepayment or redemption);
- (e) the Republic defaults in the payment of principal or interest or profit in excess of U.S.\$50,000,000 (or the equivalent amount thereof in any other currency) payable (whether upon maturity, acceleration or otherwise) in connection with Public External Indebtedness beyond any applicable grace and waiver periods and such default shall not have been cured or waived within 30 days after written notice thereof has been given to the Republic by the Delegate or to the Republic at the address of its agent for service of process in England by any holder of Certificates; and
- (f) the Republic declares a moratorium with respect to the payment of principal of or interest or profit on any Public External Indebtedness.

“**Partial Loss Dissolution Event**” means the termination of the lease of the Assets in accordance with the Lease Agreement on the 91st day after the date of occurrence of the Partial Loss Event as a result of either:

- (a) provided that the Properties (as defined in the Lease Agreement) have not been replaced in accordance with the Servicing Agency Agreement or the Wakala Agreement (as applicable), the delivery by the

Republic of a Partial Loss Termination Notice to the Lessor within 60 days after the date of occurrence of the Partial Loss Event in accordance with the Lease Agreement; or (b) the failure by the Republic to replace the Properties (as defined in the Lease Agreement) within 90 days after the date of occurrence of the Partial Loss Event in accordance with the Servicing Agency Agreement or the Wakala Agreement (as applicable).

“Partial Loss Event” means the partial impairment of one or more of the Properties (as defined in the Lease Agreement) in a manner that substantially deprives the Lessee from the benefits expected from the whole of the Properties (as defined in the Lease Agreement), as determined by the Lessee and the occurrence of which (a) has been certified in writing by a recognised independent industry expert; (b) has not arisen as a result of the Lessee’s negligence or misconduct; and (c) does not constitute a Total Loss Event.

“Partial Loss Termination Notice” has the meaning given to it in the Lease Agreement.

13 ENFORCEMENT AND EXERCISE OF RIGHTS

13.1 Upon the occurrence of a Dissolution Event, to the extent that the Dissolution Distribution Amount payable in respect of the Certificates has not been paid in full, PPSI-III or (subject to it being indemnified and/or secured and/or prefunded to its satisfaction) the Delegate acting on behalf of PPSI-III may, or (in the case of the Delegate) shall, if so instructed by an Extraordinary Resolution, or in the absence of an Extraordinary Resolution, in writing by holders of at least 25.0% of the then aggregate face amount of the Certificates outstanding and subject to being indemnified and/or secured and/or pre-funded to its satisfaction, (acting for the benefit of the Certificateholders) take one or more of the following steps:

- (a) enforce the provisions of the Purchase Undertaking against the Republic; and/or
- (b) take such other steps as PPSI-III or the Delegate may consider necessary or desirable to exercise all of the rights of PPSI-III under the Purchase Undertaking and any of the other Transaction Documents and make such distributions from the Trust Assets as PPSI-III is bound to make in accordance with the Declaration of Trust.

13.2 The Delegate shall not be bound in any circumstances to take any action to enforce or to realise the Trust Assets or take any action against the Issuer and/or the Republic under any Transaction Document to which either of the Issuer or the Republic is a party unless directed or requested to do so (a) by an Extraordinary Resolution or (b) in writing by the holders of at least 25.0% of the then aggregate face amount of the Certificates outstanding and in either case then only if it shall be indemnified and/or secured and/or pre-funded to its satisfaction against all liabilities to which it may thereby render itself liable or which it may incur by so doing.

13.3 No Certificateholder shall be entitled to proceed directly against the Issuer or the Republic under any Transaction Document unless (a) the Delegate, having become so bound to proceed in accordance with Condition 13.2 (*Enforcement and Exercise of Rights*), fails to do so within 60 days of becoming so bound and such failure is continuing and (b) the relevant Certificateholder (or such Certificateholder together with the other Certificateholders) who proposes to proceed directly against the Issuer or the Republic, holds at least 25.0% of the outstanding aggregate face amount of the Certificates. This Condition 13 is subject to the following:

- (a) under no circumstances shall the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets (other than in accordance with the Purchase Undertaking) and the sole right of the Delegate and the Certificateholders against the Issuer and the Republic shall be to enforce their respective obligations under the Transaction Documents; and
- (b) any action or proceeding commenced by an individual Certificateholder as described above must be for the equal, rateable and common benefit of all holders of the Certificates.

13.4 The foregoing paragraphs in this Condition 13 are subject to this paragraph. No Certificateholder shall be entitled in respect thereof to petition or to take any other steps for the winding up of the PPSI-III.

14 REPLACEMENT OF CERTIFICATES

Should any Certificate be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified offices of the Paying Agents upon payment by the claimant of the expenses and costs incurred in connection with the replacement and on such terms as to evidence and indemnity as the Issuer, the Republic, the relevant Paying Agent or the Registrar may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15 NOTICES

All notices to Certificateholders will be valid if:

- (a) published in a daily newspaper (which will be a leading English language newspaper having general circulation) in Asia (which is expected to be the *Asian Wall Street Journal*) and a daily newspaper having general circulation in London (which is expected to be the *Financial Times*) approved by the Delegate; or
- (b) mailed to them by first class pre-paid registered mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective registered addresses.

The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange on which the Certificates are for the time being listed. Any notice shall be deemed to have been given on the day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication. So long as the Certificates are represented by one or more Global Certificates held on behalf of DTC or Euroclear and/or Clearstream, Luxembourg, or another clearing system as may be specified in the applicable Pricing Supplement, or, in each case, the relevant nominee, notices to Certificateholders may be given by delivery of the relevant notice to those clearing systems for communication to entitled holders in substitution for notification as set out under (a) or (b) above.

16 MEETINGS OF CERTIFICATEHOLDERS; WRITTEN RESOLUTIONS

(a) Convening Meetings of Certificateholders; Conduct of Meetings of Certificateholders; Written Resolutions

- (i) The Delegate, the Trustee or the Republic may convene a meeting of the Certificateholders at any time in respect of the Certificates in accordance with the Master Declaration of Trust and the Agency Agreement. The Delegate, the Trustee or the Republic (as the case may be) will determine the time and place of the meeting. The Delegate, the Trustee or the Republic (as the case may be) will notify the Certificateholders of the time, place and purpose of the meeting not less than 30 and not more than 60 days before the meeting.
- (ii) The Trustee, the Republic or the Delegate will convene a meeting of Certificateholders if the holders of at least 10.0 per cent. in principal amount of the outstanding Certificates (as defined in the Master Declaration of Trust and described in Condition 16(i) (Certificates controlled by the Trustee or the Republic)) have delivered a written request to the Trustee, the Republic or the Delegate (with a copy to the Trustee and the Republic) setting out the purpose of the meeting. The Delegate will agree the time and place of the meeting with the Trustee and the Republic promptly. The Trustee, the Republic or the Delegate, as the case may be, will notify the Certificateholders within ten days of receipt of such written request of the time and place of the meeting, which shall take place not less than 30 and not more than 60 days after the date on which such notification is given.
- (iii) The Trustee or the Republic (as the case may be) (with the agreement of the Delegate) will set the procedures governing the conduct of any meeting in accordance with the Agency Agreement. If the Agency Agreement does not include such procedures, or additional procedures are required, the Trustee, the Republic and the Delegate will agree such procedures as are customary in the market and in such a manner as to facilitate any multiple series aggregation, if in relation to a Reserved Matter the Trustee or the Republic (as the case may be) proposes any modification to the terms and conditions of, or action with respect to, two or more series of securities issued by it.
- (iv) The notice convening any meeting will specify, *inter alia*:
 - (A) the date, time and location of the meeting;
 - (B) the agenda and the text of any Extraordinary Resolution to be proposed for adoption at the meeting;
 - (C) the record date for the meeting, which shall be no more than five business days before the date of the meeting;
 - (D) the documentation required to be produced by a Certificateholder in order to be entitled to participate at the meeting or to appoint a proxy to act on the Certificateholder's behalf at the meeting;

- (E) any time deadline and procedures required by any relevant international and/or domestic clearing systems or similar through which the Certificates are traded and/or held by Certificateholders;
 - (F) whether Condition 16(b) (*Modification of a Single Series of Certificates only*), or Condition 16(c) (*Multiple Series Aggregation — Single limb voting*), or Condition 16(d) (*Multiple Series Aggregation — Two limb voting*) shall apply and, if relevant, in relation to which other series of securities it applies;
 - (G) if the proposed modification or action relates to two or more series of securities issued by it and contemplates such series of securities being aggregated in more than one group of securities, a description of the proposed treatment of each such group of securities;
 - (H) such information that is required to be provided by the Trustee or the Republic (as the case may be) in accordance with Condition 16(f) (*Information*);
 - (I) the identity of the Aggregation Agent and the Calculation Agent, if any, for any proposed modification or action to be voted on at the meeting, and the details of any applicable methodology referred to in Condition 16(g) (*Claims Valuation*); and
 - (J) any additional procedures which may be necessary and, if applicable, the conditions under which a multiple series aggregation will be deemed to have been satisfied if it is approved as to some but not all of the affected series of securities.
- (v) In addition, the Agency Agreement contains provisions relating to Written Resolutions. All information to be provided pursuant to Condition 16(a)(iv) (*Convening Meetings of Certificateholders; Conduct of Meetings of Certificateholders; Written Resolutions*) shall also be provided, *mutatis mutandis*, in respect of Written Resolutions.
- (vi) A “**record date**” in relation to any proposed modification or action means the date fixed by the Trustee or the Republic (as the case may be) for determining the Certificateholders and, in the case of a multiple series aggregation, the holders of securities of each other affected series that are entitled to vote on a Multiple Series Single Limb Extraordinary Resolution or a Multiple Series Two Limb Extraordinary Resolution, or to sign a Multiple Series Single Limb Written Resolution or a Multiple Series Two Limb Written Resolution, which date shall be no more than five business days before the date of any such meeting.
- (vii) An “**Extraordinary Resolution**” means any of a Single Series Extraordinary Resolution, a Multiple Series Single Limb Extraordinary Resolution and/or a Multiple Series Two Limb Extraordinary Resolution, as the case may be.
- (viii) A “**Written Resolution**” means any of a Single Series Written Resolution, a Multiple Series Single Limb Written Resolution and/or a Multiple Series Two Limb Written Resolution, as the case may be.
- (ix) Any reference to “**securities**” means any trust certificates (including, without limitation, the Certificates), notes, bonds, debentures or other securities issued by the Trustee or the Republic in one or more series with an original stated maturity of more than one year.
- (x) “**Securities Capable of Aggregation**” means those securities which include or incorporate by reference this Condition 16 and Condition 17 (Aggregation Agent; Aggregation Procedures) or provisions substantially in these terms which provide for the securities which include such provisions to be capable of being aggregated for voting purposes with other series of securities.

(b) Modification of a Single Series of Certificates only

- (i) Without prejudice to clause 10.1 of the Declaration of Trust, any modification of any provision of, or any action in respect of, these Conditions or the Transaction Documents in respect of the Certificates may be made or taken if approved by a Single Series Extraordinary Resolution or a Single Series Written Resolution as set out below.
- (ii) A “**Single Series Extraordinary Resolution**” means a resolution passed at a meeting of Certificateholders duly convened and held in accordance with the procedures prescribed by the Trustee or the Republic and the Delegate pursuant to Condition 16(a) (*Convening Meetings of Certificateholders; Conduct of Meetings of Certificateholders; Written Resolutions*) by a majority of:
 - (A) in the case of a Reserved Matter, at least 75.0 *per cent.* of the aggregate principal amount of the outstanding Certificates that are represented at a meeting; or

- (B) in the case of a matter other than a Reserved Matter, more than 50.0 *per cent.* of the aggregate principal amount of the outstanding Certificates that are represented at a meeting.
- (iii) A “**Single Series Written Resolution**” means a resolution in writing signed or confirmed in writing by or on behalf of the holders of:
 - (A) in the case of a Reserved Matter, at least 75.0 *per cent.* of the aggregate principal amount of the outstanding Certificates; or
 - (B) in the case of a matter other than a Reserved Matter more than 50.0 *per cent.* of the aggregate principal amount of the outstanding Certificates.

Any Single Series Written Resolution may be contained in one document or several documents in the same form, each signed or confirmed in writing by or on behalf of one or more Certificateholders.

- (iv) Any Single Series Extraordinary Resolution duly passed or Single Series Written Resolution approved shall be binding on all Certificateholders, whether or not they attended any meeting, whether or not they voted in favour thereof and whether or not they signed or confirmed in writing any such Single Series Written Resolution, as the case may be.

(c) Multiple Series Aggregation — Single limb voting

- (i) In relation to a proposal that includes a Reserved Matter, any modification to the terms and conditions of, or any action with respect to, two or more series of Securities Capable of Aggregation may be made or taken if approved by a Multiple Series Single Limb Extraordinary Resolution or by a Multiple Series Single Limb Written Resolution as set out below, provided that the Uniformly Applicable condition is satisfied.
- (ii) A “**Multiple Series Single Limb Extraordinary Resolution**” means a resolution considered at separate meetings of the holders of each affected series of Securities Capable of Aggregation, duly convened and held in accordance with the procedures prescribed by the Trustee or the Republic (as the case may be) and the Delegate pursuant to Condition 16(a) (*Convening Meetings of Certificateholders; Conduct of Meetings of Certificateholders; Written Resolutions*), as supplemented if necessary, which is passed by a majority of at least 75.0 *per cent.* of the aggregate principal amount of the outstanding securities of all affected series of Securities Capable of Aggregation (taken in aggregate).
- (iii) A “**Multiple Series Single Limb Written Resolution**” means each resolution in writing (with a separate resolution in writing or multiple separate resolutions in writing distributed to the holders of each affected series of Securities Capable of Aggregation, in accordance with the applicable documentation) which, when taken together, has been signed or confirmed in writing by or on behalf of the holders of at least 75 *per cent.* of the aggregate principal amount of the outstanding securities of all affected series of Securities Capable of Aggregation (taken in aggregate). Any Multiple Series Single Limb Written Resolution may be contained in one document or several documents in substantially the same form, each signed or confirmed in writing by or on behalf of one or more Certificateholders or one or more holders of each affected series of securities.
- (iv) Any Multiple Series Single Limb Extraordinary Resolution duly passed or Multiple Series Single Limb Written Resolution approved shall be binding on all Certificateholders and holders of each other affected series of Securities Capable of Aggregation, whether or not they attended any meeting, whether or not they voted in favour thereof, whether or not any other holder or holders of the same series voted in favour thereof and whether or not they signed or confirmed in writing any such Multiple Series Single Limb Written Resolution, as the case may be.
- (v) The “**Uniformly Applicable**” condition will be satisfied if:
 - (A) the holders of all affected series of Securities Capable of Aggregation are invited to exchange, convert, or substitute their securities, on the same terms, for (i) the same new instrument or other consideration or (ii) a new instrument, new instruments or other consideration from an identical menu of instruments or other consideration; or
 - (B) the amendments proposed to the terms and conditions of each affected series of Securities Capable of Aggregation would, following implementation of such amendments, result in the amended instruments having identical provisions (other than provisions which are necessarily different, having regard to different currency of issuance).
- (vi) Any modification or action proposed under Condition 16(c)(i) (*Multiple Series Aggregation — Single limb voting*) may be made in respect of some series only of the Securities Capable of Aggregation and,

for the avoidance of doubt, the provisions described in this Condition 16(c) may be used for different groups of two or more series of Securities Capable of Aggregation simultaneously.

(d) Multiple Series Aggregation — Two limb voting

- (i) In relation to a proposal that includes a Reserved Matter, any modification to the terms and conditions of, or any action with respect to, two or more series of Securities Capable of Aggregation may be made or taken if approved by a Multiple Series Two Limb Extraordinary Resolution or by a Multiple Series Two Limb Written Resolution as set out below.
- (ii) A “**Multiple Series Two Limb Extraordinary Resolution**” means a resolution considered at separate meetings of the holders of each affected series of Securities Capable of Aggregation, duly convened and held in accordance with the procedures prescribed by the Trustee or the Republic (as the case may be) and the Delegate pursuant to Condition 16(a) (*Convening Meetings of Certificateholders; Conduct of Meetings of Certificateholders; Written Resolutions*), as supplemented if necessary, which is passed by a majority of:
 - (A) at least 66⅔ *per cent.* of the aggregate principal amount of the outstanding securities of affected series of Securities Capable of Aggregation (taken in aggregate); and
 - (B) more than 50 *per cent.* of the aggregate principal amount of the outstanding securities in each affected series of Securities Capable of Aggregation (taken individually).
- (iii) A “**Multiple Series Two Limb Written Resolution**” means each resolution in writing (with a separate resolution in writing or multiple separate resolutions in writing distributed to the holders of each affected series of Securities Capable of Aggregation, in accordance with the applicable documentation) which, when taken together, has been signed or confirmed in writing by or on behalf of the holders of:
 - (A) at least 66⅔ *per cent.* of the aggregate principal amount of the outstanding securities of all the affected series of Securities Capable of Aggregation (taken in aggregate); and
 - (B) more than 50 *per cent.* of the aggregate principal amount of the outstanding securities in each affected series of Securities Capable of Aggregation (taken individually).

Any Multiple Series Two Limb Written Resolution may be contained in one document or several documents in substantially the same form, each signed or confirmed in writing by or on behalf of one or more Certificateholders or one or more holders of each affected series of Securities Capable of Aggregation.
- (iv) Any Multiple Series Two Limb Extraordinary Resolution duly passed or Multiple Series Two Limb Written Resolution approved shall be binding on all Certificateholders and holders of each other affected series of Securities Capable of Aggregation, whether or not they attended any meeting, whether or not they voted in favour thereof, whether or not any other holder or holders of the same series voted in favour thereof and whether or not they signed or confirmed in writing any such Multiple Series Two Limb Written Resolution, as the case may be.
- (v) Any modification or action proposed under Condition 16(d)(i) (*Multiple Series Aggregation — Two limb voting*) may be made in respect of some series only of the Securities Capable of Aggregation and, for the avoidance of doubt, the provisions described in this Condition 16(d) may be used for different groups of two or more series of Securities Capable of Aggregation simultaneously.

(e) Reserved Matters

In these Conditions, “**Reserved Matter**” means any proposal:

- (i) to change the Scheduled Dissolution Date or any other date, or the method of determining the Scheduled Dissolution Date or any other date, for payment of the Dissolution Distribution Amount, the Periodic Distribution Amount or any other amount in respect of the Certificates, to reduce or cancel the amount of the Dissolution Distribution Amount, the Periodic Distribution Amount or any other amount payable on any date in respect of the Certificates or to change the method of calculating the amount of the Dissolution Distribution Amount, the Periodic Distribution Amount or any other amount payable in respect of the Certificates on any date;
- (ii) to change the currency in which any amount due in respect of the Certificates is payable or the place in which any payment is to be made;

- (iii) to change the majority required to pass an Extraordinary Resolution, a Written Resolution or any other resolution of Certificateholders or the number or percentage of votes required to be cast, or the number or percentage of Certificates required to be held, in connection with the taking of any decision or action by or on behalf of the Certificateholders or any of them;
- (iv) to change this definition, or the definition of “**Extraordinary Resolution**”, “**Single Series Extraordinary Resolution**”, “**Multiple Series Single Limb Extraordinary Resolution**”, “**Multiple Series Two Limb Extraordinary Resolution**”, “**Written Resolution**”, “**Single Series Written Resolution**”, “**Multiple Series Single Limb Written Resolution**” or “**Multiple Series Two Limb Written Resolution**”;
- (v) to change the definition of “securities” or “Securities Capable of Aggregation”;
- (vi) to change the definition of “Uniformly Applicable”;
- (vii) to change the definition of “outstanding” or to modify the provisions of Condition 16(i) (*Certificates controlled by the Trustee or the Republic*);
- (viii) to change the legal ranking of the Certificates;
- (ix) to permit early redemption of the Certificates or, if early redemption is already permitted, set a redemption date earlier than the date previously specified or reduce the redemption price;
- (x) to change any provision of the Certificates describing circumstances in which the Certificates are to be redeemed upon the occurrence of a Dissolution Event, set out in Condition 12 (*Dissolution Events*);
- (xi) to change the law governing the Certificates, the courts to the jurisdiction of which the Trustee and the Republic have submitted in the Certificates, any of the arrangements specified in the Certificates to enable proceedings to be taken or the Trustee’s or the Republic’s waiver of immunity, in respect of actions or proceedings brought by any Certificateholder, set out in Condition 20 (*Governing Law and Submission to Jurisdiction*);
- (xii) to impose any condition on or otherwise change the Trustee’s obligation to make payments of the Dissolution Distribution Amount, the Periodic Distribution Amount or any other amount in respect of the Certificates, including by way of the addition of a call option;
- (xiii) to modify the provisions of this Condition 16(e);
- (xiv) except as permitted by any Transaction Document, to release any agreement guaranteeing or securing payments under the Certificates or to change the terms of any such guarantee or security;
- (xv) to exchange or substitute all the Certificates for, or convert all the Certificates into, other obligations or securities of the Trustee or the Republic (as the case may be) or any other person, or to modify any provision of these Conditions in connection with any exchange or substitution of the Certificates for, or the conversion of the Certificates into, any other obligations or securities of the Trustee or the Republic (as the case may be) or any other person, which would result in the Conditions as so modified being less favourable to the Certificateholders which are subject to the Conditions as so modified than:
 - (A) the provisions of the other obligations or securities of the Trustee or the Republic or any other person resulting from the relevant exchange or substitution or conversion; or
 - (B) if more than one series of other obligations or securities results from the relevant exchange or substitution or conversion, the provisions of the resulting series of securities having the largest aggregate principal amount.

(f) Information

Prior to or on the date that the Delegate, the Trustee or the Republic proposes any Extraordinary Resolution or Written Resolution pursuant to Condition 16(b) (*Modification of a Single Series of Certificates only*), Condition 16(c) (*Multiple Series Aggregation — Single limb voting*) or Condition 16(d) (*Multiple Series Aggregation — Two limb voting*), the Trustee or the Republic (as the case may be) shall publish in accordance with Condition 17 (*Aggregation Agent; Aggregation Procedures*), and provide the Delegate with the following information:

- (i) a description of the Republic’s economic and financial circumstances, a description of the Republic’s existing debts and a description of its broad policy reform program and provisional macroeconomic outlook, in each case to the extent that such matters are, in the Republic’s opinion, relevant to the request for any potential modification or action;

- (ii) if the Republic shall at the time have entered into an arrangement for financial assistance with multilateral and/or other major creditors or creditor groups and/or an agreement with any such creditors regarding debt relief, a description of any such arrangement or agreement. Where permitted under the information disclosure policies of the multilateral or such other creditors, as applicable, copies of the arrangement or agreement shall be provided;
- (iii) a description of the Republic's proposed treatment of external securities that fall outside the scope of any multiple series aggregation and its intentions with respect to any other securities and its other major creditor groups; and
- (iv) if any proposed modification or action contemplates securities being aggregated in more than one group of securities, a description of the proposed treatment of each such group, as required for a notice convening a meeting of the Certificateholders in Condition 16(a)(iv)(G) (*Convening Meetings of Certificateholders; Conduct of Meetings of Certificateholders; Written Resolutions*).

(g) Claims Valuation

For the purpose of calculating the par value of the Certificates and any affected series of securities which are to be aggregated with the Certificates in accordance with Condition 16(c) (*Multiple Series Aggregation — Single limb voting*) and Condition 16(d) (*Multiple Series Aggregation — Two limb voting*), the Trustee or the Republic (as the case may be) may appoint a Calculation Agent. The Trustee or the Republic (as the case may be) shall, with the approval of the Aggregation Agent and any appointed Calculation Agent, promulgate the methodology in accordance with which the par value of the Certificates and such affected series of securities will be calculated. In any such case where a Calculation Agent is appointed, the same person will be appointed as the Calculation Agent for the Certificates and each other affected series of securities for these purposes, and the same methodology will be promulgated for each affected series of securities.

(h) Manifest error, etc.

The Certificates, these Conditions and the provisions of the Master Declaration of Trust or the Agency Agreement may be amended, without the consent of the Certificateholders, to correct a manifest error. In addition, the parties to the Master Declaration of Trust may agree to modify any provision thereof, but the Delegate shall not agree, without the consent of the Certificateholders, to any such modification unless, in the opinion of the Delegate, it is of a formal, minor or technical nature or it is not materially prejudicial to the interests of the Certificateholders.

(i) Certificates controlled by the Trustee or the Republic

For the purposes of (i) determining the right to attend and vote at any meeting of Certificateholders, or the right to sign or confirm in writing, or authorise the signature of, any Written Resolution and (ii) this Condition 16, any Certificates which are for the time being held by or on behalf of the Trustee, the Republic or by or on behalf of any person which is owned or controlled directly or indirectly by the Trustee or the Republic or by any public sector instrumentality of the Trustee or the Republic shall be disregarded and be deemed not to remain outstanding, where:

- (i) “**public sector instrumentality**” means Bank Indonesia, any other department, ministry or agency of the government of Indonesia or any corporation, trust, financial institution or other entity owned or controlled by the government of Republic or any of the foregoing; and
- (ii) “**control**” means the power, directly or indirectly, through the ownership of voting securities or other ownership interests or through contractual control or otherwise, to direct the management of or elect or appoint a majority of the board of directors or other persons performing similar functions in lieu of, or in addition to, the board of directors of a corporation, trust, financial institution or other entity.

A Certificate will also be deemed to be not outstanding if the Certificate has previously been cancelled or delivered for cancellation or held for reissuance but not reissued, or, where relevant, the Certificate has previously been called for redemption in accordance with its terms or previously become due and payable at maturity or otherwise and the Trustee or the Republic (as the case may be) has previously satisfied its obligations to make all payments due in respect of the Certificate in accordance with its terms.

In advance of any meeting of Certificateholders, or in connection with any Written Resolution, the Trustee or the Republic (as the case may be) shall provide to the Delegate a copy of the certificate prepared pursuant

to Condition 17(d) (*Certificate*), which includes information on the total number of Certificates which are for the time being held by or on behalf of the Trustee or the Republic (as the case may be) or by or on behalf of any person which is owned or controlled directly or indirectly by the Trustee or the Republic (as the case may be) or by any public sector instrumentality of the Trustee or the Republic (as the case may be) and, as such, such Certificates shall be disregarded and deemed not to remain outstanding for the purposes of ascertaining the right to attend and vote at any meeting of Certificateholders or the right to sign, or authorise the signature of, any Written Resolution in respect of any such meeting. The Delegate shall make any such certificate available for inspection during normal business hours at its specified office and, upon reasonable request, will allow copies of such certificate to be taken.

(j) Publication

The Trustee or the Republic (as the case may be) shall publish all Extraordinary Resolutions and Written Resolutions which have been determined by the Aggregation Agent to have been duly passed in accordance with Condition 17(g) (*Manner of publication*).

(k) Exchange and Conversion

Any Extraordinary Resolutions or Written Resolutions which have been duly passed and which modify any provision of, or action in respect of, the Conditions may be implemented at the option of the Trustee or the Republic (as the case may be) by way of a mandatory exchange or conversion of the Certificates and each other affected series of securities, as the case may be, into new securities containing the modified terms and conditions if the proposed mandatory exchange or conversion of the Certificates is notified to Certificateholders at the time notification is given to the Certificateholders as to the proposed modification or action. Any such exchange or conversion shall be binding on all Certificateholders.

17 AGGREGATION AGENT; AGGREGATION PROCEDURES

(a) Appointment

The Trustee or the Republic (as the case may be) will appoint an aggregation agent (the “**Aggregation Agent**”) to calculate whether a proposed modification or action has been approved by the required principal amount outstanding of Certificates, and, in the case of a multiple series aggregation, by the required principal amount of outstanding securities of each affected series of Securities Capable of Aggregation. In the case of a multiple series aggregation, the same person will be appointed as the Aggregation Agent for the proposed modification of any provision of, or any action in respect of, these Conditions, the Master Declaration of Trust or the Agency Agreement in respect of the Certificates and in respect of the terms and conditions or documentation in respect of each other affected series of Securities Capable of Aggregation. The Aggregation Agent shall be independent of the Trustee and the Republic.

(b) Extraordinary Resolutions

If an Extraordinary Resolution has been proposed at a duly convened meeting of Certificateholders to modify any provision of, or action in respect of, these Conditions or the Master Declaration of Trust and other affected series of Securities Capable of Aggregation, as the case may be, the Aggregation Agent will, as soon as practicable after the time the vote is cast, calculate whether holders of a sufficient portion of the aggregate principal amount of the outstanding Certificates and, where relevant, each other affected series of Securities Capable of Aggregation, have voted in favour of the Extraordinary Resolution such that the Extraordinary Resolution is passed. If so, the Aggregation Agent will determine that the Extraordinary Resolution has been duly passed.

(c) Written Resolutions

If a Written Resolution has been proposed under the terms of these Conditions, the Agency Agreement or the Master Declaration of Trust to modify any provision of, or action in respect of, these Conditions, the Agency Agreement or the Master Declaration of Trust and the terms and conditions of other affected series of Securities Capable of Aggregation, as the case may be, the Aggregation Agent will, as soon as reasonably practicable after the relevant Written Resolution has been signed or confirmed in writing, calculate whether holders of a sufficient portion of the aggregate principal amount of the outstanding Certificates and, where relevant, each other affected series of Securities Capable of Aggregation, have signed or confirmed in writing in favour of the Written Resolution such that the Written Resolution is passed. If so, the Aggregation Agent will determine that the Written Resolution has been duly passed.

(d) Certificate

For the purposes of Condition 17(b) (*Extraordinary Resolutions*) and Condition 17(c) (*Written Resolutions*), the Trustee and Republic will provide a certificate to the Aggregation Agent up to three days prior to, and in any case no later than, with respect to an Extraordinary Resolution, the date of the meeting referred to in Condition 16(b) (*Modification of a Single Series of Certificates only*), Condition 16(c) (*Multiple Series Aggregation — Single limb voting*) or Condition 16(d) (*Multiple Series Aggregation — Two limb voting*), as applicable, and, with respect to a Written Resolution, the date arranged for the signing of the Written Resolution.

The certificate shall:

- (i) list the total principal amount of Certificates and, in the case of a multiple series aggregation, the total principal amount of each other affected series of Securities Capable of Aggregation outstanding on the record date; and
- (ii) clearly indicate the Certificates and, in the case of a multiple series aggregation, securities of each other affected series of Securities Capable of Aggregation which shall be deemed not to remain outstanding as a consequence of Condition 16(i) (*Certificates controlled by the Trustee or the Republic*) on the record date identifying the holders of the Certificates and, in the case of a multiple series aggregation, securities of each other affected series of Securities Capable of Aggregation.

The Aggregation Agent may rely upon the terms of any certificate, notice, communication or other document believed by it to be genuine.

(e) Notification

The Aggregation Agent will cause each determination made by it for the purposes of this Condition 17 to be notified to the Delegate, the Trustee and the Republic as soon as practicable after such determination. Notice thereof shall also promptly be given to the Certificateholders.

(f) Binding nature of determinations; no liability

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 17 by the Aggregation Agent and any appointed Calculation Agent will (in the absence of manifest error) be binding on the Trustee, the Republic, the Delegate, the Certificateholders and (subject as aforesaid) no liability to any such person will attach to the Aggregation Agent or the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

(g) Manner of publication

The Trustee and the Republic will publish all notices and other matters required to be published pursuant to these Conditions, the Master Declaration of Trust and the other Transaction Documents including any matters required to be published pursuant to Condition 16(*Meetings Of Certificateholders; Written Resolutions*), this Condition 17 (*Aggregation Agent; Aggregation Procedures*) and Condition 12 (*Dissolution Events*):

- (i) on the following websites: (A) www.djppr.kemenkeu.go.id; and (B) www.kemenkeu.go.id;
- (ii) through the relevant clearing systems;
- (iii) in such other places and in such other manner as may be required by applicable law or regulation; and
- (iv) in such other places and in such other manner as may be customary.

18 INDEMNIFICATION AND LIABILITY OF THE DELEGATE

- 18.1 The Declaration of Trust contains provisions for the indemnification of the Delegate in certain circumstances and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction. In particular, in connection with the exercise of any of its rights in respect of the Trust Assets, the Delegate shall in no circumstances take any action unless directed to do so in accordance with Condition 13.2 (*Enforcement and Exercise of Rights*), and then only if it shall have been indemnified and/or secured and/or pre-funded to its satisfaction.

- 18.2 The Delegate makes no representation and assumes no responsibility for the validity, sufficiency or enforceability of the obligations of the Issuer or the Republic under the Transaction Documents to which it is a party and shall not under any circumstances have any liability or be obliged to account to Certificateholders in respect of any payments which should have been paid by the Issuer or the Republic but are not so paid and shall not in any circumstances have any liability arising from the Trust Assets other than as expressly provided in these Conditions or in the Declaration of Trust.
- 18.3 Each of the Trustee, the Delegate and each Agent is exempted from (a) any liability in respect of any loss or theft of the Trust Assets or any cash, (b) any obligation to insure the Trust Assets or any cash and (c) any claim arising from the fact that the Trust Assets or any cash are held by or on behalf of the Trustee or on deposit or in an account with any depositary or clearing system or are registered in the name of the Trustee or its nominee, unless such loss or theft arises as a result of gross negligence, fraud or wilful misconduct by the Trustee or the Delegate, as the case may be.
- 18.4 Whenever the Delegate is required or entitled by the terms of the Declaration of Trust or these Conditions to exercise any discretion or power, take any action, make any decision or give any direction, the Delegate is entitled, prior to exercising any such discretion or power, taking such action, making any such decision, or giving any such direction, seek directions from Certificateholders by way of an Extraordinary Resolution, and the Delegate is not responsible or liable for any loss or liability incurred by any person as a result of any delay in it exercising such discretion or power, taking such action, making such decision, or giving such direction where the Delegate is seeking such directions.
- 18.5 The Delegate shall not (unless and to the extent ordered so to do by a court of competent jurisdiction) be required to disclose to any Certificateholder any information (including, without limitation, information of a confidential, financial or price sensitive nature) made available by the Republic or any other person in connection with these Conditions or the Certificates and no Certificateholder shall be entitled to take any action to obtain from the Delegate any such information.

19 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Conditions, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20 GOVERNING LAW AND SUBMISSION TO JURISDICTION

- 20.1 The Declaration of Trust (including these Conditions), the Certificates and any non-contractual obligations arising out of or in connection with the Declaration of Trust (including these Conditions) or the Certificates, are governed by, and will be construed in accordance with, English law.
- 20.2 Each of the Issuer and the Republic has in the Declaration of Trust irrevocably agreed for the benefit of the Trustee, the Delegate and the Certificateholders that the courts of England are to have exclusive jurisdiction to settle any dispute, suit, action or proceeding (together referred to as “**Proceedings**”) which may arise out of or in connection with the Declaration of Trust (including these Conditions) and any non-contractual obligations which may arise out of or in connection with the Declaration of Trust (including these Conditions) and accordingly submitted to the exclusive jurisdiction of the English courts.
- 20.3 Each of the Issuer and the Republic has in the Declaration of Trust waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.
- 20.4 Each of the Issuer and the Republic has in the Declaration of Trust appointed an agent for service of process in England (which, as of the Closing Date is the Representative office of Bank Indonesia in the City of London at 10 City Road, London EC1Y 2EH) in respect of any Proceedings and agreed that in the event of such agent ceasing so to act it will appoint another person as its agent for that purpose.
- 20.5 Subject to Condition 20.6 (*Governing Law and Submission to Jurisdiction*), each of the Issuer and the Republic has in the Declaration of Trust agreed that to the extent that it may claim for itself or its assets or revenues immunity from jurisdiction, enforcement, prejudgment proceedings, injunctions and all other legal proceedings and relief and to the extent that such immunity (whether or not claimed) may be attributed to it or its assets or revenues, it will not claim and has irrevocably and unconditionally waived such immunity in relation to any Proceedings. Further, it has irrevocably and unconditionally consented to the giving of any relief or the issue of any legal proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any Proceedings.

20.6 Notwithstanding anything to the contrary described in Condition 20.5 (*Governing Law and Submission to Jurisdiction*), no waiver of immunity or consent shall be deemed or interpreted to include any waiver of immunity or consent in respect of (i) actions brought against the Issuer or the Republic arising out of or based upon United States federal or state securities laws, (ii) attachment under Indonesian laws, (iii) present or future ‘premises of the mission’ as defined in the Vienna Convention on Diplomatic Relations signed in 1961, (iv) ‘consular premises’ as defined in the Vienna Convention on Consular Relations signed in 1963, (v) any other property or assets used solely or mainly for governmental or public purposes in the Republic or elsewhere, or (vi) military property or military assets or property or assets of the Republic related thereto; provided that the foregoing limitations shall not preclude any Proceeding to enforce any provision of the Declaration of Trust relating to the Trust Assets.

20.7 Each of the Issuer and the Republic has irrevocably agreed in the Transaction Documents to which it is a party that no interest will be payable or receivable under or in connection with the Transaction Documents and if any Proceedings are brought by or on behalf of a party under the Transaction Documents, it will:

- (a) not claim any judgment interest under, or in connection with, such Proceedings;
- (b) to the fullest extent permitted by law, waive all and any entitlement it may have to judgment interest awarded in its favour as a result of such Proceedings; and
- (c) if any such interest is actually received by it, promptly donate the same to a registered charity.

For the avoidance of doubt, nothing in this Clause 20.7 shall be construed as a waiver of rights in respect of any Rental (as defined in the Lease Agreement), Exercise Price (as defined in the Purchase Undertaking), Tangibility Event Exercise Price (as defined in the Purchase Undertaking), Full Reinstatement Value (as defined in the Servicing Agency Agreement or the Wakala Agreement, as applicable), Loss Shortfall Amount (as defined in the Servicing Agency Agreement or the Wakala Agreement, as applicable), Non-Delivery Payment Amount (as defined in the relevant Supplemental Procurement Agreement), Periodic Distribution Amount, Dissolution Distribution Amount or any other amounts payable by the Trustee (in any capacity) or the Republic (in any capacity) pursuant to the Transaction Documents and/or these Conditions, howsoever such amounts may be described or recharacterised by any court.

AGENTS AND SPECIFIED OFFICES

The Principal Paying Agent with respect to Certificates held through DTC:

The Bank of New York Mellon
240 Greenwich Street
New York, NY 10286
United States of America

Facsimile: +1 212 815 5915
Attention: Global Corporate Trust

The Paying Agent with respect to Regulation S Certificates held through Euroclear and/or Clearstream, Luxembourg:

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Facsimile: +44 207 964 2509
Attention: Global Corporate Trust

The Registrar and Transfer Agent with respect to Certificates held through DTC:

The Bank of New York Mellon
240 Greenwich Street
New York, NY 10286
United States of America

Facsimile: +1 212 815 5915
Attention: Global Corporate Trust

The Registrar with respect to Regulation S Certificates held through Euroclear and/or Clearstream, Luxembourg:

The Bank of New York Mellon SA/NV,
Luxembourg Branch
Vertigo Building — Polaris
2-4 rue Eugene Ruppert
L-2453 Luxembourg

Facsimile: +352 24 524 204
Attention: Global Corporate Trust

The Transfer Agent with respect to Regulation S Certificates held through Euroclear and/or Clearstream, Luxembourg:

The Bank of New York Mellon, London Branch
One Canada Square
London E14 5AL
United Kingdom

Facsimile: +44 207 964 2509
Attention: Global Corporate Trust

All correspondence should be copied to:

The Bank of New York Mellon, Singapore Branch
One Temasek Avenue
#02-01 Millenia Tower
Singapore 039192

Facsimile: +65 6883 0338
Attention: Global Corporate Trust

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement which will be completed for each Series of Certificates issued under the Program.

[MiFID II product governance/Professional investors and ECPs only target market: Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Certificates has led to the conclusion that:

- (a) the target market for the Certificates is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and
- (b) all channels for distribution of the Certificates to eligible counterparties and professional clients are appropriate.

Any person subsequently offering, selling or recommending the Certificates (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.]

[UK MiFIR product governance / Professional investors and ECPs only target market: Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Certificates has led to the conclusion that:

- (a) the target market for the Certificates is only eligible counterparties, as defined in the UK Financial Conduct Authority Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and
- (b) all channels for distribution of the Certificates to eligible counterparties and professional clients are appropriate.

Any person subsequently offering, selling or recommending the Certificates (a "**UK distributor**") should take into consideration the manufacturers' target market assessment; however, a UK distributor subject to the UK Financial Conduct Authority Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the UK manufacturers' target market assessment) and determining appropriate distribution channels.]

[Singapore Securities and Futures Act Product Classification — Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Certificates are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and ["Excluded Investment Products"]/["Specified Investment Products"] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

[Date]

Perusahaan Penerbit SBSN Indonesia III
(LEI Code: 254900G208H6Q0L5B953)
Issue of [Aggregate Face Amount of Series] [Title of Certificate]
Under the
U.S.\$35,000,000,000
Trust Certificate Issuance Program

PART A — CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the "**Conditions**") set forth in the Offering Memorandum dated 17 May 2022 (the "**Offering Memorandum**") [and the supplemental offering memorandum dated [●]]. This Pricing Supplement constitutes the final terms of the Certificates and must be read in conjunction with the Offering Memorandum [as supplemented].

[The following alternative language applies if the first issue of a Series which is being increased was issued under offering memorandum with an earlier date.]

[Terms used herein shall be deemed to be defined as such for the purposes of the conditions (the “**Conditions**”) set forth in the offering memorandum dated [original date]. This document constitutes the Pricing Supplement of the Certificates and must be read in conjunction with the offering memorandum dated [current date] [and the supplemental offering memorandum dated [●]], save in respect of the Conditions which are extracted from the offering memorandum dated [original date] and are attached hereto.]

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Pricing Supplement.]

1. (a) Issuer and Trustee: Perusahaan Penerbit SBSN Indonesia III (“**PPSI-III**”)
- (b) Obligor: Republic of Indonesia (the “**Republic**”)
2. (a) Series Number: [●]
- (b) [Tranche]: [●]
3. Specified Currency: [●]
4. Aggregate Face Amount of Series: [●]
5. Issue Price: 100.0% of the Aggregate Face Amount
6. (a) Specified Denominations: [●] *(this means the minimum integral amount in which transfers can be made)*
- (b) Calculation Amount: [●]¹
7. (a) Trade Date: [●]
- (b) Issue Date: [●]
- (c) Return Accumulation Commencement Date: [Issue Date/specify other]
8. Scheduled Dissolution Date: *[Specify date or (for Floating Periodic Distribution Certificates) Periodic Distribution Date falling in or nearest to the relevant month and year]*
9. Periodic Distribution Amount Basis: [[●]% Fixed Periodic Distribution Amount]
[[specify reference rate] +/- [●]% Floating Periodic Distribution Amount] *(further particulars specified below)*
10. Dissolution Basis: Dissolution at par
11. Change of Periodic Distribution Basis: *[Specify details of any provision for convertibility of Certificates into another Periodic Distribution Amount basis]* [Not Applicable]
12. Method of Distribution: [Syndicated/Non-syndicated]

¹ The applicable Calculation Amount (which is used for the calculation of periodic distribution amounts and redemption amounts) will be (i) if there is only one Specified Denomination, the Specified Denomination of the relevant Certificates or (ii) if there are several Specified Denominations (e.g., Specified Denominations of €100,000 and multiples of €1,000), the highest common factor of those Specified Denominations (note: there must be a common factor in the case of two or more Specified Denominations).

PROVISIONS RELATING TO PERIODIC DISTRIBUTIONS PAYABLE

13. Fixed Periodic Distribution Provisions: [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate[(s)]: [●] % per annum [payable [annually/ semi-annually/ quarterly/ monthly] in arrear]
- (b) Periodic Distribution Date(s): [[●] in each year up to and including the Scheduled Dissolution Date] [specify other]
- (c) Fixed Amount[(s)]: [●] per Calculation Amount
- (d) Broken Amount[(s)]: *[Insert particulars of any initial or final broken Periodic Distribution Amounts which do not correspond with the Fixed Amount [(s)] specified under paragraph [13(c)]]*
- (e) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or [specify other]]
- (f) Determination Date(s): [●] in each year
- [Insert regular Periodic Distribution Dates, ignoring Issue Date or Scheduled Dissolution Date in the case of a long or short first or last return accumulation period.]*
- N.B. This will need to be amended in the case of regular periodic distribution dates which are not of equal durations.]*
- (N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (g) Other terms relating to the method of calculating Fixed Periodic Distribution Amounts: [Not Applicable/give details]
14. Floating Periodic Distribution Provisions: [Applicable/Not Applicable]
- [(If not applicable, delete the remaining subparagraphs of this paragraph)]*
- (a) Specified Periodic Distribution Dates: [●] [Not Applicable]
- (Specified Period and Specified Periodic Distribution Dates are alternatives. If the Business Day Convention is the Floating Rate Convention, insert “Not Applicable”)*
- (b) Specified Period: [●] [Not Applicable]
- (Specified Period and Specified Periodic Distribution Dates are alternatives. A Specified Period, rather than Specified Periodic Distribution Dates, will only be relevant if the Business Day Convention is the Floating Rate Convention. Otherwise, insert “Not Applicable”)*

- (c) Business Day Convention: [Floating Rate Convention / Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / *[specify other]*]
- (d) Additional Business Centre(s): [Not Applicable/give details]
- (e) Manner in which the Rate(s) is/are to be determined: [Screen Rate Determination (Condition [7.3] (*Screen Rate Determination for Floating Rate Certificates*)) applies/*[specify other]*)]
- (f) Screen Rate Determination: [Applicable/Not Applicable] (If not applicable, delete the remaining sub paragraphs of this paragraph)
- Reference Rate: [[EURIBOR] calculated in accordance with Condition [7.3] (*Screen Rate Determination for Floating Rate Certificates*))]
 - Periodic Distribution Determination Date(s): [●]/[The date falling [●] Business Days prior to the first day of each Return Accumulation Period]/[First day of each Return Accumulation Period]/[The [first/second/third/[●]] Business Day immediately preceding the Periodic Distribution Date for each Return Accumulation Period (or immediately preceding such earlier date, if any, on which the Trust Certificates are due and payable).]*[provide details]*]
 - Relevant Screen Page: [●]
 - Relevant Time: [For example, 11.00 am London time]
- (g) Margin: [+/-] [●]% *per annum*
- (h) Day Count Fraction: [Actual/Actual], [Actual/Actual (ICMA)], [Actual/365(Fixed), Actual/360, 30/360 or 30E/360] (See Condition [7] (*Floating Periodic Distribution Provisions*))
- (i) Calculation Agent: [Principal Paying Agent] *[specify other]*
- (j) Other terms relating to the method of calculating Floating Periodic Distribution Amounts: [Not Applicable] *[give details]*

PROVISIONS RELATING TO DISSOLUTION

15. Dissolution Distribution Amount of each Certificate: [●] per Calculation Amount *plus* any accrued but unpaid Periodic Distribution Amount
- [specify other] [Applies to early redemption on Dissolution Event, the occurrence of a Tax Event, the occurrence of a Total Loss Event, the occurrence of a Tangibility Event (if applicable) and redemption on the Scheduled Dissolution Date]*

GENERAL PROVISIONS APPLICABLE TO THE CERTIFICATES

16. Form of Certificates: Registered Certificates
- Global Certificate exchangeable for Certificates in definitive registered form in the limited circumstances specified in the Global Certificate.
17. Additional Business Centre(s) relating to payment: [●]
- [(Note that this item relates to the place of payment and not Return Accumulation Period end dates, to which item [14(e)] relates)]*

PROVISIONS IN RESPECT OF THE TRUST ASSETS

18. Issue Structure: [Ijara Series]/[Wakala Series]
19. [Tangible Asset Ratio on the Issue Date: [●]] *[Applicable only in the case of a Wakala Series]*
20. Assets on the Issue Date: As Scheduled to the Supplemental Purchase Agreement [and Supplemental Procurement Agreement] specified below, a copy of which schedule is set out in Annex I hereto.
21. Trust Assets: [Condition [4.1] *(Summary of the Trust) applies*] *[specify other]*
22. (a) Details of Transaction Account in [New York/[●]]: [●] Transaction Account No: [●] with [●] for Series No.: [1/2/3 etc.]
- (b) Currency: [●]
23. Other Transaction Document Information:
- (a) Supplemental Declaration of Trust: Supplemental Declaration of Trust dated [●] between the Trustee, the Republic and the Delegate
- (b) Supplemental Purchase Agreement: Supplemental Purchase Agreement dated [●] between the Trustee (as Purchaser) and the Republic (as Seller)
- [(c) Supplemental Procurement Agreement:] [Supplemental Procurement Agreement dated [●] between the Trustee (as Purchaser) and the Republic (as Project Seller)]
- [(c)/[d)] Supplemental Lease Agreement: Supplemental Lease Agreement dated [●] between the Trustee (as Lessor) and the Republic (as Lessee)
24. Other terms or special conditions: [Not Applicable/give details]

DISTRIBUTION

25. (a) If syndicated, names of Managers: [Not Applicable/give names]
- (b) Stabilizing Manager (if any): [●]
- (c) Date of Subscription Agreement: [●]

26. If non-syndicated, name of relevant Dealer: [●]

27. Additional selling restrictions: [Not Applicable/give details]

[USE OF PROCEEDS

The proceeds from the issue of the Certificates will be applied by the Issuer for the purchase of the Assets specified in Annex I hereto from the Republic.

[The Republic intends to use the net proceeds it receives from the issue of the Certificates for its general purposes.]

[The Republic intends to invest an amount equal to the net proceeds it receives from the issue of the Certificates exclusively to finance or re-finance expenditure directly related to “**Eligible SDGs Expenditures with Green and Blue focus**” as defined in the SDGs Government Securities Framework of the Republic, which is described in “*Republic of Indonesia — SDGs Government Securities Framework*” in the Offering Memorandum.

The Republic’s SDGs Government Securities Framework and any practices contemplated thereunder are not incorporated into this Pricing Supplement or the terms of any of the Certificates. They are for illustrative purposes only and do not establish enforceable contractual obligations of the Republic. No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Republic) in connection with the SDGs Government Securities Framework or the Certificates. For the avoidance of doubt, no such opinion or certification is, nor shall it be deemed to be, incorporated into this Pricing Supplement.]⁶

RESPONSIBILITY

Each of the Issuer and the Republic accepts responsibility for the information contained in this Pricing Supplement. To the best of the knowledge and belief of each of the Issuer and the Republic (having taken all reasonable care to ensure that such is the case) the information contained in this Pricing Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [specify source]. Each of the Issuer and the Republic confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [specify source], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

**SIGNED ON BEHALF OF
PERUSAHAAN PENERBIT SBSN
INDONESIA III**

**SIGNED ON BEHALF OF
THE REPUBLIC OF INDONESIA**

By: _____
Duly authorised

By: _____
Duly authorised

⁶ Include for a green sukuk certificate issuance

PART B — OTHER INFORMATION

1. LISTING

Listing: ☐ (specify)/None

2. RATINGS

Ratings: The Certificates to be Issued have been rated:
[Moody's: ☐

[Fitch: ☐

[Standard & Poor's: ☐

[(The above disclosure should reflect the rating allocated to Certificates of the type being issued under the Program generally or, where the issue has been specially rated, that rating.)]

3. OPERATIONAL INFORMATION

(a) ISIN Code: ☐

(b) Common Code: ☐

(c) CUSIP: ☐

(d) Any clearing system(s) other than The Depository Trust Company or Euroclear Bank SA/ NV and Clearstream Banking S.A. and the relevant identification number(s): ☐ [Not Applicable/give name(s) and number(s)]

(e) Delivery: Delivery [against/free of] payment

(f) Names and address of initial Paying Agent(s): ☐

(g) Names and address of additional Paying Agent(s): ☐

(h) Names and address of Registrar(s): ☐

ANNEX I

IJARA PROPERTIES [AND PROJECT ASSETS] LIST⁷

[●]

⁷ Insert for the relevant Series the Properties List contained in relevant Supplemental Purchase Agreement and, in the case of a Wakala Series, the Project Assets specified in the relevant Supplemental Procurement Agreement (including the specifications for the construction of the Project Assets pursuant to the specified Project).

GLOBAL CERTIFICATES

Each Global Certificate contains provisions which apply to the Certificates in respect of which it is issued whilst they are represented by the relevant Global Certificate, some of which modify the effect of the Conditions. The following is a summary of those provisions. Unless otherwise defined, terms defined in the Conditions have the same meaning in paragraphs 1 to 8 below.

1. Form of the Certificates

The Certificates sold in offshore transactions in reliance on Regulation S (the “**Regulation S Certificates**”) will be represented by a global Regulation S certificate in fully registered form (the “**Regulation S Global Certificate**”), which will, unless otherwise specified in the applicable Pricing Supplement, be deposited with a custodian for and will be registered in the name of a nominee of DTC or a nominee for the common depository for Euroclear and Clearstream, Luxembourg. Beneficial interests in the Regulation S Global Certificate may be held through either DTC and its direct or indirect participants including Euroclear and Clearstream, Luxembourg at any time or through Euroclear or Clearstream, Luxembourg and its direct or indirect participants, as the case may be. See “*Clearance and Settlement — Payments and relationship of participants with clearing systems.*”

The Certificates sold within the United States to QIBs in reliance on Rule 144A (the “**Rule 144A Certificates**”) will be represented by a global Rule 144A certificate in fully registered form (the “**Rule 144A Global Certificate**”), which will, unless otherwise specified in the applicable Pricing Supplement, be deposited with a custodian for and will be registered in the name of a nominee of DTC. Beneficial interests in the Rule 144A Global Certificate may only be held through DTC and its direct or indirect participants including Euroclear and Clearstream, Luxembourg at any time. See “*Clearance and Settlement — Payments and relationship of participants with clearing systems.*”. Subject to certain exceptions, beneficial interests in the Rule 144A Global Certificate may only be held by persons who are QIBs, holding their interests for their own account or for the account of one or more QIBs. By acquisition of a beneficial interest in the Rule 144A Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is a QIB and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Rule 144A Global Certificate. See “*Transfer Restrictions.*”

The Certificates sold within the United States to Institutional Accredited Investors will be in definitive form, registered in the name of the holder thereof (“**Definitive IAI Certificates**”). Unless otherwise set forth in the applicable relevant Pricing Supplement, Definitive IAI Certificates will be issued only in minimum denominations of U.S.\$500,000 and integral multiples of U.S.\$1,000 in excess thereof (or the approximate equivalents in the applicable Specified Currency). Definitive IAI Certificates will be subject to the restrictions on transfer set forth therein and will bear the restrictive legend described under “*Plan of Distribution*” and “*Transfer Restrictions*”. Institutional Accredited Investors that hold Definitive IAI Certificates may not elect to hold such Certificates through DTC or Euroclear and/or Clearstream, Luxembourg, but transferees acquiring such Certificates in transactions exempt from Securities Act registration pursuant to Regulation S or Rule 144A under the Securities Act (if available) may do so upon satisfaction of the requirements applicable to such transfer as described under “*Plan of Distribution*” and “*Transfer Restrictions*”. The Registered Global Certificates and the Definitive IAI Certificates will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

The Regulation S Global Certificate and the Rule 144A Global Certificate are referred to herein as the “**Global Certificates**”. Beneficial interests in the Global Certificates will be subject to certain restrictions on transfer set out therein and in the Agency Agreement and such Global Certificates will bear a legend as set out under “*Transfer Restrictions*”. Investors may hold interests in the Regulation S Global Certificate, which are deposited with a common depository for and registered in the name of a nominee for the common depository for Euroclear and Clearstream, Luxembourg, through Euroclear or Clearstream, Luxembourg, if they are participants in those systems. Investors may also hold such interests through organisations other than Euroclear and Clearstream, Luxembourg that are participants in those systems. Euroclear and Clearstream, Luxembourg will hold interests in the Regulation S Global Certificate on behalf of their account holders through customers’ securities accounts in their respective names on the books of their respective depositories. In addition, investors may hold interests in the Regulation S Global Certificates, which are deposited with a custodian for and registered in the name of a nominee of DTC through Euroclear and Clearstream, Luxembourg, if they are participants in those systems. Investors may also hold such interests through organisations other than Euroclear and Clearstream, Luxembourg that are participants in

the DTC system. Euroclear and Clearstream, Luxembourg will hold interests in the Regulation S Global Certificate on behalf of their account holders through customers' securities accounts in their respective names on the books of their respective depositories which in turn will hold such interests in the Regulation S Global Certificate in customers' securities accounts in the depositories' names on the books of DTC. Investors may hold their interests in the Rule 144A Global Certificate directly through DTC, if they are DTC participants, or indirectly through organisations which are DTC participants.

No beneficial interest in the Regulation S Global Certificate may be transferred to a person who takes delivery in the form of a beneficial interest in the Rule 144A Global Certificate unless (i) the transfer is to a person that is a QIB, (ii) such transfer is made in reliance on Rule 144A, and (iii) the transferor provides the Registrar with a written certification substantially in the form set out in the Agency Agreement to the effect that the transferor reasonably believes that the transferee is a QIB purchasing the beneficial interest for its own account or any account of a QIB, in each case, in a transaction meeting the requirements of Rule 144A and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction (and the Registrar shall be entitled to rely on such written certification without further enquiry and will incur no liability for so relying and acting or omitting to act on the basis of such written certification). No beneficial interest in the Rule 144A Global Certificate may be transferred to a person who takes delivery in the form of a beneficial interest in the Regulation S Global Certificate unless (i) the transfer is in an offshore transaction in reliance on Rule 904 of Regulation S, and (ii) the transferor provides the Registrar with a written certification substantially in the form set out in the Agency Agreement to the effect that the transfer is being made in an offshore transaction in accordance with Regulation S.

Any beneficial interest in the Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in the Rule 144A Global Certificate will, upon transfer, cease to be an interest in the Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in the Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in the Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in the Regulation S Global Certificate will, upon transfer, cease to be an interest in the Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in the Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Certificates, but the Issuer may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Upon receipt of the Global Certificates, DTC or the custodian will credit, on its internal system, the respective face amount of the individual beneficial interests represented by each such Global Certificate to the accounts of persons who have accounts with DTC. Ownership of beneficial interests in a Global Certificates will be limited to persons who have accounts with DTC or persons who hold interests through participants, including Euroclear and Clearstream, Luxembourg. Ownership of beneficial interests in the Global Certificates will be shown on, and the transfer of that ownership will be effected only through, records maintained by DTC or its nominee (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants).

Upon receipt of the Global Certificates, Euroclear and/or Clearstream, Luxembourg or the custodian will credit, on its internal system, the respective face amount of the individual beneficial interests represented by each such Global Certificate to the accounts of persons who have accounts with Euroclear and/or Clearstream, Luxembourg. Ownership of beneficial interests in the Global Certificates will be limited to persons who have accounts with Euroclear and/or Clearstream, Luxembourg or persons who hold interests through participants. Ownership of beneficial interests in the Global Certificates will be shown on, and the transfer of that ownership will be effected only through, records maintained by Euroclear and/or Clearstream, Luxembourg (with respect to interests of participants) and the records of participants (with respect to interests of persons other than participants).

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Certificates.

2. Holders

For so long as all of the Certificates are represented by either or both of the Global Certificates and each Global Certificate is held on behalf of DTC (or its nominee, as the case may be), or Euroclear and/or

Clearstream, Luxembourg (or a common depository for Euroclear and/or Clearstream, Luxembourg, as the case may be), each person (other than another clearing system) who is for the time being shown in the records of any such clearing system as the holder of a particular aggregate face amount of such Certificates (each, a “**Certificateholder**”) (in which regard any certificate or other document issued by such clearing system as to the aggregate face amount of such Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated as the holder of such aggregate face amount of such Certificates (and the expression “**Certificateholders**” and references to “**holding of Certificates**” and to “**holder of Certificates**” shall be construed accordingly) for all purposes other than with respect to payments on such Certificates, the right to which shall be vested, as against the Issuer and the Delegate, solely in the registered holder of the relevant Global Certificate in accordance with and subject to its terms. Each Certificateholder must look solely to DTC (or its nominee, as the case may be), Euroclear or Clearstream, Luxembourg for its share of each payment made to the registered holder of the relevant Global Certificate.

3. Cancellation

Cancellation of any Certificate represented by a Global Certificate will be effected by reduction in the aggregate face amount of the Certificates in the Register and by annotation of the appropriate schedule to that Global Certificate, subject to the rules and procedures of DTC or Euroclear and/or Clearstream, Luxembourg, as the case may be.

4. Payments

Payments of any Dissolution Distribution Amount, Periodic Distribution Amount and any other amount payable in respect of Certificates represented by a Global Certificate will be made upon presentation or, if no further payment falls to be made in respect of the Certificates, against presentation and surrender of the relevant Global Certificate to or to the order of the relevant Registrar or such other Agent as shall have been notified to the holder of the relevant Global Certificate for such purpose.

Distributions of amounts with respect to book-entry interests in the Certificates held through DTC or its nominee will to the extent received by or on behalf of the Registrar be credited to the cash accounts of participants in the relevant clearing system in accordance with the relevant clearing system’s rules and procedures.

*For so long as the Certificates are represented by a Global Certificate deposited with a custodian for DTC or, in the case of Certificates issued outside the United States in reliance on Regulation S of the Securities Act, deposited with a common depository for Euroclear and Clearstream, Luxembourg, payments of the Distribution Amount and each Periodic Distribution Amount will be made to the person shown on the relevant Register as the registered Certificateholder represented by such Global Certificate at the close of business on the Clearing System Business Day before the due date for such payment (where “**Clearing System Business Day**” means a day on which each Clearing System with which the Global Certificate is being held is open for business).*

A record of each payment made in respect of the Certificates will be entered into the relevant Register by or on behalf of the relevant Registrar and shall be *prima facie* evidence that payment has been made.

5. Notices

So long as any of the Certificates are represented by either or both of the Global Certificates and such Global Certificate is held on behalf of DTC (or its nominee, as the case may be), Euroclear or Clearstream, Luxembourg (or a common depository for Euroclear and/or Clearstream, Luxembourg, as the case may be), notices to Certificateholders may be given by delivery of the relevant notice to those clearing systems for communication to entitled holders in substitution for notification as required by the Conditions except that, so long as the Certificates are listed on any stock exchange, notices shall also be published in accordance with the rules of such stock exchange. Any such notice shall be deemed to have been given to the Certificateholders on the day after the day on which such notice is delivered to the relevant clearing systems.

So long as any of the Certificates is represented by a Global Certificate deposited with a custodian for DTC or, in the case of Certificates issued outside the United States in reliance on Regulation S of the Securities Act, deposited with a common depository for Euroclear and Clearstream, Luxembourg, notices may be given by any holder of a Certificate to the Principal Paying Agent through DTC and/or Euroclear and/or

Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and DTC and/or Euroclear and/or Clearstream, Luxembourg may approve for their purposes.

6. Registration of Title

The Registrar will not register title to the Certificates in a name other than that of a nominee for DTC or a nominee for the common depository of Euroclear and/or Clearstream, Luxembourg, as the case may be for a period of seven calendar days preceding the due date for any payment of any Periodic Distribution Amount or the Dissolution Distribution Amount in respect of the Certificates.

7. Transfers

Transfers of book-entry interests in the Certificates will be effected through the records of DTC or Euroclear and/or Clearstream, Luxembourg, as the case may be and their direct and indirect participants in accordance with their respective rules and procedures.

8. Exchange for Definitive Certificates

Exchange

The Rule 144A Global Certificate will be exchangeable, free of charge to the holder, in whole but not in part, for Certificates in definitive form ("**Rule 144A Definitive Certificates**") and the Regulation S Global Certificate will be exchangeable, free of charge to the holder, in whole but not in part, for Certificates in definitive form ("**Regulation S Definitive Certificates and, together with the Rule 144A Definitive Certificates, the Definitive Certificates**") upon the occurrence of an Exchange Event.

For these purposes, "**Exchange Event**" means that (i) in the case of Rule 144A Certificates, DTC notifies the Issuer that it is no longer willing or able to discharge properly its responsibilities as depository with respect to the Rule 144A Certificates or DTC ceases to be a "clearing agency" under applicable law or is at any time no longer eligible to act as such or (ii) in the case of Regulation S Certificates issued through Euroclear and/or Clearstream, Luxembourg, the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention to cease business or has in fact done so and, in the case of each of (i) and/or (ii), as applicable no qualified successor clearing system satisfactory to the Delegate has been identified within 90 days of receipt of such notice from DTC and/or Euroclear and/or Clearstream, Luxembourg.

In exchange for the relevant Global Certificate, as provided in the Agency Agreement, the Registrar will deliver or procure the delivery of an equal aggregate face amount of duly executed Definitive Certificates in or substantially in the form set out in the Declaration of Trust.

Delivery

In such circumstances, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrars for completion, authentication and dispatch to the relevant Certificateholders. A person having an interest in a Global Certificate must provide the relevant Registrar with (i) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates and (ii) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a written certification that the transfer is being made in compliance with the provisions of Rule 144A to a purchaser that the transferor reasonably believes to be a QIB purchasing the beneficial interest for its own account or any account of a QIB, in each case, in a transaction meeting the requirements of Rule 144A and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*."

Legends and transfers

The holder of a Definitive Certificate may transfer the Certificates represented thereby in whole or in part in the applicable Authorised Denomination by surrendering it at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer thereon. Upon the transfer, exchange or replacement of a Definitive Certificate bearing the legend referred to under “*Transfer Restrictions*,” or upon specific request for removal of the legend on a Definitive Certificate, the Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set out therein are required to ensure compliance with the provisions of the Securities Act. Rule 144A Definitive Certificates will bear the same legend as the legend for the Rule 144A Global Certificate set out under “*Transfer Restrictions*”. The Rule 144A Definitive Certificates may not at any time be held by or on behalf of U.S. persons (as defined in Regulation S) that are not QIBs. Before any Regulation S Definitive Certificate may be resold or otherwise transferred to a person who takes delivery in the form of a Rule 144A Definitive Certificate, the transferor and/or transferee, as applicable, will be required to provide the Registrar with a written certification substantially in the form set out in the Agency Agreement to the effect that the transferor reasonably believes that the transfer is (i) to a person that is a QIB purchasing the beneficial interest for its own account or any account of a QIB and (ii) in each case in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of United States or any other jurisdiction. A Regulation S Definitive Certificate will bear the same legend as the legend for the Regulation S Global Certificate set out under “*Transfer Restrictions*”. Before any Rule 144A Definitive Certificate may be resold or otherwise transferred to a person who takes delivery in the form of a Regulation S Definitive Certificate, the transferor and/or transferee, as applicable, will be required to provide the Registrar with a written certification substantially in the form set out in the Agency Agreement to the effect that the transfer is being made to a person in an offshore transaction in accordance with Rule 904 of Regulation S.

THE ISSUER

Perusahaan Penerbit SBSN Indonesia III was established in Indonesia on 22 December 2011 by the Republic under Government Regulation No. 57 of 2011 on the Establishment of Perusahaan Penerbit SBSN Indonesia III (“**GR 57/2011**”) in conjunction with Law No. 19 of 2008 on Sovereign Sukuk (SBSN) and Government Regulation No. 56 of 2008 on Perusahaan Penerbit SBSN (as amended by Government Regulation No. 73 of 2012), with its registered office at the Ministry of Finance of the Republic of Indonesia, Frans Seda Building Level 5, Jalan DR. Wahidin Raya No. 1, Jakarta 10710, Indonesia. The Issuer is a special purpose entity formed for the purpose of participating in the transactions contemplated by the Transaction Documents.

The Issuer is wholly-owned by the Republic. Pursuant to GR 57/2011, the paid-up capital of the Issuer is Rp100,000,000 (one hundred million Rupiah). Other than as described herein, as at the date hereof there has been no material change in the capitalisation of the Issuer since its establishment.

Business of the Issuer

The Issuer will issue Certificates under the Program and will not have any substantial liabilities other than in connection with the issue of the Certificates. The Certificates are the obligations of the Issuer alone.

The objects of the Issuer as set out in GR 57/2011 are to issue Sharia compliant securities in foreign currencies in the international markets in order to finance the Indonesian State Budget in accordance with the prevailing laws and regulations. To satisfy such purposes, the Issuer may issue one or more series of Sharia compliant securities and enter into the transaction documents and other agreements necessary for the performance of its obligations pursuant to the issuance of such Sharia compliant securities.

The Issuer has not engaged, since its establishment, in any material activities other than those regarding or incidental to the issue of the Certificates under the Program and the matters contemplated in this Offering Memorandum and the Transaction Documents and the authorisation of its entry into the other transactions and documents referred to in this Offering Memorandum to which it is or will be a party.

The Issuer has no subsidiaries.

Financial Statements

The fiscal years of the Issuer end on 31 December of each year.

The Issuer prepares unaudited financial statements in respect of the end, and the first six months of, each fiscal year. The Issuer is not required by Indonesian law, and does not intend, to publish audited financial statements for any period.

Directors

The directors of the Issuer and their principal occupations are as follows:

<u>Directors</u>	<u>Principal Occupation</u>
Dwi Irianti Hadiningdyah (President Director)	Director of Islamic Financing, Directorate General of Budget Financing and Risk Management
Encep Sudarwan	Director of State-Owned Assets, Directorate General of State Assets
Agus Prasetya Laksono	Head of Sub-Directorate of Project and Asset Management of Sovereign Sukuk, Directorate of Islamic Financing, Directorate General of Budget Financing and Risk Management

The business address of Dwi Irianti Hadiningdyah and Agus Prasetya Laksono is Frans Seda Building Level 5, Jalan DR. Wahidin Raya No. 1, Jakarta 10710, Indonesia. The business address of Encep Sudarwan is Syafruddin Prawiranegara Building Level 11, Jalan Lapangan Banteng Timur No. 2-4, Jakarta 10710, Indonesia.

The Issuer currently has no employees and is not expected to have any employees in the future.

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

The following is a summary of certain provisions of the principal Transaction Documents in respect of each Series of Certificates issued under the Program. This summary is qualified in its entirety by reference to the detailed provisions of the principal Transaction Documents. Copies of the Transaction Documents will be available for inspection at the Specified Offices of the Principal Paying Agent (as defined in the Conditions).

Purchase Agreement

The Master Purchase Agreement was entered into on 17 May 2022 between the Issuer (in its capacity as “**Purchaser**”) and the Republic (in its capacity as “**Seller**”). The parties will subsequently enter into a Supplemental Purchase Agreement in relation to the issuance of each Series of Certificates. The Master Purchase Agreement is, and any Supplemental Purchase Agreement will be governed by Indonesian law. The Master Purchase Agreement and each Supplemental Purchase Agreement in relation to a Series of Certificates shall be referred to as the Purchase Agreement.

Pursuant to the Purchase Agreement in relation to the issuance of each Series of Certificates, the Seller will sell to the Purchaser, and the Purchaser will purchase from the Seller, Beneficial Rights over the Ijara Properties for a Purchase Price (as specified in the Supplemental Purchase Agreement, which in the case of a Wakala Series shall be more than 50.0% of the Issue Price), inclusive of all taxes, if any, free and clear of any encumbrance or any rights of third parties, payable on the Issue Date. The Ijara Properties relating to each Series of Certificates will be identified in the schedule to the relevant Supplemental Purchase Agreement.

“**Beneficial Right**” means, with respect to a property relating to an Ijara Asset or a Project Asset, as the case may be, *hak manfaat* in that property, as stipulated in Law No. 19 of 2008 on Sovereign Sukuk (Surat Berharga Syariah Negara), which is the right to own and to obtain the full right to the usage of certain properties without the requirement to register such ownership and rights.

“**Ijara Properties**” means, in respect of each Series of Certificates, (a) the real properties (including buildings, improvements and fixtures thereon) and/or (b) the buildings, improvements and fixtures located on real properties (but not including the relevant real properties), each as described in the schedule to the relevant Supplemental Purchase Agreement.

Procurement Agreement

The Master Procurement Agreement was entered into on 17 May 2022 between the Issuer (in its capacity as “**Purchaser**”) and the Republic (in its capacity as “**Project Seller**”). The parties will subsequently enter into a Supplemental Procurement Agreement in relation to the issuance of each Wakala Series of Certificates. The Master Procurement Agreement is, and any Supplemental Procurement Agreement will be governed by Indonesian law. The Master Procurement Agreement and each Supplemental Procurement Agreement in relation to a Wakala Series of Certificates shall be referred to as the “**Procurement Agreement**”.

Pursuant to the Procurement Agreement in relation to the issuance of each Wakala Series of Certificates, the Project Seller will sell to the Purchaser, and the Purchaser will purchase from the Project Seller, the Project Assets for the Project Assets Purchase Price (as specified in the Supplemental Procurement Agreement, which shall be less than 50.0% of the Issue Price), inclusive of all taxes, if any, free and clear of any encumbrance or any rights of third parties, payable on the Issue Date. The Project Assets relating to each Wakala Series of Certificates will be identified in the schedule to the relevant Supplemental Procurement Agreement.

Further to any such sale and purchase, the Project Seller will undertake to procure the construction of the relevant assets pursuant to the specified Project in respect of such Project Assets and to deliver such assets to the Purchaser upon completion (and to apply the Project Assets Purchase Price for this purpose).

PPSI-III may also replace Project Assets under the Procurement Agreement prior to the completion and delivery of the relevant assets pursuant to the specified Project by the amendment of the schedule to the relevant Supplemental Procurement Agreement specifying such Project Assets.

If, and to the extent that, at any time and for any reason, any of the Project Assets are not delivered:

- (a) (other than where, at such time, such Project Assets have been (i) replaced in accordance with the Procurement Agreement, (ii) substituted in accordance with the Substitution Undertaking, or (iii) transferred to the Republic in accordance with the Transfer Undertaking) on the Delivery Date in accordance with the terms of the Supplemental Procurement Agreement; or
- (b) on or prior to any applicable Dissolution Date or any applicable Tangibility Event Put Date (each as defined in the Conditions),

whichever is earlier, the Project Seller hereby agrees, in consideration for the payment to it by the Purchaser of the Project Assets Purchase Price, to make payment to the Purchaser immediately upon request in an amount equal to the portion of the Project Assets Purchase Price represented by the value of such undelivered Project Asset(s) (the “**Non-Delivery Payment Amount**”) by way of liquidated damages (and not as a penalty) (in the case of (a) above) and refund (in the case of (b) above). Any amount payable to the Purchaser in relation to the above shall be paid by or on behalf of the Project Seller into the Transaction Account (as defined in the Conditions) (A) in full, on or before the Dissolution Date or (B) in full or in part, as applicable in accordance with the Conditions, on or before any applicable Tangibility Event Put Date.

“**Project Assets**” means the Beneficial Rights over the assets specified in the schedule to the relevant Supplemental Procurement Agreement which are either under construction or to be constructed (the construction of such assets being, a “**Project**”) (including the right to the delivery of such assets upon completion).

Lease Agreement

The Master Lease Agreement was entered into on 17 May 2022 between the Republic (in its capacity as “**Lessee**”) and the Issuer (in its capacity as the “**Lessor**”). The parties will subsequently enter into a Supplemental Lease Agreement in relation to the issuance of each Series of Certificates and, in the case of a Wakala Series, upon the completion and delivery of the relevant Project Assets identified in that Supplemental Lease Agreement. The Master Lease Agreement is and any Supplemental Lease Agreement will be governed by Indonesian law. The Master Lease Agreement and the Supplemental Lease Agreement(s) in relation to a Series of Certificates shall be referred to as the “**Lease Agreement**”.

Under the terms of the relevant Lease Agreement, the Lessor may, from time to time, lease to the Lessee, and the Lessee may, from time to time, lease from the Lessor, the Assets during the term commencing on the date of the relevant Supplemental Lease Agreement and terminating on the Scheduled Dissolution Date. The Lease Agreement is subject to earlier termination *inter alia* if the Trust is dissolved early.

Pursuant to the Lease Agreement, no later than the two business days prior to the commencement of each rental period (except in the case of the first rental period, for which no rental fixing notice shall be required), the Lessor (or its agent) shall send a rental fixing notice to the Lessee. Each such notice shall be irrevocable and the Lessee will agree that, unless it immediately rejects such notice (in which case it acknowledges that it will be in breach of its undertaking to lease from the Lessor for the lease term and that such breach will constitute a Republic Event) it will be deemed to have accepted each such notice as and when delivered.

On each Additional Service Agency Expense Request Date (as defined in the Servicing Agency Agreement or Wakala Agreement, as the case may be), the Lessor (or its agent) shall submit to the Lessee a notice in writing requesting payment by the Lessee to the Lessor, on the first business day of the rental period commencing immediately after such Additional Service Agency Expense Request Date, an amount of additional supplementary rental in respect of that rental period (as shall also be specified in the relevant rental fixing notice) equal to the relevant Additional Service Agency Expenses proposed to be incurred or paid by the Servicing Agent or Wakeel, as the case may be, in the rental period in which such Additional Service Agency Expense Request Date falls. Such notice shall be irrevocable and the Lessee will agree that, unless it rejects such notice on such Additional Service Agency Expense Request Date (in which case it acknowledges that such rejection will constitute a Republic Event), it will be deemed to have approved such notice as and when submitted and agreed to pay the requested amount of additional supplementary rental in accordance with such notice and the relevant rental fixing notice.

“**Assets**” means, in respect of each Series of Certificates, the Beneficial Rights over the Properties.

“Properties” means, in respect of each Series of Certificates, (i) the real properties (including buildings, improvements and fixtures thereon) and/or (ii) the buildings, improvements and fixtures located on real properties (but not including the relevant real properties), as specified in the relevant Supplemental Lease Agreement as may be modified from time to time to give effect to (a) any substitution pursuant to the Substitution Undertaking or (b) on the occurrence of a Loss Event and following any replacement of the Properties by the application by the Servicing Agent or the Wakeel, as the case may be, of any relevant proceeds of the Insurances (or the rights to such proceeds of the Insurances) towards such replacement in accordance with the Servicing Agency Agreement or the Wakala Agreement (as applicable), and upon the replacement Supplemental Lease Agreement being entered into in relation thereto pursuant to the terms of the Lease Agreement, such replacement properties (while ceasing to include the properties so replaced and in existence immediately prior to the Loss Event), or (c) any removal of Transferred Assets (as defined in the Transfer Undertaking) pursuant to the Transfer Undertaking.

The Lessee has agreed to use the Properties at its own risk. Accordingly, the Lessee shall from the date of the relevant Lease Agreement bear the entire risk of loss of or damage to the Properties or any part thereof arising from the usage or operation thereof by the Lessee. In addition, the Lessor shall not be liable (and the Lessee has waived any claim or right, howsoever arising, to the contrary) for any indirect, consequential or other losses, howsoever arising, in connection with the Lessee’s use or operation of the Properties to the extent that such losses have resulted from the Lessee’s gross negligence, wilful default, actual fraud or breach of the Lease Agreement or other action or failure to take action.

Pursuant to the Lease Agreement, following the occurrence of a Partial Loss Event, the Lessee shall promptly give notice in writing thereof (such notice, being a **“Partial Loss Event Notice”**) to the Lessor and the Delegate providing:

- (a) the date of occurrence of the Partial Loss Event (the **“Partial Loss Event Date”**); and
- (b) details together with proper evidence of the occurrence of the Partial Loss Event and the deprivation of benefit from the Properties as a result thereof, including, without limitation, the certificate obtained from a recognised industry expert certifying the occurrence of such Partial Loss Event.

By no later than the 61st day after the Partial Loss Event Date, the Lessee may request a proportionate reduction in Rental by way of reimbursement of the Rental applicable to the period from and including the Partial Loss Event Date to but excluding the earlier of: (a) the relevant Replacement Date; and (b) the 91st day after the Partial Loss Event Date, to take into account the loss and/or impairment suffered by the Lessee in relation to the impaired assets (the **“Rental Reimbursement Amount”**), provided that the Partial Loss Event relating to such impaired assets has not arisen as a result of the Lessee’s negligence or misconduct (such request, being a **“Rental Reimbursement Request”**). If a Rental Reimbursement Request is made in accordance with this paragraph, the Lessor shall procure the payment of the Rental Reimbursement Amount by the Servicing Agent or Wakeel, as the case may be, (on its behalf) to the Lessee from only:

- (a) the proceeds of any insurances paid in accordance with the terms of the Servicing Agency Agreement or Wakala Agreement, as the case may be, and standing to the credit of the Collection Account; and/or
- (b) (to the extent the proceeds of such insurances (if any) are insufficient) any Loss Shortfall Amount paid in accordance with the terms of the Servicing Agency Agreement or Wakala Agreement, as the case may be,

on the 91st day after the Partial Loss Event Date. For the avoidance of doubt, if the Lessee does not make a Rental Reimbursement Request on or prior to the 61st day after the Partial Loss Event Date, or it expressly waives such right, it shall be not be entitled to exercise such right thereafter. Furthermore, for the avoidance of doubt if, following the occurrence of a Partial Loss Event, the Lease is not terminated in accordance with the Lease Agreement, and whether or not a Rental Reimbursement Request is made, the terms of the Supplemental Lease Agreement and the Lease, including the amount of Rental payable by the Lessee, shall continue on the same terms which applied prior to the occurrence of the Partial Loss Event.

The Lessee will undertake in the Lease Agreement, in relation to each Series, that it shall maintain actual or constructive possession, custody or control of all of the Assets from the date of the Lease Agreement until the satisfaction in full of all of its obligations (acting in any capacity) under the Transaction Documents to which it is a party.

The Lessee shall, at its own cost and expense, be responsible for the performance of all ordinary maintenance and repair required for the Properties during each rental period under the relevant Lease Agreement.

The Lessor shall be responsible for (i) the performance of all major maintenance and structural repair, (ii) the payment of any proprietorship or other relevant taxes and (iii) insuring the Properties and the Lessee has acknowledged that the Lessor may procure that the Republic (in its capacity as “**Servicing Agent**” or “**Wakeel**”, as the case may be), in accordance with the terms and conditions set out in the Servicing Agency Agreement or the Wakala Agreement, respectively, performs, or procures the performance of, the major maintenance and structural repair on behalf of the Lessor, the payment of such taxes and insuring of the Properties.

During the term of the Lease Agreement, the Lessee shall agree to pay to the Lessor the rentals specified in the Supplemental Lease Agreement for each rental period specified therein.

The Lease Agreement will provide that the Lessee shall pay:

- (a) each Rental (less any initial supplementary rental, supplementary rental and/or additional supplementary rental) on the relevant rental payment date;
- (b) the initial supplementary rental on the Issue Date of the first Tranche of Certificates;
- (c) any supplementary rental on the first business day of the rental period commencing immediately after the services invoice date; and
- (d) any additional supplementary rental on the first business day of the rental period commencing immediately after the Additional Service Agency Expense Request Date,

in each case, together with all other payments (if any) due under the terms of the Lease Agreement to the Servicing Agent or Wakeel, as the case may be, and the crediting of such amounts by the Servicing Agent or Wakeel, as the case may be, to the Collection Account.

The rentals payable under the Lease Agreement in respect of the Ijara Properties will be equal to the Periodic Distribution Amounts payable on the Periodic Distribution Dates in respect of the relevant Series of Certificates.

All payments by the Lessee to the Lessor under the Lease Agreement shall be paid in full without any deduction or withholding for or on account of any tax unless required by Indonesian law and without set-off or counterclaim of any kind and, in the event that there is any deduction or withholding required by Indonesian law, the Lessee shall pay all additional amounts as will result in the receipt by the Lessor of such net amounts as would have been received by it if no deduction or withholding had been made.

The payment obligations of the Lessee under the Lease Agreement shall constitute direct, unconditional, unsecured and general obligations of the Republic, without preference, granted by the Republic to one above the other, and rank equal in right of payment with all other unsecured and unsubordinated External Indebtedness (as defined below) of the Republic.

“**Rental**” for each rental period in respect of each Lease Agreement means an amount equal to the aggregate of the Ijara Assets Rental and (if applicable) the Project Assets Rental.

“**Ijara Assets Rental**” means:

- (a) for the first rental period in respect of each Lease Agreement, an amount equal to the aggregate of:
 - (i) the product of (A) the rental rate for such rental period, (B) the face amount as at the beginning of such rental period and (C) the Day Count Fraction; and
 - (ii) (in the case of the first day of such rental period coinciding with the Issue Date of the first Tranche of Certificates only) the initial supplementary rental, and
- (b) for each rental period (other than the first rental period) in respect of each Lease Agreement, an amount equal to the aggregate of:
 - (i) the product of (A) the rental rate for such rental period, (B) the face amount as at the beginning of such rental period and (C) the Day Count Fraction; and
 - (ii) the supplementary rental (if any); and
 - (iii) the additional supplementary rental (if any).

“**Project Assets Rental**” for each rental period in respect of each Lease Agreement means an amount equal to 0.1 *per cent.* of the aggregate value of any Project Assets included in the properties list as certified by the Republic in the relevant Delivery Notices (as defined in the Procurement Agreement) as at the beginning of such rental period.

Servicing Agency Agreement

In respect of each Ijara Series, the Servicing Agency Agreement was entered into on 17 May 2022 by the Republic, as Servicing Agent, and PPSI-III, as Lessor, and is governed by Indonesian law.

Pursuant to the Servicing Agency Agreement, the Servicing Agent will be responsible on behalf of the Lessor for carrying out all major maintenance and structural repair, the payment of Proprietorship Taxes (as defined in the Servicing Agency Agreement) charged, levied or claimed by any relevant taxing authority on the Assets, for effecting all appropriate insurances in respect of the properties underlying the Assets in relation to each Series of Certificates and the appointment of the Sharia Adviser. The Servicing Agent shall effect the insurances on a *takaful* basis, if available on commercially viable terms, and otherwise on a conventional basis. Pursuant to the Service Agency Agreement, the Servicing Agent will undertake to the Lessor that the Servicing Agent shall carry out all major maintenance and structural repair in respect of the Properties on behalf of the Lessor and in so doing the Servicing Agent shall:

- (a) ensure that accurate and current records are kept of all major maintenance and structural repair activities;
- (b) conduct regular and proper inspection of the Properties and ensure that major maintenance and structural repair is carried out with the proper quality of materials and workmanship; and
- (c) ensure that major maintenance and structural repair is carried out by qualified persons and in accordance with all applicable regulations and laws,

in each case, in accordance with good maintenance practice expected from a prudent person carrying on business and operations similar to that of the Servicing Agent on an arm’s length basis and in order to fully maintain the Value of the Properties.

The Servicing Agent will also undertake to the Lessor:

- (a) the Servicing Agent will (on behalf of the Lessor):
 - (i) ensure that the Properties are properly insured to the extent consistent with general industry practice by prudent owners of similar assets and, accordingly, shall effect such insurances, in respect of the Properties (the “**Insurances**”) through brokers and with such reputable insurance companies in good financial standing, naming the Lessor as the insured, against such risks and, in particular but without limitation, shall ensure that, in respect of each Ijara Series, the relevant Properties are insured (including against a Loss Event) in an insured amount, at all times, at least equal to the Full Reinstatement Value. The Servicing Agent shall effect the Insurances on a *takaful* basis, if available on commercially viable terms, and otherwise on a conventional basis;
 - (ii) punctually pay all premiums, contributions or other sums payable in respect of all such Insurances and produce all relevant receipts or other evidence of payment when so required by the Lessor;
 - (iii) deposit with the Lessor (or procure the deposit of) any slips, cover notes, policies, certificates of entry or other instruments of insurance from time to time issued in connection with such of the Insurances referred to above;
 - (iv) take all necessary action and comply with all requirements which may from time to time be applicable to such Insurances, (including, without limitation, the making of all requisite declarations within any prescribed time limits and the payment of any additional premiums or calls) so as to ensure that the Insurances are not made subject to any exclusions or qualifications and are otherwise maintained in full force and effect;
 - (v) at the request of the Lessor, provide all documents, evidence and information necessary to enable the Lessor to collect or recover any monies which shall at any time become due in respect of such Insurances;
 - (vi) comply with any terms and conditions of the Insurances, and not do, consent to or permit any act or omission which might invalidate or render unenforceable the whole or any part of the Insurances;

- (vii) not create or permit to exist any encumbrance (other than in favour of the Lessor) over or in respect of such Insurances, or its interest therein;
 - (viii) supply to the Lessor all necessary information, documentation and assistance which may be required by the Lessor in connection with making any claim under the Insurances;
 - (ix) notify the Lessor of any change to the terms of the Insurances or to the identity of the insurers or to the proportions in which any of the insurers underwrite or otherwise bear the Insurances;
 - (x) ensure that nothing is done or omitted to be done which is contrary to the terms of any of the Insurances, or which might result in such insurance being restrained, repudiated, vitiated, cancelled, made void or voidable, or otherwise become prejudiced or impaired;
 - (xi) following the occurrence of a Total Loss Event, promptly give notice in writing thereof to the Lessor and the Delegate;
 - (xii) promptly make a claim in respect of each loss relating to the Properties in accordance with the terms of the Insurances; and
 - (xiii) ensure that, save for third party liability insurance (and any proceeds of the Insurances relating to the Properties that are replaced with Replacement Properties by no later than the (i) 59th day after the occurrence of a Total Loss Event, or (ii) 89th day after the occurrence of a Partial Loss Event, as applicable, each in accordance with paragraph (b) below), all proceeds of the Insurances (if any) are promptly paid in the Specified Currency directly into the Collection Account relating to the relevant Series and, in particular but without limitation, ensure that in the event of a Loss Event occurring, all the proceeds of the Insurances against a Loss Event are in an amount equal to the Full Reinstatement Value and are credited in the Specified Currency to the Collection Account by no later than the (x) 60th day after the occurrence of the Total Loss Event, or (y) 90th day after the occurrence of the Partial Loss Event, as applicable, and that the relevant insurer(s) will be directed accordingly;
- (b) if, by no later than the (A) 59th day after the occurrence of a Total Loss Event, or (B) 89th day after the occurrence of a Partial Loss Event, as applicable, and provided that, in the case of a Partial Loss Event, a Partial Loss Termination Notice has not been delivered by the Lessee or the Lessee has expressly waived the right to deliver such Partial Loss Termination Notice, in each case pursuant to the Lease Agreement, the Servicing Agent receives notice from the Republic of the availability of replacement properties (i) that are free from all claims, encumbrances and any other rights of third parties (including any rights, interest and entitlements of third parties granted or arising out of, or pursuant to, construction or financing contracts), (ii) that are capable of being leased by the Lessee pursuant to the terms of the Lease Agreement, and (iii) the aggregate Value as at the date of replacement (the “**Replacement Date**”) of which is not less than the aggregate Value of the replaced Properties (the “**Replacement Properties**”), the Servicing Agent shall immediately notify the Trustee of the same. Immediately following such notice, the Trustee may, pursuant to and on the terms of a separate purchase agreement (the “**Replacement Properties Purchase Agreement**”) substantially in the form, *mutatis mutandis*, of a Supplemental Purchase Agreement, purchase the Beneficial Rights (as defined in the Purchase Agreement) over the Replacement Properties from the Republic at a purchase price to be paid using the proceeds of the Insurances (or the assignment of the rights to such proceeds) to or to the order of the Lessor. Such replacement pursuant to the relevant Replacement Properties Purchase Agreement shall only be effective upon the entry into of a replacement Supplemental Lease Agreement in relation thereto pursuant to the terms of the Master Lease Agreement, which shall be entered into on the Replacement Date. In respect of each Ijara Series, immediately upon the purchase of the Beneficial Rights over the Replacement Properties, the aggregate Value of (x) such Replacement Properties, and (y) all the Properties applicable to such Ijara Series that have not been so replaced, shall be equal to or greater than the aggregate face amount of the Certificates of such Ijara Series then outstanding; and
- (c) if at any time and for any reason, the Servicing Agent is not in compliance with paragraph (a)(i) above, it shall immediately deliver written notice to the Trustee and the Delegate of such non-compliance and the details thereof.

For the avoidance of doubt, any breach of the Servicing Agent’s obligations pursuant to paragraphs (a), (b) and (c) above will not constitute a Republic Event (as such term is defined in the Conditions). However, the delivery of the notice referred to in paragraph (c) to the Trustee and/or the Delegate in relation to non-compliance with paragraph (a)(i) above shall constitute a Republic Event (as such term is defined in the Conditions).

If, following the occurrence of a Loss Event:

- (a) the notice referred to in paragraph (c) above has not been delivered by the Servicing Agent to the Trustee and the Delegate prior to the occurrence of such Loss Event;
- (b) the Properties have not been replaced in accordance with paragraph (b) above; and
- (c) the amount (if any) credited to the Collection Account pursuant to paragraph (a)(xiii) above is less than the Full Reinstatement Value (the difference between the Full Reinstatement Value and the amount credited to the Collection Account being the “**Loss Shortfall Amount**”),

the Servicing Agent undertakes to (i) transfer the amounts (if any) credited to the Collection Account in accordance with paragraph (a)(xiii) above; and (ii) pay directly (in same day, freely transferable, cleared funds) the Loss Shortfall Amount, in each case to the Transaction Account by no later than close of business in London on the (x) 61st day following the occurrence of the Total Loss Event, or (y) 91st day following the occurrence of the Partial Loss Event, as applicable. Subject to transferring such amounts (if any) credited to the Collection Account in accordance with paragraph (a)(xiii) above and/or paying such Loss Shortfall Amount in accordance with this paragraph, in each case to the Transaction Account, there will be no further claim against the Servicing Agent for failing to comply with its insurance obligations pursuant to the terms of this Agreement.

In relation to each Series, the Servicing Agent shall also ensure at all times from the Issue Date of the first Tranche of such Series, the appointment of a Sharia Adviser to monitor the compliance by the Republic (acting in any capacity) with the terms of the Transaction Documents to which it is a party.

In addition, the Servicing Agent will also be responsible for maintaining for each Series a separate ledger account (such account, the “**Collection Account**”) in its books in the Specified Currency which is non-interest bearing. The Servicing Agency Agreement will provide that, all Rental received by the Servicing Agent pursuant to the Lease Agreement will be recorded in the Collection Account. The Servicing Agent will pay, by wire transfer of such amounts in the Specified Currency and in same day, freely transferable funds to the Transaction Account by no later than the time by which such amount is due and payable under the Certificates on each Periodic Distribution Date or any other date on which any Periodic Distribution Amount is due and payable under the Certificates, an amount equal to the Periodic Distribution Amounts payable on the Certificates on such date, and shall deduct the amount so paid from the Collection Account.

In consideration of the Servicing Agent acting as agent of the Lessor, the Service Agent shall receive a fee of U.S.\$100 in relation to each lease, payable on the date of the Supplemental Lease Agreement (the receipt and adequacy of which the Servicing Agent will acknowledge in the Service Agency Agreement). In relation to each Series, as an advance payment to the Servicing Agent for servicing agency expenses to be paid or incurred by it in respect of the services, the Lessor shall procure that an amount equal to: (a) the All Expenses Reserve Amount is credited to the Collection Account on the Issue Date of the first Tranche of such Series; and (b) the All Expenses Reserve Amount is replenished in accordance with the terms described below.

Notwithstanding any other provision in the Servicing Agency Agreement, the Servicing Agent shall not incur or pay any liability in any rental period in respect of the services to be performed which, individually or in the aggregate, would exceed the All Expenses Reserve Amount (the amount by which such liability exceeds the All Expenses Reserve Amount, being the “**Additional Service Agency Expenses**”) unless:

- (a) a notice requesting such incurrence or payment of Additional Service Agency Expenses has been submitted by the Servicing Agent to the Lessor in accordance with the paragraph below; and
- (b) following such request, the Lessee has agreed to pay to the lessor an amount of additional supplementary rental equal to such Additional Service Agency Expenses on the first business day of the rental period commencing immediately after the Additional Service Agency Expense Request Date in accordance with the relevant Lease Agreement.

If, during any rental period, the Servicing Agent incurs or pays such liability without first satisfying the conditions in (a) and (b) above, then it shall be deemed to have unconditionally agreed to satisfy, donate and pay all such liabilities from its own account and the Lessor shall have no responsibility whatsoever in connection with such liability.

Pursuant to the Servicing Agency Agreement, the Servicing Agent will submit to the Lessor or its agent the invoice or receipt for (or other evidence of payment or incurrence of) each liability comprising the servicing agency expenses, as soon as practicable after the payment or incurrence thereof and, in any case, an invoice or

receipt consolidating (or other evidence of payment or incurrence of) all liabilities comprising the servicing agency expenses paid or incurred during a rental period on the fifth business day preceding the immediately following rental payment date (the “**Services Invoice Date**”). In addition, the Servicing Agent will submit to the Lessor or its agent a notice in writing requesting the Lessor’s approval of the Servicing Agent incurring or paying any proposed liability comprising an Additional Service Agency Expense prior to incurring or paying such proposed liability (the date of such notice being the “**Additional Service Agency Expense Request Date**”). Subject to the terms of the relevant Lease Agreement and the paragraph above:

- (a) the Lessor shall procure that an amount equal to the servicing agency expenses notified to it in accordance with the paragraph above is credited to the Collection Account on the first business day of the rental period commencing immediately after the Services Invoice Date; and
- (b) the Lessor shall procure the reimbursement of the Servicing Agent for each Additional Service Agency Expense approved in accordance with the paragraph above by crediting an amount equal to such Additional Service Agency Expense amount to the Collection Account on the first business day of the rental period commencing immediately after the Additional Service Agency Expense Request Date (the “**Services Payment Date**”) or, if the relevant lease is terminated prior to the Services Payment Date, on the date of termination of such lease.

For the avoidance of doubt, no replenishment of the Collection Amount in an amount equal to the relevant servicing agency expenses shall be made unless the Servicing Agent evidences the payment or incurrence of each liability comprising such servicing agency expenses in accordance with the Service Agency Agreement.

The Servicing Agent will agree in the Servicing Agency Agreement that all payments by it under the Servicing Agency Agreement must be made without set off or counterclaim of any kind and without any deduction or withholding for or on account of tax unless required by Indonesian law and, in the event that there is any such deduction or withholding required by Indonesian law, the Servicing Agent shall pay all additional amounts as will result in the receipt by the Lessor of such net amounts as would have been received by it if no such deduction or withholding required by Indonesian law had been made and accordingly the Servicing Agent undertakes to pay to the Lessor or such other persons as the Lessor may direct such additional amounts forthwith upon demand and in the manner and currency prescribed under the Servicing Agency Agreement.

The Servicing Agent will covenant and undertake in the Servicing Agency Agreement that its payment obligations under the Servicing Agency Agreement shall constitute, unconditional, unsecured and general obligations of the Republic without preference granted by the Republic to one above the other, and rank equal in right of payment with all other unsecured and unsubordinated External Indebtedness (as defined in the Purchase Undertaking) of the Republic; all amounts payable under the Servicing Agency Agreement are backed by the full faith and credit of the Republic.

“**All Expenses Reserve Amount**” means, in relation to each Series, each amount in the Specified Currency as separately agreed between the Lessor and the Servicing Agent and which also shall be equal to the relevant Initial Supplementary Rental (as defined in the relevant Supplemental Lease Agreement).

“**Full Reinstatement Value**” means, in relation to each Series, an amount in the Specified Currency equal to the aggregate of:

- (a) in the case of a Total Loss Event:
 - (i) the aggregate face amount of the Certificates then outstanding; plus
 - (ii) an amount equal to all accrued and unpaid Periodic Distribution Amounts (if any) relating to the Certificates; plus
 - (iii) an amount equal to the Periodic Distribution Amounts relating to such Certificates, which would have accrued (had a Total Loss Event not occurred) during the period beginning on the date on which the Total Loss Event occurred and ending on, but excluding, the 61st day after the occurrence of the Total Loss Event; plus
 - (iv) to the extent not previously satisfied in accordance with this Agreement, an amount equal to any outstanding Additional Service Agency Expenses in respect of which the Lessee has agreed to make an appropriate corresponding additional supplementary rental payment but such additional supplementary rental payment has not been made in accordance with the Lease Agreement; plus

- (v) without double counting, an amount representing any amounts payable by the Trustee (in any capacity) under the Transaction Documents to which it is a party (including but not limited to costs and expenses due but unpaid to the Delegate pursuant to Condition 4.2(a)); plus
- (vi) without double counting, any other amounts payable on redemption of the Certificates as specified in the applicable Pricing Supplement; and
- (b) in the case of a Partial Loss Event:
 - (i) the aggregate Value of the impaired assets; plus
 - (ii) an amount equal to any Rental Reimbursement Amount payable to the Lessee in accordance with the Lease Agreement;

“**Total Loss Event**” means the total loss or destruction of, or damage to the whole of, the Properties, or any event or occurrence that renders the whole of the Properties permanently unfit for any economic use and (but only after taking into consideration any insurance or other indemnity granted by any third party in respect of the Properties) the repair or remedial work in respect thereof is wholly uneconomical.

“**Value**” means, in relation to each Property and/or Asset applicable to a Series, on any date, the amount in the Specified Currency (following, conversion, if necessary) determined by the Republic as being equal to the relevant valuation obtained by the Republic of such Property and/or Asset on the date it was purchased or otherwise acquired by or on behalf of the Trustee as set out in the relevant Supplemental Purchase Agreement and/or other Transaction Documents, as the case may be.

Wakala Agreement

In respect of each Wakala Series, the Wakala Agreement was entered into on 17 May 2022 by the Republic, as Wakeel, and PPSI-III, as Lessor, and is governed by Indonesian law. The Wakeel will have the same obligations under the Wakala Agreement as those of the Servicing Agent above under the Servicing Agency Agreement.

In addition, the Wakeel will maintain a separate ledger account and will be responsible for collecting all rental payments payable by the Lessee to the Lessor under the Lease Agreement. The Wakeel will pay to the Transaction Account from the amounts so collected an amount equal to the Periodic Distribution Amounts payable on the Certificates by no later than the time by which such amounts are due and payable under the Certificates. Any remaining such amounts, after all amounts due and payable under the Certificates have been paid in full, may be retained by the Wakeel as an incentive fee for acting as Wakeel.

All payments by the Wakeel under the Wakala Agreement shall be paid in full without any deduction or withholding for or on account of any tax unless required by Indonesian law and without set-off or counterclaim of any kind and, in the event that there is any deduction or withholding required by Indonesian law, the Wakeel shall pay all additional amounts as will result in the receipt by the Lessor of such net amounts as would have been received by it if no deduction or withholding had been made.

The payment obligations of the Wakeel under the Wakala Agreement shall constitute unconditional, unsecured and general obligations of the Republic without preference granted by the Republic to one above the other and rank equal in right of payment with all other unsecured and unsubordinated External Indebtedness of the Republic.

The Wakeel will also ensure that the Tangible Asset Ratio is, at all times, more than 50 per cent., and if, at any time, the Tangible Asset Ratio, other than as a result of the occurrence of a Loss Event, falls to:

- (a) 50 per cent. or less (but is at least 33 per cent.), the Wakeel shall take any and all steps (in consultation with the Sharia Adviser) as may be required to ensure such Tangible Asset Ratio is restored to more than 50 per cent. within the time period determined by the Sharia Adviser; and
- (b) below 33 per cent. (such event being a “**Tangibility Event**”), the Wakeel shall, within 5 business days of the Wakeel becoming aware of the occurrence of the Tangibility Event, deliver a Tangibility Event Trustee Notice to the Trustee and the Delegate and request the Trustee to promptly deliver a Tangibility Event Notice to the Delegate and the Certificateholders in accordance with Condition 9.4 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*) specifying:
 - (i) that a Tangibility Event has occurred, together with an explanation of the reasons for, and evidence of, such occurrence;

- (ii) that, as determined in consultation with the Sharia Adviser, the Certificates should be tradable only in accordance with the Sharia principles of debt trading (such as the principle that debt is to be traded (A) at par on a spot settlement basis or (B) against tangible assets and/or eligible commodities on a spot settlement basis);
- (iii) that, on the date falling 15 days following the Tangibility Event Put Date, the Certificates will be delisted from any stock exchange (if any) on which the Certificates are admitted to listing; and
- (iv) the Tangibility Event Put Period, during which period any Certificateholder shall have the option to require the redemption of all or any of its Certificates.

Any breach of the obligations of the Wakeel pursuant to the terms of paragraph (a) to (b) above shall not constitute a Republic Event.

“Tangible Asset Ratio” means, in respect of each Wakala Series only, at any time, the ratio of

- (a) the aggregate of the Values of:
 - (i) the Ijara Assets; and
 - (ii) any Project Assets that have been completed and delivered at, or prior to, such time in accordance with the Procurement Agreement,

to:

- (b) the aggregate of the Values of:
 - (i) the Ijara Assets; and
 - (ii) the Project Assets,

provided that, the Issuer’s rights, title, interest and benefit in, to an under the aforesaid Ijara Assets and Project Assets in each case form part of the Trust Assets (as defined in the Conditions) at such time.

“Tangibility Event Put Period” means the period of 30 days commencing on the date that is the 60th day after a Tangibility Event Notice is given.

“Tangibility Event Put Date” means the first Business Day falling 75 days following the expiry of the Tangibility Event Put Period.

Substitution Undertaking

The Substitution Undertaking was executed as a deed on 17 May 2022 by PPSI-III as issuer of the Certificates and as trustee for the Certificateholders in favour of the Republic and is governed by Indonesian law.

Pursuant to the Substitution Undertaking, provided that no Total Loss Event has occurred and is continuing (or, if a Total Loss Event has occurred, the Properties have been replaced in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable), the Republic may, subject to certain conditions, require PPSI-III to accept the substitution of certain new assets (the **“New Assets”**) in replacement of existing Assets (the **“Replaced Assets”**) in respect of each Series of Certificates. Upon the Republic giving a notice of substitution to PPSI-III, the Republic and PPSI-III shall enter into a substitution sale agreement (in the form scheduled to the Substitution Undertaking), pursuant to which PPSI-III will sell the Replaced Assets in exchange for the New Assets:

- (a) on the condition that (i) the New Assets are of a Value which is at least equal to or greater than the Value of the Replaced Assets, and (ii) (in the case of Wakala Series only) immediately following the substitution pursuant to the terms hereof, the Tangible Asset Ratio shall be more than 50 per cent., in each case as certified by the Republic in the relevant substitution notice’
- (b) on an “as is” basis but free from any encumbrance (other than any lien which has arisen solely by operation of law and not in connection with any default of PPS-III); and
- (c) otherwise on the terms and subject to the conditions of the Substitution Undertaking.

Following exercise of the right pursuant to the Substitution Undertaking, PPSI-III and the Republic shall *inter alia* amend the relevant Supplemental Lease Agreement to reflect the change in composition of the Properties to give effect to this substitution. If the value of the Replaced Assets as certified by the Republic is more than 20 *per cent.* of the aggregate outstanding face amount of the Certificates of such Series then the existing Supplemental Lease Agreement in respect of the relevant Replaced Assets shall be terminated and the Lessee and the Lessor shall immediately enter into a new Supplemental Lease Agreement in respect of the New Assets.

Purchase Undertaking

The Purchase Undertaking was executed as a deed on 17 May 2022 by the Republic in favour of PPSI-III as issuer of the Certificates and as trustee for the Certificateholders and the Delegate and is governed by English law.

Pursuant to the Purchase Undertaking, provided that no Total Loss Event has occurred and is continuing (or, if a Total Loss Event has occurred, the Properties have been replaced in accordance with the Servicing Agency Agreement or the Wakala Agreement, as applicable), the Republic will irrevocably grant to PPSI-III and to the Delegate the following rights:

- (a) in respect of each Series, provided that a Dissolution Event has occurred and is continuing, to require the Republic, at any time prior to the Scheduled Dissolution Date of the Certificates, to purchase on the Dissolution Date specified in the exercise notice all of PPSI-III's rights, benefits and entitlements in, to and under the Assets at the Exercise Price;
- (b) in respect of each Series, to require the Republic, on the Scheduled Dissolution Date, to purchase all of PPSI III's rights, benefits and entitlements in, to and under the Assets at the Exercise Price specified in the exercise notice; and
- (c) in respect of each Wakala Series only, provided that (i) a Tangibility Event (as defined in the Wakala Agreement) has occurred; and (ii) one or more Certificateholders have exercised the Tangibility Event Put Right in accordance with the Conditions, to require the Republic, on the Tangibility Event Put Date, to purchase all of PPSI-III's rights, benefits and entitlements in, to and under the Tangibility Event Assets at the Tangibility Event Exercise Price specified in the exercise notice,

in each case on an "as is" basis but free from any encumbrance (other than any lien which has arisen solely by operation of law and not in connection with any default of PPSI-III) (without any warranty express or implied as to condition, fitness for purpose, suitability for use or otherwise and if any warranty is implied by law, it shall be excluded to the fullest extent permitted by law) and otherwise on the terms and subject to the conditions of this Undertaking.

The Purchase Undertaking will provide that, pursuant to the exercise of any such rights, the Republic will undertake to:

(I) immediately purchase all of PPSI-III's rights, benefits and entitlements in, to and under the Assets or the Tangibility Event Assets, as the case may be, at the Exercise Price or the Tangibility Event Exercise Price, respectively, which shall be paid into the Transaction Account (in the Specified Currency by wire transfer for same day value):

- (a) (in the case of paragraph (a) above) on the Dissolution Date;
- (b) (in the case of paragraph (b) above) on the Scheduled Dissolution Date; or
- (c) (in the case of paragraph (c) above) on the Payment Business Day immediately preceding the Tangibility Event Put Date, and

(II) only following payment in full of the Exercise Price on the Tangibility Event Exercise Price, as the case may be, in accordance with the Purchase Undertaking, enter into the Sale Agreement so as to give effect to the purchase referred to in the paragraph above.

The Republic expressly declares in the Purchase Undertaking that:

- (a) if, at the time of delivery of the exercise notice in accordance with the provisions of this Undertaking, the Republic is in actual or constructive possession, custody or control of all or any part of the Assets or the Tangibility Event Assets, as the case may be; and

- (b) if, following delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, (A) the Republic breaches any declaration or undertaking in the paragraphs above; (B) the relevant Exercise Price or the Tangibility Event Exercise Price, as the case may be, is not paid in accordance with the provisions of this Undertaking for any reason whatsoever; or (C) if the Republic or any administrator, liquidator or receiver of it disputes or challenges the rights, benefits and entitlements of PPSI-III (or the Delegate, as the case may be) in, to and under the Assets or the Tangibility Event Assets, as the case may be, in accordance with the Transaction Documents,

the Republic shall (as an independent, several and separately enforceable obligation) fully indemnify PPSI-III (or the Delegate if PPSI-III ceases to exist following the Scheduled Dissolution Date but before redemption in full of the Certificates) for the purpose of redemption in full of the Certificates or the Tangibility Event Certificates, as the case may be, and, accordingly, the amount payable under any such indemnity claim will equal the Exercise Price or the Tangibility Event Exercise Price, as the case may be. Payment of an amount equal to the relevant Exercise Price or Tangibility Event Exercise Price, as the case may be, into the Transaction Account in accordance with this paragraph shall evidence the conclusion of the transfer of PPSI-III's rights, benefits and entitlements in, to and under the Assets or the Tangibility Event Assets, as the case may be, to the Republic.

In the Purchase Undertaking, the Republic will undertake that, so long as any Certificate remains outstanding, the Republic will not create or permit the creation of any mortgage, charge, lien, pledge or any other security interest on any of its present or future assets or revenues, or any part thereof, to secure any Public External Indebtedness, unless the Republic shall procure that all amounts payable under the Certificates are secured equally and ratably. Notwithstanding the foregoing, the Republic may create or permit the creation of any Permitted Security Interests.

For the purposes of the Purchase Undertaking:

“Assets” means, in respect of each Series, the Beneficial Rights (as defined in the Purchase Agreement in the case of Ijara Assets or the Procurement Agreement in the case of Project Assets) over the Properties.

“Exercise Price” means, as of any Dissolution Date or Scheduled Dissolution Date, as the case may be, the purchase price payable by the Republic to PPSI-III in respect of the Assets, which shall be calculated as the sum of:

- (a) the Face Amount (as specified in the applicable Supplemental Lease Agreement); plus
- (b) all accrued but unpaid Periodic Distribution Amounts (if any) relating to the Certificates; plus
- (c) to the extent not previously satisfied in accordance with the Servicing Agency Agreement or the Wakala Agreement, as the case may be, an amount equal to any outstanding Additional Service Agency Expenses in respect of which the Lessee has agreed to make an appropriate corresponding additional supplementary rental payment but such additional supplementary rental payment has not been made in accordance with the Lease Agreement; plus
- (d) without double counting, an amount representing any amounts payable by the Trustee (in any capacity) under the Transaction Documents to which it is a party (including but not limited to costs and expenses due but unpaid to the Delegate pursuant to Condition 4.2(a) (provided that the Republic has received a notification from the Delegate of such amounts by not later than the third business day prior to the date on which the Exercise Notice is delivered)); plus
- (e) without double counting, any other amounts payable on redemption of the Certificates as specified in the applicable Pricing Supplement; less
- (f) the aggregate of:
 - (i) in respect of a Wakala Series only, an amount equal to the aggregate of all Non-Delivery Payment Amounts relating to such Wakala Series which have been paid into the Transaction Account in accordance with the relevant Supplemental Procurement Agreement and which shall be available on the applicable Dissolution Date; and
 - (ii) in respect of a Dissolution Event occurring as a result of a Partial Loss Dissolution Event only, any proceeds of insurances and/or any Loss Shortfall Amount paid in respect of a Partial Loss Event in accordance with the terms of the Servicing Agency Agreement or the Wakala Agreement, as the case may be, and standing to the credit of the Transaction Account less any amount of Rental Reimbursement Amount;

“External Indebtedness” means Indebtedness which is denominated or payable by its terms in, or at the option of the holder thereof payable in, a currency or currencies other than the lawful currency of the Republic.

“Indebtedness” means any indebtedness for money borrowed or any guarantee of indebtedness for money borrowed (including any indebtedness in the form of or represented by bonds, debentures, notes, sukuk or other similar instruments) which is issued or incurred by and in the name of the Republic (or any special purpose vehicle subsidiary thereof) and is backed by the full faith and credit of the Republic; as used in this definition, money borrowed “by and in the name of the Republic” shall not include the borrowings of any state-owned enterprise (“SOE”) or other agency, authority, department or instrumentality which under the laws of the Republic constitutes a juridical entity or statutory body separate from the Republic so long as such Indebtedness does not carry the full faith and credit of the Republic.

“Permitted Security Interest” means any Security Interest:

- securing Public External Indebtedness incurred, assumed or guaranteed by the Republic solely to finance or refinance the acquisition, construction or development of the property over which such Security Interest has been created or permitted to be created, provided that such Security Interest does not extend to any other property of the Republic; however, in the case of construction, the Security Interest may extend to:
 - (i) unimproved real property for the construction;
 - (ii) any trust account into which the proceeds of the offering creating such Public External Indebtedness may be temporarily deposited pending use in the construction; and
 - (iii) the revenue to be generated by the operation of, or loss or damage to, the property to be constructed;
- existing on any property or asset at the time of its acquisition (or arising after its acquisition pursuant to an agreement entered into prior to, and not in contemplation of, such acquisition), and extension and renewals of such Security Interest limited to the original property or asset covered thereby and securing any extension or renewal of the original secured financing;
- arising out of the renewal, extension or replacement of any indebtedness permitted under paragraph (b) above; provided, however, that the principal amount of such Public External Indebtedness is not increased;
- arising in the ordinary course of borrowing activities of the Republic to secure Public External Indebtedness with a maturity of one year or less;
- in existence as of the date of the issuance of the Certificates;
- pursuant to any order of attachment or similar legal process arising in connection with court proceedings which proceedings are being contested in good faith; or
- arising by operation of law, provided that any such Security Interest is not created or permitted to be created by the Republic for the purpose of securing any Public External Indebtedness.

“Properties” has the meaning given to it in the Master Lease Agreement but *excludes* any Project Assets (as defined in the Master Procurement Agreement) prior to (a) the completion and delivery of the Project Assets under construction or to be constructed pursuant to any Project and (b) the lease of such completed and delivered Project Assets pursuant to a Lease Agreement.

“Public External Indebtedness” means External Indebtedness which (i) is publicly issued or privately placed in the capital markets, (ii) is in the form of, or represented by, bonds, debentures, notes, sukuk or other similar instruments or book entries and (iii) is, or is eligible to be, quoted, listed or ordinarily purchased and sold on any stock exchange, automated trading system or over-the-counter or other securities market.

“Security Interest” means any security interest, lien, pledge, mortgage, deed of trust, charge or other encumbrance or preferential arrangement which has the practical effect of constituting a security interest with respect to the payment of any obligations with or from the proceeds of any assets or revenues of any kind whether in effect on the Closing Date or at any time thereafter.

“Tangibility Event Assets” means, in respect of an exercise of the right granted in the Purchase Undertaking, the assets specified as such in the relevant sale agreement.

“Tangibility Event Certificates” means, in relation to a Wakala Series, in respect of an exercise of the right granted in the Purchase Undertaking, the Certificates specified as such in the relevant exercise notice.

“Tangibility Event Exercise Price” means, as of any Tangibility Event Put Date, the purchase price payable by the Republic to PPSI-III in respect of the Tangibility Event Assets, which shall be calculated as the sum of:

- (a) the aggregate face amount of the Tangibility Event Certificates; plus
- (b) all accrued but unpaid Periodic Distribution Amounts (if any) relating to the Tangibility Event Certificates; plus
- (c) if all of the Certificates of a Wakala Series are being redeemed, to the extent not previously satisfied in accordance with the Wakala Agreement, an amount equal to any outstanding Additional Service Agency Expenses in respect of which the Lessee has agreed to make an appropriate corresponding Additional Supplementary Rental payment but such Additional Supplementary Rental payment has not been made in accordance with the Lease Agreement; plus
- (d) without double counting and if all of the Certificates of a Wakala Series are being redeemed, an amount representing any amounts payable by the Trustee (in any capacity) under the Transaction Documents to which it is a party (including but not limited to costs and expenses due but unpaid to the Delegate pursuant to Condition 4.2(a) (provided that the Republic has received a notification from the Delegate of such amounts by not later than the third business day prior to the date on which the Exercise Notice is delivered)); plus
- (e) without double counting, any other amounts payable in relation to the Tangibility Event Certificates as specified in the applicable Pricing Supplement; less
- (f) in respect of a Wakala Series only, an amount equal to the aggregate of all Non-Delivery Payment Amounts relating to such Wakala Series (and in respect of the Tangibility Event Assets) which have been paid into the Transaction Account in accordance with the relevant Supplemental Procurement Agreement and which shall be available on the applicable Tangibility Event Put Date.

The international reserves owned by Bank Indonesia are not subject to the foregoing covenant and Bank Indonesia may in the future incur Public External Indebtedness secured by such reserves without amounts payable under the Certificates being secured.

The Republic will agree in the Purchase Undertaking that all payments by it under the Purchase Undertaking will be made without any deduction or withholding for or on account of tax unless required by Indonesian law and without set-off or counterclaim of any kind and, in the event that there is any deduction or withholding required by Indonesian law, the Republic shall pay all additional amounts as will result in the receipt by the Issuer (or the Delegate, if PPSI-III ceases to exist following the Scheduled Dissolution Date but before redemption in full of the Certificates is made) of such net amounts as would have been received by it if no deduction, or withholding had been made.

The payment obligations of the Republic under the Purchase Undertaking will constitute direct, unconditional, unsecured and general obligations of the Republic without preference granted by the Republic to one above the other and rank equal in right of payment with all other unsecured and unsubordinated External Indebtedness of the Republic.

Transfer Undertaking

The Transfer Undertaking was executed as a deed on 17 May 2022 by PPSI-III (in its capacity as issuer of the Certificates and as trustee for the Certificateholders) in favour of the Republic and is governed by English law. Under the terms of the Transfer Undertaking, if at any time the Republic wishes to cancel any Certificates purchased pursuant to Condition 9.6 (*Purchases*), the Republic may, by exercising its right under the Transfer Undertaking and by serving a Transfer Notice on PPSI-III, require PPSI-III to transfer all of PPSI-III's rights, title, benefits and entitlements in, to and under the Transferred Assets to the Republic in consideration for which the Certificates shall be surrendered for cancellation. The transfer of the Transferred Assets will take effect by the Republic and PPSI-III entering into a transfer agreement (in the form scheduled to the Transfer Undertaking). Following the entry into such transfer agreement, PPSI-III shall cancel the relevant Certificates identified for cancellation in the Transfer Notice on the Transfer Date (which shall be a Periodic Distribution Date).

Declaration of Trust

The Master Declaration of Trust was executed as a deed on 17 May 2022 between the Republic, the Issuer, the Trustee and the Delegate and is governed by English law. A Supplemental Declaration of Trust between the same parties shall be entered into on the Issue Date of each Series of Certificates and shall also be governed by English law. The Master Declaration of Trust and any Supplemental Declaration of Trust in relation to a Series of Certificates shall be referred to as the Declaration of Trust.

Pursuant to the Declaration of Trust, PPSI-III will declare a trust for the benefit of the Certificateholders of each Series over all of its rights, title, interest and benefit, present and future, in, to and under the Assets in relation to such Series, all of its rights, title, interest and benefit, present and future, in, to and under the Transaction Documents in relation to such Series, all monies standing to the credit of the transaction account in New York in the Specified Currency opened in the name of the Issuer and maintained and operated by the Principal Paying Agent in relation to such Series (the “**relevant Transaction Account**”) and all proceeds of the foregoing (the “**Trust Assets**”).

Pursuant to the Declaration of Trust, PPSI-III will, in relation to the Certificates, *inter alia*:

- hold the Trust Assets on trust absolutely for the Certificateholders as beneficial tenants in common *pro rata* according to the face amount of Certificates held by each Certificateholder; and
- act as trustee in respect of the Trust Assets, distribute the income from the Trust Assets and perform its duties in accordance with the provisions of the Declaration of Trust.

In the Declaration of Trust, the Trustee will irrevocably and unconditionally delegate to the Delegate the performance of certain present and future duties, powers, authorities and discretions vested in the Trustee by the relevant provisions of the Declaration of Trust (including but not limited to the authority to request instructions from any Certificateholders and the power to make any determinations to be made under the Declaration of Trust). The appointment of such delegate by the Trustee is intended to be in the interests of the Certificateholders and does not affect the Trustee’s continuing role and obligations as trustee. The Delegate will undertake in the Declaration of Trust that, following it being notified of the occurrence of a Dissolution Event in respect of any Certificates and subject to Condition 12 (*Dissolution Events*), it shall (a) promptly notify the Certificateholders of the occurrence of such Dissolution Event, and (b) subject to receiving satisfactory indemnity and/or security and/or pre-funding, take all such steps as are necessary to enforce the obligations of the Republic under the Declaration of Trust, the Purchase Undertaking and any other Transaction Document to which the Republic is a party.

In addition, the Delegate may, in relation the Declaration of Trust, the Certificates, the Conditions and the applicable Pricing Supplement, conclusively rely on the opinion or advice of or any information (whether addressed to the Delegate or not and whether or not such opinion or advice contains a monetary or other limitation of liability) obtained from any rating agency, lawyer, auditor, valuer, banker, broker, accountant or other expert appointed by the Republic, the Delegate or an Agent or otherwise, and shall not be responsible to the Certificateholders or any party for any Liability occasioned by so acting or refraining from acting in reliance on such opinion or advice.

Pursuant to the Declaration of Trust, the Republic will undertake in favour of the Delegate and the Trustee, amongst other things, that:

- (a) it will comply with and perform and observe all the payment provisions of the Transaction Documents which are applicable to it and it agrees that (notwithstanding any failure by the Republic in its undertakings in the Purchase Undertaking) the Delegate shall be entitled to enforce the payment obligations of the Republic under the Transaction Documents to which it is a party as if the same were set out and contained in the Declaration of Trust, the Certificates, the Conditions and the applicable Pricing Supplement;
- (b) it will forthwith notify the Issuer and the Delegate in writing of any Republic Event (and the steps, if any, being taken to remedy it) and/or any Loss Event (as defined in the Lease Agreement), in each case upon becoming aware of its occurrence; and
- (c) it shall maintain actual or constructive possession, custody or control of all of the Assets.

The Republic will also undertake in the Declaration of Trust that:

- (a) if, in respect of each Series:
 - (i) at the time of delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, the Republic is in actual or constructive possession, custody or control of all or any part of the Assets or the Tangibility Event Assets (as defined in the Purchase Undertaking), as the case may be; and
 - (ii) following delivery of the exercise notice in accordance with the provisions of the Purchase Undertaking, *inter alia* the relevant Exercise Price or the Tangibility Event Exercise Price (each as defined in the Purchase Undertaking), as the case may be, is not paid in accordance with the provisions of the Purchase Undertaking for any reason whatsoever,

the Republic shall (as an independent, several and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the Certificates then outstanding or the Tangibility Event Certificates (as defined in the Purchase Undertaking), as the case may be, and, accordingly, the amount payable under any such indemnity claim will equal the Exercise Price or the Tangibility Event Exercise Price (each as defined in the Purchase Undertaking), as the case may be; and

- (b) if, in respect of each Wakala Series, the aggregate amount of any and all Non-Delivery Payment Amounts (as defined in the relevant Supplemental Procurement Agreement) payable pursuant to the relevant Supplemental Procurement Agreement is not paid on the relevant Dissolution Date or any applicable Tangibility Event Put Date in accordance with the provisions of such Supplemental Procurement Agreement for any reason whatsoever, the Republic shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the relevant Certificates then outstanding and, accordingly, the amount payable under any such indemnity claim will equal such unpaid Non-Delivery Payment Amounts.

In addition, the Republic will undertake to the Delegate that all monies payable by it to the Delegate under the provisions in the Declaration of Trust shall be made without set-off or counterclaim and without any deduction or withholding unless the deduction or withholding is required by Indonesian law, in which event the Republic will pay such additional amounts as will result in the receipt by the Delegate of the amounts which would otherwise have been payable by the Republic to the Delegate under the provision in the Declaration of Trust in the absence of any such deduction or withholding required by Indonesian law.

Costs Undertaking

The Costs Undertaking was executed as a deed on 17 May 2022 by the Republic acting in its personal capacity and on a voluntary basis in favour of, among others, the Delegate and the Agents and is governed by English law.

Pursuant to the Costs Undertaking, the Republic will pay certain fees and reimburse certain expenses of, and indemnify against certain liabilities incurred by, among others, the Delegate and the Agents.

Agency Agreement

The Agency Agreement will be entered into on 17 May 2022 in relation to the Certificates between, amongst others, the Trustee, the Republic, the Delegate, the Principal Paying Agent and the Registrar. The Agency Agreement will govern the arrangements between the Trustee and the agents named therein for the issuance of Certificates and the making of payments in respect thereof. The Agency Agreement will be governed by English law.

Sharia Compliance

Each Transaction Document to which it is a party provides that each of Perusahaan Penerbit SBSN Indonesia III and the Republic of Indonesia agrees that it has accepted the Sharia compliant nature of the Transaction Documents to which it is a party and, to the extent permitted by law, further agrees that:

- (a) it shall not claim that any of its obligations under the Transaction Documents to which it is a party (or any provision thereof) is *ultra vires* or not compliant with the principles of Sharia;

- (b) it shall not take any steps or bring any proceedings in any forum to challenge the Sharia compliance of the Transaction Documents to which it is a party; and
- (c) none of its obligations under the Transaction Documents to which it is a party shall in any way be diminished, abrogated, impaired, invalidated or otherwise adversely affected by any finding, declaration, pronouncement, order or judgment of any Shariah Adviser, court, tribunal or other body that the Transaction Documents to which it is a party are not compliant with the principles of Sharia.

REPUBLIC OF INDONESIA

The information included in this section supplements the information about the Republic contained in the Republic's Annual Report for fiscal year ended 31 December 2020 on Form 18-K filed with the U.S. Securities and Exchange Commission (the "SEC") on 23 April 2021, as amended and supplemented by the amendments to the Annual Report on Form 18-K/A filed with the SEC from time to time. To the extent the information in this section is inconsistent with the information contained in the Annual Report for the fiscal year ended 31 December 2020, as amended from time to time, the information in this section supersedes and replaces such information. Capitalised terms not defined in this section have the meanings ascribed to them in the Annual Report for the fiscal year ended 31 December 2020.

The Republic's Annual Report for fiscal year ended 31 December 2020 on Form 18-K filed with the SEC, as amended and supplemented by the amendments thereto on Form 18-K/A filed with the SEC from time to time, and certain other documents are considered part of and incorporated by reference in this Offering Memorandum. See "General Information — Additional Information" for details.

Recent Developments

Recent Public Health Developments

The Covid-19 outbreak continues in Indonesia. Daily cases of Covid-19 in Indonesia experienced an increase from mid-May 2021 to late July 2021, primarily due to the Delta variant, and decreased gradually from July to December 2021. In December 2021, Indonesia recorded its first Omicron variant case and since then, the daily cases of Covid-19 in Indonesia, including Omicron variant cases, experienced an increase. The number of daily cases reached its peak in late February 2022 and then decreased. As of 12 May 2022, the country had recorded approximately 6.05 million cases of Covid-19 since the start of the pandemic, of which 156,438 were fatal.

The Government continues to vaccinate the population, and as of 12 May 2022, approximately 166.0 million persons were fully vaccinated, approximately 42.0 million persons had received three doses of vaccine, and approximately 199.5 million persons had received at least a single dose of vaccine. Since 14 December 2021, the Government began to vaccinate children from the ages 6 – 11 years old. In addition, on 12 January 2022, the Government started a booster vaccine program to citizens above 18 years old who had been fully vaccinated more than six months.

The Government has substantially relaxed its Covid-19 related restrictions in light of the improving pandemic situation. Effective on 12 January 2022, the Government has reopened Indonesia to international tourists, and starting from 22 March 2022, all quarantine requirements have been lifted for international visitors who are fully vaccinated.

Economic Recovery and Outlook

Indonesia's gross domestic product grew by 5.0% in the first quarter of 2022, compared with the same period in the previous year. This positive economic performance, which followed the annual economic growth of 3.7% from 2020 to 2021, was driven by growing domestic demand and maintained export performance. Moving forward, Indonesia's economy growth is expected to continue, with the Ministry of Finance projecting a growth of 4.8% to 5.5% in 2022, supported by a faster vaccination roll-out, broad reopening of economic sectors as well as stimulus efforts by the Government and Bank Indonesia.

On 27 April 2022, Standard and Poor's revised Indonesia's outlook to stable from negative and affirms Indonesia's sovereign credit rating at BBB.

SDGs Government Securities Framework

In September 2021, the Republic published its SDGs Government Securities Framework for the issuance of green and blue bonds and sukuk and social and sustainability bonds and sukuk (collectively referred to as "green and SDG" securities). Under the framework, green and SDG securities will be issued to fund eligible expenditures with (a) green and blue focus of 10 categories, including (i) renewable energy, (ii) energy efficiency, (iii) resilience to climate change for highly vulnerable areas and sectors and disaster risk reduction, (iv) sustainable transport, (v) waste to energy and waste management, (vi) sustainable management of nature

resources on land, (vii) sustainable management of natural resources on ocean, (viii) green tourism, (ix) green buildings and (x) sustainable water and wastewater management, and (b) social focus of four categories, comprising (i) employment generation and socioeconomic advancement and empowerment, (ii) food security and sustainable food systems, (iii) access to essential services and (iv) affordable basic infrastructure. The Republic believes that eligible expenditures will deliver environmental and social benefits and will be part of the Republic's efforts in achieving its 2030 SDGs targets.

The Republic's 2030 SDGs targets have been described in the Roadmap of SDGs Indonesia which was published by the Ministry of National Development Planning (Bappenas) pursuant to the Presidential Regulation no. 59/2017. The 2030 SDGs targets include 17 targets with respect to green, social and sustainable development such as, among others, eradication of poverty and hunger, improvement of education, health and well-being, reduced inequalities, affordable and clean energy, climate action, and sustainable cities and communities, and the Republic aims to achieve those targets or make substantial progress by 2030.

The Republic will implement an evaluation and selection process to seek to ensure that the proceeds from green and SDG securities are used for eligible expenditures. The process involves a budget tagging process where various ministries will select and tag projects that will be reviewed primarily by the Ministry of Finance for expenditures with green and blue focus and by the Bappenas for expenditures with social focus. Tagged projects that fall into one or more of the eligibility criteria and that have a project development timeline consistent with the tenor of the relevant green and SDG securities may be approved by the Bappenas and the Ministry of Finance, in coordination with other line ministries, to be funded by the proceeds of the relevant green and SDG securities.

The Ministry of Finance will manage and allocate the proceeds from each issue of green and SDG securities and the ministries utilizing the proceeds will track, monitor and report to the Ministry of Finance the environmental and social benefits of the eligible expenditures in their portfolio. A green and SDG securities allocation register will be established to record the allocation of proceeds therefrom. For each issue of green and SDG securities, the Republic will report the fund allocation and the respective impacts annually. This reporting policy is not a contractual obligation of the Republic, and the Republic may decide to change its reporting policy or not comply with the policy at any time. If the Republic does provide such reports, they will be published on a designated page of the Ministry of Finance's website.

There is currently no market consensus on what precise attributes are required for a particular project or series of notes to be defined as "green" or "social," and therefore the Republic gives no assurance that selected projects will meet expectations regarding environmental or social performance. Although the projects will be selected in accordance with the categories recognized under the SDGs Government Securities Framework, and will be developed in accordance with relevant legislation and standards, the projects may fail to deliver the benefits as anticipated, and there can be no assurance that adverse environmental and/or social impacts will not occur during the design, construction, commissioning and operation of the projects.

Selected Key Economic Indicators

The following table sets forth certain of the Republic's principal economic indicators as of and for the specified dates and periods.

	Year Ended 31 December					
	2016 ^L	2017 ^L	2018 ^L	2019 ^L	2020 ^L	2021 ^P
National account and prices:						
Real GDP growth (period-on-period)	5.0%	5.1%	5.2%	5.0%	(2.1)%	3.7%
Per capita GDP (in millions of Rupiah)	48.0	51.9	56.0	59.1	56.9	62.2
Per capita GDP (in U.S. dollars) ⁽¹⁾	3,604	3,877	3,927	4,175	3,912	4,350
Average exchange rate (Rupiah per U.S. dollar) ⁽²⁾	13,305	13,385	14,246	14,139	14,525	14,296
Inflation rate ((year-on-year) change in CPI) . . .	3.0%	3.6%	3.1%	2.7%	1.7%	1.9%
External sector:						
Current account (% of GDP) ⁽³⁾	(1.8)%	(1.6)%	(2.9)%	(2.7)%	(0.4)%	0.3%
Fiscal account:						
Budget deficit (% of GDP)	(2.5)%	(2.5)%	(1.8)%	(2.2)%	(6.1)%	(4.7)%
External debt of the central Government (in trillions of Rupiah)	1,496.3	1,648.2	1,857.4	1,815.1	2,041.0	2,075.2
Debt service ratio (% of Government revenue)	32.5%	34.0%	39.1%	42.8%	45.4%	42.2%

Sources: BPS, Bank Indonesia and Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^P Preliminary.

- (1) Per capita GDP in U.S. dollars has been converted from Rupiah into U.S. dollars and the U.S. dollar amounts of external debt of the central Government have been converted into Rupiah at the following exchange rates: Rp13,305 per U.S.\$ for 2016, Rp13,385 per U.S.\$ for 2017, Rp14,257 per U.S.\$ for 2018, Rp14,148 per U.S.\$ for 2019, Rp14,556 per U.S.\$ for 2020, and Rp14,309 per U.S.\$ for 2021. These exchange rates are calculated by BPS with reference to the weighted average monthly exchange rates applicable to export and import transactions for each month in a given period.
- (2) Official average exchange rate for the relevant period published by Bank Indonesia in its annual report.
- (3) As published by Bank Indonesia in Indonesia's balance of payments report.

Foreign Relations and International and Regional Organizations

The following table shows Indonesia's capital participation in major international financial organizations as of 31 December 2021.

Name of organization	Year of admission	As of 31 December 2021 contributed capital	
		Subscribed	Paid in
		(in millions of U.S. dollars)	
Asian Development Bank ⁽¹⁾	1966	7,693.1	405.0
IMF ⁽¹⁾	1966 ⁽²⁾	6,734.5	6,734.5
World Bank Group			
International Bank for Reconstruction and Development	1966 ⁽²⁾	2,919.0	183.7
International Development Association	1968	141.6	53.0
International Finance Corporation	1968 ⁽³⁾	241.0	241.0
Multilateral Investment and Guarantee Agency	1986	20.0	3.8
Islamic Development Bank ⁽⁴⁾	1975	1,594.0	202.1
International Islamic Trade Finance Corporation	1992	2.1	2.1
The Islamic Corporation for the Insurance of Investment and Export Credit ⁽⁴⁾	1992	0.7	0.3
Islamic Corporation for the Development of the Private Sector	1992	22.2	22.2
International Fund for Agricultural Development	1977	82.0	75.0
Common Fund for Commodities	1980	1.3	1.3
Credit Guarantee and Investment Facility	2012	21.6	15.6
ASEAN Infrastructure Investment Bank	2015	3,360.7	672.1
ASEAN Infrastructure Fund	2012	120.0	120.0
International Rubber Consortium Limited	2002	4.0	4.0

Source: Bank Indonesia and Ministry of Finance

- (1) Denominated in Special Drawing Rights (“SDR”) of the IMF. Converted to U.S. dollars using the exchange rate on 3 January 2022 of U.S.\$1.400980 to SDR 1.
- (2) Indonesia rejoined the IMF and the International Bank for Reconstruction and Development in 1966, it originally became a member of these organizations in 1954 and resigned its memberships in 1965.
- (3) Indonesia rejoined the International Finance Corporation in 1968, it originally became a member in 1956 and resigned its membership in 1961.
- (4) Denominated in ID (ID 1 = SDR 1). See footnote (1) above.

Economy and Gross Domestic Product

Principal Sectors of the Economy

Indonesia’s principal economic sectors are the manufacturing industry (including coal, oil and gas); agriculture, forestry and fishery; wholesale and retail trade, repair of motor vehicles and motorcycles; construction; and mining and quarrying.

The following tables show the composition of Indonesia’s GDP by sector at current prices and constant prices, respectively, for the periods indicated.

Gross Domestic Product by Industry (at current prices)

	Year Ended 31 December				Three Months Ended 31 March			
	2020	%	2021 ^P	%	2021 ^P	%	2022 ^P	%
(in billions of Rupiah and percentage of GDP)								
Manufacturing Industry								
Coal Industry and Oil and Gas Refining	307,606	2.0	320,009	1.9	76,459	1.9	83,722	1.9
Non-Coal, Oil and Gas Manufacturing Industries	2,760,435	17.9	2,946,895	17.4	710,965	17.9	782,542	17.3
Total Manufacturing Industry	3,068,042	19.9	3,266,904	19.3	787,424	19.8	866,264	19.2
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	1,994,125	12.9	2,200,529	13.0	519,848	13.1	590,853	13.1
Agriculture, Forestry, and Fishery								
Agriculture, Livestock, Hunting & Agriculture Services	1,575,280	10.2	1,672,252	9.9	390,715	9.8	426,310	9.4
Forestry and Logging	108,640	0.7	111,991	0.7	24,590	0.6	26,587	0.6
Fishery	431,469	2.8	469,594	2.8	109,971	2.8	113,577	2.5
Total Agriculture, Forestry, and Fishery	2,115,389	13.7	2,253,837	13.3	525,277	13.2	566,474	12.6
Mining and Quarrying								
Oil, Gas and Geothermal Mining	332,560	2.2	461,703	2.7	104,176	2.6	133,198	3.0
Coal and Lignite Mining	283,195	1.8	603,138	3.6	95,672	2.4	215,057	4.8
Metal Ore	130,957	0.8	204,590	1.2	41,566	1.0	58,940	1.3
Other Mining and Quarrying	246,831	1.6	254,219	1.5	61,990	1.6	65,675	1.5
Total Mining and Quarrying	993,542	6.4	1,523,650	9.0	303,403	7.6	472,870	10.5
Construction	1,652,660	10.7	1,771,727	10.4	428,662	10.8	470,444	10.4
Government Administration, Defense Compulsory Social Security	582,628	3.8	584,361	3.4	138,880	3.5	138,791	3.1
Information and Communication	695,964	4.5	748,755	4.4	181,830	4.6	196,004	4.3
Transportation and Warehousing	689,578	4.5	719,633	4.2	169,661	4.3	208,523	4.6
Financial and Insurance Service	696,067	4.5	736,189	4.3	112,420	2.8	124,189	2.8
Education Service	549,626	3.6	556,318	3.3	128,860	3.2	128,612	2.8
Other*	1,836,908	11.9	1,922,790	11.3	76,930	1.9	84,718	1.9
Gross Value Added at Basic Prices	14,874,528	96.3	16,284,691	96.0	3,831,986	96.5	4,336,326	96.1
Taxes less Subsidies on Products	563,489	3.7	686,098	4.0	139,173	3.5	176,723	3.9
Total GDP	15,438,018	100.0	16,970,789	100.0	3,971,159	100.0	4,513,049	100.0

Source: BPS

^P Preliminary.

* Includes the Procurement of Electricity and Gas; Procurement of Water, Management of Trash, Waste and Recycle; Accommodation and Food Beverages Supply; Real Estate; Corporate Services; Health Service and Social Activity; and Other Services sectors.

Gross Domestic Product by Industry
(at constant prices)

	Year Ended 31 December				Three Months Ended 31 March			
	2020	%	2021 ^P	%	2021 ^P	%	2022 ^P	%
(in billions of Rupiah and percentage of GDP)								
Manufacturing Industry								
Coal Industry and Oil and Gas Refining	202,604	1.9	203,767	1.8	50,638	1.9	51,218	1.8
Non-Coal, Oil and Gas Manufacturing Industries	2,007,317	18.7	2,081,055	18.7	508,269	18.9	536,047	19.0
Total Manufacturing Industry	2,209,920	20.6	2,284,822	20.5	558,908	20.8	587,265	20.8
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	1,385,747	12.9	1,450,226	13.0	351,252	13.1	371,325	13.2
Agriculture, Forestry, and Fishery								
Agriculture, Livestock, Hunting & Agriculture Services	1,061,023	9.9	1,072,507	9.6	255,838	9.5	259,728	9.2
Forestry and Logging	63,196	0.6	63,236	0.6	14,095	0.5	14,386	0.5
Fishery	254,112	2.4	267,967	2.4	63,650	2.4	63,324	2.2
Total Agriculture, Forestry, and Fishery	1,378,331	12.9	1,403,710	12.6	333,583	12.4	337,438	12.0
Mining and Quarrying								
Oil, Gas and Geothermal Mining	272,583	2.5	260,546	2.3	65,701	2.4	61,590	2.2
Coal and Lignite Mining	245,499	2.3	261,710	2.4	60,845	2.3	63,061	2.2
Metal Ore	105,829	1.0	130,000	1.2	28,778	1.1	36,197	1.3
Other Mining and Quarrying	166,564	1.6	169,844	1.5	41,402	1.5	43,385	1.5
Total Mining and Quarrying	790,475	7.4	822,100	7.4	196,726	7.3	204,233	7.2
Construction	1,072,335	10.0	1,102,518	9.9	271,471	10.1	284,581	10.1
Government Administration, Defense Compulsory Social Security	365,439	3.4	364,233	3.3	88,438	3.3	87,154	3.1
Information and Communication	652,063	6.1	696,460	6.3	169,615	6.3	181,729	6.4
Transportation and Warehousing	393,438	3.7	406,188	3.7	97,316	3.6	112,686	4.0
Financial and Insurance Service	457,483	4.3	464,639	4.2	117,146	4.4	119,062	4.2
Education Service	350,265	3.3	350,655	3.2	82,625	3.1	81,224	2.9
Other*	1,276,166	11.9	1,323,802	11.9	49,680	1.9	53,775	1.9
Gross Value Added at Basic Prices	10,331,662	96.3	10,669,353	96.0	2,589,898	96.5	2,708,208	96.1
Taxes less Subsidies on Products	391,392	3.7	449,516	4.0	94,303	3.5	110,371	3.9
Total GDP	10,723,055	100.0	11,118,869	100.0	2,684,201	100.0	2,818,579	100.0

Source: BPS

^P Preliminary.

* Includes the Procurement of Electricity and Gas; Procurement of Water, Management of Trash, Waste and Recycle; Accommodation and Food Beverages Supply; Real Estate; Corporate Services; Health Service and Social Activity; and Other Services sectors.

Manufacturing Industry

In 2021, Indonesia's manufacturing industry grew by 3.4% compared to the 2.9% contraction in 2020. Non-coal, oil and gas manufacturing industries grew by 3.7%, mainly driven by growth in the transportation equipment industry, basic metal industry, and machinery and equipment industry subsector, which grew by 17.8%, 11.5% and 11.4% respectively.

In the first quarter of 2022, the manufacturing industry grew by 5.1% compared to the same period in 2021. This was due to a growth of 5.5% in the non-coal, oil and gas manufacturing industries and a growth of 1.1% in the coal, oil and gas refining industry, each as compared to the same period in 2021. The 5.5% growth in the non-coal, oil and gas manufacturing industries was primarily driven by a growth of 12.4% textile and apparel industry, a growth of 6.5% in chemical, pharmaceutical and traditional medicine industry, and a growth of 14.2% in transportation equipment industry.

Wholesale and retail trade; repair of motor vehicles and motorcycles

In 2021, the wholesale and retail trade, repair of motor vehicles and motorcycles sector increased by 4.7% compared to the 3.8% decline in 2020. This was driven by the trade of cars, motorbikes and repair subsector, which grew by 12.1%, as a result of the implementation of sales tax incentives on luxurious goods which drives an increase in the number of car sales.

In the first quarter of 2022, the wholesale and retail trade, repair of motor vehicles and motorcycles sector grew by 5.7% compared to the same period in 2021. This was driven by a growth of 7.4% in the trade of cars, motorbikes and repair subsector and a growth of 5.3% in the big trade and retail (not cars and motorcycles) subsector.

Agriculture, forestry and fishery

In 2021, the agriculture, forestry and fishery sector grew by 1.8%, the same as in the previous year. This growth was mainly driven by the fishery subsector which grew by 5.5% due to an increased production of captured fish and seaweed cultivation. The agriculture, livestock, hunting, & agriculture services subsector grew by 1.1% as compared to 2020.

In the first quarter of 2022, the agriculture, forestry and fishery sector grew by 1.2% compared to the same period in 2021. This was mainly driven by a growth of 1.5% in agriculture, livestock, hunting, & agriculture services and a growth of 2.1% in forestry and logging, offset by a decline of 0.5% in fishery, each as compared to the same period in 2021.

Mining and Quarrying

In 2021, the mining and quarrying sector grew by 4.0% compared to a contraction of 2.0% the previous year. This was mainly driven by the metal ore mining subsector, which grew by 22.8% due to increase in copper and gold production. The oil, gas and geothermal mining subsector contracted by 4.4% due to a decrease in the amount of oil production.

In the first quarter of 2022, the mining and quarrying sector grew by 3.8% compared to the same period in 2021. This was mainly driven by a growth of 25.8% in metal ore mining, a growth of 3.6% in coal and lignite mining and a growth of 4.8% in other mining and quarrying, offset by a decline of 6.3% in oil, gas and geothermal mining, each as compared to the same period in 2021.

Oil and Natural Gas

The following table sets forth the average price of Indonesian crude oil, measured by the ICP, for the periods indicated.

	Year Ended 31 December		Three Months Ended 31 March
	2020	2021 ^P	2022 ^P
	(in U.S. dollars per barrel)		
ICP ⁽¹⁾	40.4	73.4	113.5

Sources: Directorate General of Oil and Gas, Ministry of Energy and Mineral Resources

^P Preliminary.

- (1) ICP is calculated as the sum of the Dated Brent and Alpha prices. Dated Brent is calculated based on the publication average of the current month, while Alpha is calculated based on publication average within the current month or the publication average within the current month and the previous month, taking into account the quality of crude oil, development of international crude oil prices, and/or national energy resilience.

Construction

In 2021, the construction sector grew by 2.8% compared to 3.3% contraction in 2020. This is in line with the increase in infrastructure activities and the increase in imports of raw materials for construction activities.

In the first quarter of 2022, the construction sector grew by 4.8% compared to the same period in 2021.

Transportation and Warehousing

In 2021, the transportation and warehousing sector grew by 3.2% compared to 15.1% decline in 2020. This was partly due to increased mobility in public transportation and recreational areas.

In the first quarter of 2022, the transportation and warehousing sector grew by 15.8% compared to the same period in 2021. This was primarily due to a growth of 40.9% in warehousing and transportation support services, and post and courier, a growth of 53.2% in air freight and a growth of 6.9% in land transport.

Information and Communication

In 2021, the information and communication sector grew by 6.8% compared to 10.6% in 2020. The slower growth was partly due to decline in the information industry, which includes the printing and paper goods industry.

In the first quarter of 2022, the information and communication sector grew by 7.1% compared to the same period in 2021.

Gross Domestic Product by Expenditure

The following table shows the distribution of GDP in the Indonesian economy by expenditure at current prices and constant prices, respectively, for the periods indicated.

Gross Domestic Product by Expenditure (at current prices)

	Year Ended 31 December				Three Months Ended 31 March			
	2020	%	2021 ^P	%	2021 ^P	%	2022 ^P	%
	(in billions of Rupiah and percentage of GDP)							
GDP	15,438,018	100.0	16,970,789	100.0	3,971,159	100.0	4,513,049	100.0
Add: Imports of goods and services	2,424,413	15.7	3,201,023	18.9	704,732	17.7	924,435	20.5
Total supply of goods and services	17,862,431	115.7	20,171,812	118.9	4,675,891	117.7	5,437,484	120.5
Less: Exports of goods and services	2,666,365	17.3	3,659,040	21.6	766,941	19.3	1,042,355	23.1
Total domestic expenditure	15,196,066	98.4	16,512,772	97.3	3,908,950	98.4	4,395,129	97.4
Allocation of total domestic expenditure:								
Household consumption expenditure	8,899,918	57.6	9,236,010	54.4	2,259,724	56.9	2,421,401	53.7
NPISHs consumption expenditure	201,362	1.3	207,767	1.2	49,119	1.2	53,251	1.2
Government consumption expenditure	1,474,068	9.5	1,551,707	9.1	267,835	6.7	247,835	5.5
Total consumption	10,575,347	68.5	10,995,483	64.8	2,576,678	64.9	2,722,487	60.3
Gross domestic fixed capital formation ..	4,897,050	31.7	5,227,854	30.8	1,269,669	32.0	1,373,712	30.4
Change in inventories (residual) ⁽¹⁾	(276,331)	(1.8)	289,435	1.7	62,603	1.6	298,930	6.6
Total domestic expenditure	15,196,066	98.4	16,512,772	97.3	3,971,159	98.4	4,395,129	97.4

Source: BPS

^P Preliminary.

(1) Includes statistical discrepancies.

Gross Domestic Product by Expenditure (at constant 2010 prices)⁽¹⁾

	Year Ended 31 December				Three Months Ended 31 March			
	2020	%	2021 ^P	%	2021 ^P	%	2022 ^P	%
	(in billions of Rupiah and percentage of GDP)							
GDP	10,723,055	100.0	11,118,869	100.0	2,684,201	100.0	2,818,579	100.0
Add: Imports of goods and services	1,704,165	15.9	2,101,352	18.9	486,614	18.1	559,741	19.9
Total supply of goods and services	12,427,220	115.9	13,220,220	118.9	3,170,815	118.1	3,378,320	119.9
Less: Exports of goods and services	2,090,273	19.5	2,592,682	23.3	586,652	21.9	681,832	24.2
Total domestic expenditure	10,336,946	96.4	10,627,538	95.6	2,584,163	96.3	2,696,488	95.7
Allocation of total domestic expenditure:								
Household consumption expenditure	5,780,223	53.9	5,896,697	53.0	1,450,478	54.0	1,513,464	53.7
NPISHs consumption expenditure	130,249	1.2	132,317	1.2	31,429	1.2	33,310	1.2
Government consumption expenditure	872,774	8.1	909,173	8.2	163,659	6.1	150,983	5.4
Total consumption	6,783,246	63.3	6,938,187	62.4	1,645,566	61.3	1,697,757	60.2
Gross domestic fixed capital formation ..	3,419,182	31.9	3,549,219	31.9	874,465	32.6	910,202	32.3
Change in inventories (residual) ⁽²⁾	134,519	1.3	140,132	1.3	64,131	2.4	88,529	3.1
Total domestic expenditure	10,336,946	96.4	10,627,538	95.6	2,584,163	96.3	2,696,488	95.7

Source: BPS

^P Preliminary.

(1) Calculated with calendar year 2010 as the Base Year.

(2) Includes statistical discrepancies.

Inflation

The following table shows the Consumer Price Index (“CPI”), as of the end of the periods indicated and the percentage change against the previous period.

Changes in Consumer Price Index

	As of 31 December		As of 31 March	
	2020	2021	2021	2022
CPI ⁽¹⁾	105.7	107.7	106.6	109.0
Annual percentage year-on-year	1.7%	1.9%	1.4%	2.6%

Source: BPS

- (1) Calculated on the basis of 2018 CPI = 100 for 2020 and 2021. From January 2020, BPS calculated CPI based on a consumption pattern obtained from a cost of living survey conducted in 2018 in 90 cities in Indonesia.

Inflation by Commodity⁽¹⁾⁽²⁾

	As of 31 December		As of 31 March	
	2020	2021	2021	2022
Food, drinks, and tobacco	3.6	3.1	1.4	3.6
Clothing and Footwear	1.0	1.5	2.2	2.0
Housing, water, electricity, and household fuel	0.4	0.8	0.7	1.8
Household equipment, tools, and routine maintenance	1.0	2.7	1.2	3.8
Health	2.8	1.7	2.3	2.1
Transportation	(0.9)	1.6	0.6	2.4
Information, communication, and financial services	(0.4)	(0.1)	(0.3)	(0.2)
Recreation, sports, and culture	0.7	1.1	0.6	1.9
Education	1.4	1.6	1.6	1.7
Food and beverage providers/restaurant	2.3	2.7	2.3	3.1
Personal care and other services	5.8	1.7	3.5	4.4

Source: BPS

- (1) Annual percentage year-on-year.
- (2) From January 2020, BPS calculated CPI based on a consumption pattern obtained from a cost of living survey conducted in 2018 in 90 cities in Indonesia. Prior to January 2020, CPI was based on a consumption pattern obtained from a cost of living survey conducted in 2012 in 82 provincial capital cities in Indonesia. The categories of commodities measured under the cost of living survey changed between the 2012 and the 2018 surveys. Accordingly, inflation by commodity for 2020 and 2021 may not be directly comparable to prior periods.

As of December 2021, annual inflation was 1.9%, which was slightly higher than the 1.8% annual inflation in November 2021. This was primarily due to increases in the prices for: food, drinks and tobacco; food and beverage providers/restaurant; household equipment, tools, and routine maintenance; and personal care and other services, which increased at 3.1%, 2.7%, 2.7% and 1.7%, respectively. The CPI in Indonesia increased by 0.6% in December 2021 from the previous month.

As of March 2022, annual inflation was 2.6%, which was higher than the 2.1% annual inflation in February 2022. This was due to increases in the prices for all sectors from February 2022 to March 2022. The three sectors which experienced the highest inflation as of March 2022 were food, drinks, and tobacco, household equipment, tools, and routine maintenance, and personal care and other services, for which the month-to-month inflation compared to February 2022 was 1.5%, 0.5% and 1.1%, respectively, and the annual inflation was 3.6%, 3.8% and 4.4%, respectively.

Labor and Employment

Labor

The following table sets forth the proportion of the employed labor force in each sector of the economy as of the period indicated.

	As of February 2021 ⁽¹⁾		As of August 2021 ⁽¹⁾		As of February 2022 ⁽¹⁾	
	(in millions)	%	(in millions)	%	(in millions)	%
Agriculture, forestry and fishery	38.8	29.6	37.1	28.3	40.6	30.0
Mining and quarrying	1.4	1.0	1.4	1.1	1.6	1.2
Manufacturing industry	17.8	13.6	18.7	14.3	18.7	13.8
Electricity, gas, and water supply	0.3	0.2	0.3	0.2	0.3	0.2
Water supply, sewerage, waste management and remediation activities	0.5	0.4	0.6	0.4	0.5	0.4
Construction	7.9	6.1	8.3	6.3	8.2	6.0
Wholesale and retail trade, repair of motor vehicles and motorcycles	25.2	19.2	25.7	19.6	25.8	19.0
Transportation and storage	5.3	4.1	5.4	4.2	5.7	4.2
Accommodation and food service activities	9.2	7.0	9.2	7.0	9.6	7.1
Information and communication	1.1	0.8	1.0	0.8	1.1	0.8
Financial and insurance activities	1.5	1.2	1.6	1.2	1.5	1.1
Real estate activities	0.5	0.4	0.4	0.3	0.4	0.3
Business activities	1.9	1.4	2.0	1.5	1.9	1.4
Public administration and defence, compulsory social security	4.7	3.6	4.9	3.7	4.6	3.4
Education	6.5	5.0	6.5	5.0	6.6	4.9
Human health and social work activities	2.3	1.8	2.2	1.7	2.4	1.8
Other service activities	6.4	4.9	5.8	4.4	5.9	4.3
Total	131.1	100.0	131.1	100.0	135.6	100.0

Source: BPS

(1) Estimation using population projections weighing results.

Employed Labor Force of Indonesia by Gender

The following table sets forth Indonesia's employed labor force by gender as of the period indicated.

	As of February 2021		As of August 2021	
	(in millions)	% ⁽¹⁾	(in millions)	% ⁽¹⁾
Male	78.6	59.9	79.3	60.5
Female	52.5	40.1	51.8	39.5
Total	131.1	100.0	131.1	100.0

Source: BPS

(1) Percentages are calculated as percentages of the employed labor force.

Employment and Unemployment in Indonesia

The following table sets forth Indonesia's employment and unemployment rate as a percentage of Indonesia's labor force as of the period indicated.⁽¹⁾

	As of February 2021		As of August 2021		As of February 2022	
	(in millions)	%	(in millions)	%	(in millions)	%
Employed	131.1	93.7	131.1	93.5	135.6	94.2
Unemployed ⁽²⁾	8.8	6.3	9.1	6.5	8.4	5.8
Total	139.8	100.0	140.2	100.0	144.0	100.0

Source: BPS

(1) Working age population refers to all persons in Indonesia 15 years old or older and includes certain non-workforce categories such as students and home makers.

- (2) The Government defines unemployment to include all persons 15 years old and older without work who (i) are looking for work, (ii) have established a new business, (iii) are not looking for work because they do not expect to find work, and (iv) have made arrangements to start work on a date subsequent to the unemployment measurement date.

Income Distribution

As of September 2021, Indonesia had a Gini Index of 0.381. The Gini Index is a measure of income distribution that ranges between 0.0 and 1.0, with higher numbers indicating greater inequality. In practice, the lowest value does not go below 0.2 and the highest value may reach 0.6.

The percentage of people living below the poverty line in Indonesia has exhibited a decreasing trend since the Asian financial crisis in 1998. BPS measures poverty using a basic needs approach and defines poverty as an economic inability to fulfill food and non-food basic needs, measured by consumption and expenditure. Based on this methodology, approximately 49.5 million people, or 24.2% of the population, were living below the poverty line in 1998, and this decreased to approximately 26.5 million, or 9.7% of the population, as of September 2021.

Regional Growth

As the island with the highest population density, high consumption and an industrial base, Java has historically been the main contributor to Indonesia's economic growth. Based on preliminary data for the year ended 31 December 2021, Java contributed 57.9% of the country's GDP, Sumatera contributed 21.7%, Kalimantan contributed 8.3%, Sulawesi contributed 6.9%, Bali and Nusa Tenggara contributed 2.8%, and Maluku and Papua contributed 2.5%.

In the first quarter of 2022, Java contributed 57.8% of the country's GDP, Sumatera contributed 22.0%, Kalimantan contributed 8.3%, Sulawesi contributed 6.7%, Bali and Nusa Tenggara contributed 2.7%, and Maluku and Papua contributed 2.6%.

Foreign Investment in Indonesia

The following table sets out the amounts of foreign investments in Indonesia by non-residents.

Foreign Investment in Indonesia

	Year Ended 31 December	
	2020	2021 ^P
	(in millions of U.S. dollars)	
Direct Investments		
Equity Capital	19,348	20,113
Debt instrument	(173)	401
Total direct investments	19,175	20,515
Portfolio investments:		
Equity securities	(4,362)	3,131
Debt securities	8,929	3,712
Total portfolio investments	4,567	6,843
Financial derivatives	(1,291)	(1,143)
Other investments	2,264	(802)
Total foreign investment	24,715	25,412

Source: Bank Indonesia

^P Preliminary.

Foreign Direct Investment in Indonesia by Country of Origin⁽¹⁾

	Year Ended 31 December	
	2020	2021^P
	(in millions of U.S. dollars)	
North America	786	1,443
USA	613	1,387
Canada	17	35
Other North America ⁽²⁾	156	22
Central and South America	1,580	(137)
Argentina	0	0
Brazil	3	18
Mexico	0	1
Cayman Islands	101	(4)
Other Central and South America	1,476	(151)
Europe	(1,055)	854
European Union	(1,039)	819
Austria	58	(40)
Belgium	(17)	95
Denmark	5	(15)
Finland	15	1
France	(46)	36
Germany	(48)	8
Greece	0	(0)
Ireland	41	32
Italy	(403)	(566)
Luxembourg	(1)	(1)
Netherlands	(115)	393
Portugal	0	0
Spain	12	19
Sweden	(8)	141
United Kingdom	(532)	716
Other European Union	(0)	0
Russia	23	0
Turkey	4	4
Other Europe	(43)	30
Asia	17,202	18,177
Japan	2,089	1,824
People's Republic of China	904	4,859
South Korea	1,557	818
India	302	225
Hong Kong SAR	2,850	3,208
Taiwan	944	179
Saudi Arabia	40	2
ASEAN	7,928	7,058
Brunei Darussalam	(0)	(0)
Cambodia	2	1
Lao PDR	—	—
Malaysia	415	(30)
Myanmar	1	0
Philippines	0	5
Singapore	4,177	5,025
Thailand	3,208	2,053
Vietnam	126	3
Other Asia	588	4
Australia and Oceania	189	119
Australia	184	119
New Zealand	4	2
Other Australia and Oceania	1	(2)

	Year Ended 31 December	
	2020	2021 ^P
	(in millions of U.S. dollars)	
Africa	(29)	(23)
South Africa	25	1
Other Africa	(55)	(23)
Others	(83)	(352)
Total	18,591	20,081

Source: Bank Indonesia

^P Preliminary.

(1) Presents foreign direct investment in accordance with the directional principle prescribed by BPM5.

(2) Includes Bermuda, Greenland and Saint Pierre and Miquelon.

Foreign Direct Investment

The following table sets out the amounts of foreign direct investments in Indonesia by non-residents.

Foreign Direct Investment

	Year Ended 31 December	
	2020	2021 ^P
	(in millions of U.S. dollars)	
Equity capital ⁽¹⁾	19,348	20,113
Debt instruments:		
Inflow	41,710	41,993
Outflow	(41,882)	(41,591)
Total debt instruments	(173)	401
Total direct investments	19,175	20,515
Memorandum⁽²⁾		
Direct investment in Indonesia	18,591	20,081

Source: Bank Indonesia

^P Preliminary.

(1) Includes privatization and banking restructuring.

(2) Presents foreign direct investment in accordance with the directional principle prescribed by BPM5.

During the spread of the virulent Delta variant of COVID-19, net foreign direct investment increased to U.S.\$20.5 billion of surplus in 2021 compared to U.S.\$19.2 billion in 2020, primarily stemming from a higher net inflow of equity capital. Debt instruments also recorded a net inflow in 2021, reversing the deficit in the previous year. A higher net inflow on equity capital in 2021, compared to the previous year, was primarily driven by foreign capital investment in domestic courier companies, mining, manufacturing and financial intermediaries. The manufacturing sector was the main contributor to the foreign direct investment inflows in 2021, followed by the mining and quarrying sector. Meanwhile, the emerging markets in Asia (including China) were the main contributors to foreign direct investment inflows in 2021, along with foreign direct investment inflows from the ASEAN region.

Foreign Portfolio Investment

The following table sets out the amounts of foreign portfolio investments in Indonesia by non-residents.

Foreign Portfolio Investments

	Year Ended 31 December	
	2020	2021 ^P
(in millions of U.S. dollars)		
Equity securities:		
Inflows	44,300	59,114
(Outflows)	(48,662)	(55,983)
Net equity securities	(4,362)	3,131
Debt securities (net)	8,929	3,712
Total portfolio investments	4,567	6,843

Source: Bank Indonesia

^P Preliminary.

After recording a surplus of U.S.\$4.6 billion in 2020, portfolio investment achieved a higher surplus of U.S.\$6.8 billion in 2021, predominantly driven by a larger net inflow in the first half of 2021. For the full year of 2021, the stronger performance of the stock market bolstered portfolio investment inflow, which was in line with the accelerated domestic economic growth achieved in 2021, thus maintaining non-resident investor confidence in the Indonesian economic outlook.

Other Foreign Investment

The following table sets out the amounts of other investments (other than portfolio or foreign direct investments) in Indonesia by non-residents, mainly consisting of loans received and paid.

Other Foreign Investments

	Year Ended 31 December	
	2020	2021 ^P
(in millions of U.S. dollars)		
Loans		
Bank sector:		
Disbursements	3,902	1,484
Debt repayments	(5,502)	(4,489)
Total bank sector	(1,600)	(3,005)
Corporate sector:		
Disbursements	20,975	14,745
Debt repayments	(17,887)	(19,888)
Total corporate sector	3,088	(5,143)
Other (net) ⁽¹⁾	776	7,346
Total other investments	2,264	(802)

Source: Bank Indonesia

^P Preliminary.

(1) Consists of loans of public sector and trade credit, currency and deposits, and other liabilities of private sector and public sector.

In 2021, other foreign investments fell from a surplus of U.S.\$2.3 billion in 2020 to a deficit of U.S.\$0.8 billion. The deficit was primarily due to net payments of foreign loans by both the public and private sectors (banking and corporate sector).

Direct Investment Realizations

Foreign Direct Investment

The following table sets forth the amount of realized foreign direct investment by sector of the economy for the periods indicated.

Realized Foreign Direct Investment by Sector⁽¹⁾

	Year Ended 31 December		Three Months Ended 31 March	
	2020 ^P	2021 ^P	2021 ^P	2022 ^P
	(in millions of U.S. dollars)			
Primary Sector				
Food Crops, Plantation & Livestock	1,184	951	277	457
Forestry	43	41	17	8
Fishery	48	17	5	1
Mining	2,005	3,817	509	1,171
Total Primary Sector	3,280	4,826	807	1,637
Secondary sector:				
Food Industry	1,592	2,337	968	686
Textile Industry	280	312	98	126
Leather Goods & Footwear Industry	214	486	75	97
Wood Industry	85	68	11	23
Paper and Printing Industry	943	953	123	156
Chemical and Pharmaceutical Industry	1,743	1,657	494	854
Rubber and Plastic Industry	291	262	59	67
Non Metallic Mineral Industry	248	327	85	102
Metal, Industry not Machinery & Electronic Industry	5,969	6,974	1,712	2,578
Medical Precision & Optical Instruments, Watches & Clock, Machinery and Electronic Industry	601	679	226	139
Motor Vehicles & Other Transport Equipment Industry	942	1,502	597	542
Other Industry	294	246	25	60
Total Secondary Sector	13,202	15,804	4,474	5,430
Tertiary sector:				
Electricity, Gas & Water Supply	4,614	2,939	598	983
Construction	190	93	5	25
Trade & Repair	434	464	77	185
Hotel & Restaurant	441	432	76	155
Transportation, Storage & Communication	3,580	3,159	843	872
Housing, Ind. Estate & Office Building	2,191	2,186	536	516
Other Services	733	1,190	236	458
Total Tertiary Sector	12,184	10,463	2,372	3,194
Total	28,666	31,093	7,653	10,259

Source: BKPM

- (1) Excludes foreign investment in oil and natural gas projects, banking, non-bank financial institutions, insurance, leasing, mining in terms of contracts of work, coal mining in terms of agreement of work, investment in which licenses were issued by a technical/sectoral agency, portfolio as well as household investment.

Domestic Direct Investment

In addition to direct equity investments by foreign persons, BKPM also approves certain types of domestic direct investments. The following table sets forth the amount of realized domestic direct investment by sector of the economy for the periods indicated.

Realized Domestic Direct Investment by Sector⁽¹⁾

	Year Ended 31 December		Three Months Ended 31 March	
	2020 ^P	2021 ^P	2021 ^P	2022 ^P
	(in millions of U.S. dollars)			
Primary Sector				
Food Crops, Plantation & Livestock	32,096	29,375	9,890	10,073
Forestry	1,164	6,863	134	2,526
Fishery	565	1,012	191	140
Mining	13,755	25,517	4,578	18,386
Total Primary Sector	47,580	62,767	14,793	31,125
Secondary sector:				
Food Industry	27,873	26,518	7,614	9,716
Textile Industry	2,103	1,972	813	588
Leather Goods & Footwear Industry	395	700	115	61
Wood Industry	1,263	1,144	56	733
Paper and Printing Industry	3,746	7,833	3,102	1,584
Chemical and Pharmaceutical Industry	22,526	23,364	2,238	4,657
Rubber and Plastic Industry	4,429	7,803	1,227	1,062
Non Metallic Mineral Industry	5,862	6,522	4,216	1,231
Metal, Industry not Machinery & Electronic Industry	8,858	15,656	2,863	2,676
Medical Precision & Optical Instruments, Watches & Clock, Machinery and Electronic Industry	1,156	535	49	977
Motor Vehicles & Other Transport Equipment Industry	2,556	1,459	472	386
Other Industry	2,051	1,192	205	1,904
Total Secondary Sector	82,818	94,699	22,971	25,576
Tertiary sector:				
Electricity, Gas & Water Supply	35,519	38,728	11,471	8,971
Construction	68,289	39,569	9,563	6,230
Trade & Repair	16,748	22,432	4,888	6,841
Hotel & Restaurant	10,203	17,819	5,734	5,000
Transportation, Storage & Communication	93,283	61,242	13,299	26,967
Housing, Ind. Estate & Office Building	44,853	85,498	21,610	17,467
Other Services	14,243	24,310	3,689	7,006
Total Tertiary Sector	283,138	289,598	70,253	78,481
Total	413,536	447,064	108,017	135,182

Source: BKPM

(1) Excludes foreign investment in oil and natural gas projects, banking, non-bank financial institutions, insurance, leasing, mining in terms of contracts of work, coal mining in terms of agreement of work.

Foreign Trade and Balance of Payments

Exports and Imports

Exports and Imports

	Year Ended 31 December	
	2020	2021 ^P
	(in millions of U.S. dollars)	
Exports:		
Oil and gas exports (f.o.b.)	8,480	13,201
Non-oil and gas exports (f.o.b.)	154,921	219,635
Total exports (f.o.b.)	163,402	232,835
Total imports (c.i.f.)	(142,104)	(198,800)
Balance of trade	21,298	34,035

Source: Bank Indonesia

^P Preliminary.

In 2021, Indonesia recorded a trade surplus of U.S.\$34.0 billion, which increased from the U.S.\$21.3 billion surplus recorded in 2020. The higher trade surplus was caused by a 42.5% increase in exports, which was higher than the 39.9% increase in imports, each compared to the previous year. Exports expanded at a higher rate compared to 2020, given stronger demand and higher export prices in 2021, which is in line with the global economic recovery. Increasing prices of Indonesia's major commodities such as coal and palm oil has boosted exports throughout 2021.

Export-Import Data from the Central Statistics Agency

In addition to the exports and imports related data published by Bank Indonesia, the Central Statistics Agency or BPS also publishes data relating to imports and exports compiled based on the International Merchandise Trade Statistics Manual issued by the United Nations. Due to the different methods and timing of compiling export-import statistics, the export-import data published by BPS is different to the export-import data published by Bank Indonesia.

The tables below show Indonesia's exports and imports for the periods indicated as published by the BPS.

	Year Ended December 31,		Three Months Ended March 31,	
	2020 ^R	2021 ^P	2021	2022 ^P
	(in millions of U.S. dollars)		(in millions of U.S. dollars)	
Exports:				
Non-oil and gas exports	154,940.7	219,265.2	46,252.0	62,841.5
Oil and gas exports	8,251.1	12,275.6	2,652.3	3,301.1
Total exports	163,191.8	231,540.8	48,904.3	66,142.6
Imports:				
Non-oil and gas imports	127,312.0	170,667.5	38,247.2	48,192.7
Oil and gas imports	14,256.8	25,529.1	5,135.2	8,623.7
Total imports	141,568.8	196,196.6	43,382.4	56,816.4

^P Preliminary.

^R Revised.

Exports

The following table sets forth Indonesia's exports by major commodity groups for the periods indicated.

Exports by Sector

	Year Ended 31 December	
	2020	2021 ^P
	(in thousands of U.S. dollars)	
General merchandise	157,859,928	231,316,430
Agricultural		
Coffee bean	808,635	848,285
Tea	66,850	62,171
Spices	706,632	678,397
Tobacco	63,743	73,901
Cocoa bean	77,023	56,244
Shrimp and prawn	1,558,667	1,644,429
Other agricultural products	2,911,090	3,303,394
Total Agricultural products	6,192,641	6,666,820
Manufacture products		
Textile and Textile products	10,598,560	13,182,868
Processed wood products	3,514,645	4,636,060
Palm oils	17,289,749	26,516,433
Chemicals	3,957,822	6,546,591
Base metal products	16,696,618	30,443,013
Electrical apparatus, measuring instruments and others	9,400,790	11,730,664
Cement	322,887	402,352
Paper and paper products	4,243,152	4,284,955
Processed rubber	5,264,533	6,832,214
Oil products ⁽¹⁾	1,312,539	1,899,971
Liquefied Petroleum Gas ⁽¹⁾	416	4,185
Other manufacture products	51,720,855	68,334,868
Total Manufacture products	124,322,566	174,814,175
Mining products		
Copper ore	2,412,204	5,386,321
Nickel ore	0	0
Coal	16,443,057	31,505,219
Bauxite	555,518	628,176
Crude oil ⁽¹⁾	1,426,591	2,956,045
Natural Gas ⁽¹⁾	5,111,340	7,178,270
o/w LNG	3,359,689	4,294,339
Other mining products	404,904	485,173
Total Mining products	26,353,613	48,139,205
Other merchandise⁽²⁾	991,108	1,696,229
Other goods⁽³⁾	5,541,878	1,518,852
Total Exports	163,401,806	232,835,282
Memorandum⁽⁴⁾		
Non-oil & gas exports	154,921,425	219,634,699
Oil & gas exports	8,480,381	13,200,583

Source: Bank Indonesia

^P Preliminary.

(1) As a component of oil and gas exports.

(2) Consists of art goods, goods not elsewhere specified, and goods procured in ports by carriers.

(3) Consists of non-monetary gold and merchanting goods.

(4) Presents the classification of exports based on two main groups of commodities: (i) oil and gas and (ii) non-oil and gas.

The table below sets forth Indonesia's exports by destination for the periods indicated.

Exports by Destination

	Year Ended 31 December	
	2020	2021 ^P
	(in thousands of U.S. dollars)	
America		
North America		
United States of America	18,594,853	25,765,002
Canada	782,733	1,064,214
Other North America	1,021	1,620
Total North America	19,378,608	26,830,836
Central and South America		
Argentina	157,271	281,227
Brazil	1,017,307	1,504,539
Mexico	883,204	1,298,970
Other Central and South America	1,112,753	1,910,190
Total Central and South America	3,170,535	4,994,925
Total America	22,549,143	31,825,761
Europe		
European Union		
Netherlands	3,106,339	4,624,534
Belgium	1,175,519	1,635,031
United Kingdom	1,264,374	1,474,290
Italy	1,740,505	2,804,545
Germany	2,407,245	2,912,856
France	913,922	996,178
Spain	1,509,349	2,347,650
Other European Union	2,106,142	2,657,501
Total European Union	14,223,394	19,452,584
Russia	971,609	1,492,891
Turkey	1,046,747	1,599,382
Other Europe	2,796,242	2,162,096
Total Europe	19,037,992	24,706,953
Asia and Middle East		
ASEAN		
Brunei Darussalam	128,789	211,268
Philippines	5,892,160	8,590,823
Cambodia	540,472	530,909
PDR Laos	5,038	7,578
Malaysia	7,985,113	11,954,531
Myanmar	1,030,922	1,117,043
Singapore	10,817,047	12,167,500
Thailand	5,086,236	7,110,300
Vietnam	4,937,619	6,842,952
Total ASEAN	36,423,395	48,532,903
Hong Kong SAR	2,003,349	2,001,026
India	10,350,802	13,308,709
Iraq	185,901	218,389
Japan	13,472,208	17,595,122
South Korea	6,334,796	9,161,223
Pakistan	2,374,442	3,823,688
People's Republic of China	31,557,495	53,278,076
Saudi Arabia	1,337,231	1,580,531
Taiwan	4,232,878	6,726,353
Other Asia and Middle East	5,714,233	8,676,922
Total Asia and Middle East	113,986,732	164,902,942
Australia and Oceania		
Australia	2,506,086	3,236,357
New Zealand	479,782	717,463
Other Australia and Oceania	373,653	403,551
Total Australia and Oceania	3,359,521	4,357,371
Africa		
South Africa	572,239	965,270
Other Africa	2,912,644	4,388,304
Total Africa	3,484,883	5,353,573
Unclassified exports⁽¹⁾	983,534	1,688,680
Total (f.o.b.)	163,401,806	232,835,282

Source: Bank Indonesia

^P Preliminary.

(1) Consists of goods procured in ports by carriers and merchanting goods.

Imports

The following table sets forth Indonesia's imports by major commodity groups for the periods indicated.

Imports by Sector⁽¹⁾

	Year Ended 31 December	
	2020	2021 ^P
	(in thousands of U.S. dollars)	
General Merchandise	140,202,566	196,118,688
Consumption Goods		
Food and beverages, primary, mainly for household	2,311,232	2,754,783
Food and beverages, processed, mainly for household	3,123,868	3,860,341
Passenger motor cars	305,712	375,210
Transport equipment, nonindustrial	202,426	229,968
Durable consumer goods	1,777,178	2,227,130
Semi-durable consumer goods	3,198,553	3,547,131
Non-durable consumer goods	2,608,670	5,931,056
Fuels and lubricants, processed, oil products ⁽²⁾	3,666,469	7,567,201
Goods not elsewhere specified	781,049	308,987
Total Consumption Goods	17,975,158	26,801,807
Raw materials and auxiliary goods		
Food and beverages, primary, mainly for industry	5,006,804	6,791,471
Food and beverages, processed, mainly for industry	3,763,531	4,408,737
Industrial supplies, primary	4,545,622	7,409,535
Industrial supplies, processed	48,763,004	69,801,404
Parts and accessories for capital goods	17,749,286	20,765,500
Parts and accessories for transport equipment	5,800,391	8,039,984
Fuels and lubricants, primary	4,459,708	10,014,214
o/w Crude oil ⁽²⁾	3,557,106	7,886,555
Fuels and lubricants, processed	7,772,769	12,669,639
o/w Oil products ⁽²⁾	4,533,505	7,367,209
o/w Liquefied Petroleum Gas ⁽²⁾	2,809,927	4,713,059
Total Raw materials and auxiliary goods	97,861,115	139,900,484
Capital Goods		
Capital goods (except transport equipment)	21,970,509	25,371,226
Passenger motor cars	305,712	375,210
Other transport equipment, industrial	1,714,339	3,085,572
Total Capital Goods	23,990,560	28,832,008
Other merchandise⁽³⁾	375,733	584,389
Other goods⁽⁴⁾	1,901,635	2,681,663
Total	142,104,201	198,800,351

Source: Bank Indonesia

^P Preliminary.

(1) Data collected on a cost, insurance and freight basis.

(2) As a component of oil and gas imports.

(3) Consists of goods procured in ports by carriers.

(4) Consists of nonmonetary gold.

The following table sets forth Indonesia's imports by country of origin for the periods indicated.

Imports by Place of Origin⁽¹⁾

	Year Ended 31 December	
	2020	2021 ^P
	(in thousands of U.S. dollars)	
America		
North America		
United States of America	8,417,952	11,607,176
Canada	1,623,021	2,039,320
Other North America	1	0
Total North America	10,040,973	13,646,496
Central and South America		
Argentina	1,740,897	2,028,162
Brazil	2,275,776	2,357,034
Mexico	238,295	251,035
Other Central and South America	500,835	600,554
Total Central and South America	4,755,804	5,236,784
Total America	14,796,777	18,883,280
Europe		
European Union		
Netherlands	820,167	877,900
Belgium	513,385	763,083
United Kingdom	984,941	1,116,936
Italy	1,521,690	1,674,996
Germany	2,939,619	3,057,219
France	1,420,698	1,316,552
Spain	440,412	676,814
Other European Union	2,412,368	2,413,677
Total European Union	11,053,278	11,897,176
Russia	843,722	1,033,735
Turkey	273,981	353,531
Other Europe	2,317,252	2,732,492
Total Europe	14,488,232	16,016,934
Asia and Middle East		
ASEAN		
Brunei Darussalam	71,940	156,977
Philippines	556,337	1,169,335
Cambodia	44,258	50,094
PDR Laos	42,290	38,976
Malaysia	6,992,397	9,634,006
Myanmar	187,175	164,217
Singapore	13,895,105	18,470,973
Thailand	6,289,009	8,920,455
Vietnam	2,983,247	3,972,949
Total ASEAN	31,061,759	42,577,980
Hong Kong SAR	4,015,843	5,557,561
India	3,595,103	7,057,958
Iraq	301	110
Japan	11,001,764	15,533,193
South Korea	7,063,543	9,773,262
Pakistan	196,596	192,770
People's Republic of China	38,202,228	53,649,120
Saudi Arabia	2,559,806	4,359,067
Taiwan	3,610,972	4,293,046
Other Asia and Middle East	3,791,845	5,166,872
Total Asia and Middle East	105,099,760	148,160,938
Australia and Oceania		
Australia	4,499,423	9,404,535
New Zealand	750,076	954,512
Other Australia and Oceania	167,923	39,107
Total Australia and Oceania	5,417,421	10,398,154
Africa		
South Africa	258,480	634,585
Other Africa	1,667,797	4,122,070
Total Africa	1,926,277	4,756,656
Unclassified imports ⁽²⁾	375,733	584,389
Total	142,104,201	198,800,351

Source: Bank Indonesia

^P Preliminary.

(1) Data collected on a cost, insurance and freight basis.

(2) Consists of goods procured in ports by carriers.

Balance of Payments

The following table sets forth the Republic's balance of payments for the periods indicated.

Balance of Payments⁽¹⁾

	Year Ended 31 December	
	2020	2021 ^P
	(in millions of U.S. dollars)	
Current account	(4,433)	3,326
Goods ⁽²⁾	28,301	43,806
Total exports (f.o.b.)	163,402	232,835
Non-oil and gas exports	154,921	219,635
Oil and gas exports	8,480	13,201
Total imports (f.o.b.)	(135,101)	(189,029)
Non-oil and gas imports	(121,234)	(162,864)
Oil and gas imports	(13,867)	(26,166)
Services	(9,755)	(14,784)
Primary income	(28,911)	(31,960)
Secondary income	5,932	6,264
Capital account	37	80
Financial account	7,884	11,670
(i) Public sector	3,413	4,317
Portfolio investment	1,424	(616)
Assets	—	—
Liabilities	1,424	(616)
Other investment	1,989	4,933
Assets	—	—
Liabilities	1,989	4,933
Loans	1,989	(1,377)
Drawings	8,166	4,355
Repayments	(6,177)	(5,732)
Other liabilities	—	6,310
(ii) Private sector	4,471	7,353
Direct investment	14,142	16,486
Assets	(5,033)	(4,029)
Liabilities	19,175	20,515
Portfolio investment	1,945	5,941
Assets	(1,199)	(1,517)
Liabilities	3,144	7,458
Financial derivatives	18	333
Other investment	(11,634)	(15,407)
Assets	(11,908)	(9,672)
Liabilities	274	(5,735)
Errors and omissions	(891)	(1,615)
Overall balance	2,597	13,461
Reserves and related items	(2,597)	(13,461)
Memorandum⁽³⁾		
Reserve asset position	135,897	144,905

Source: Bank Indonesia

^P Preliminary.

- (1) Bank Indonesia uses (+) and (-) signs in its published data to follow BPM5 whereby (+) means inflow and (-) means outflow. In financial account, (+) denotes increase in liabilities or decrease in assets, while (-) represents increase in assets or decrease in liabilities. The table above has been adjusted to align with the formatting hereof.
- (2) The calculation of export and import figures included in the balance of payments data compiled by Bank Indonesia differs in coverage and timing from the data on export/import trade compiled by BPS.
- (3) Presents the position of reserve assets at the end of period. A surplus/deficit in the overall balance of payments during a reporting period will increase/decrease the outstanding amount of reserve assets at the end of that period.

In 2021, the current account reversed to a surplus of U.S.\$3.3 billion compared to a U.S.\$4.4 billion deficit in 2020. The current account improvements were primarily supported by a significantly larger goods trade surplus compared with conditions one year earlier due to non-oil and gas export performance. Exports of all major commodities improved in 2020, boosted by stronger export demand and higher prices. In addition, the secondary income account surplus also increased as compared to the previous year, which contributed to the current account surplus in 2021.

Notwithstanding the uncertainties in the global financial markets due to the Covid-19 pandemic, the financial account increased to a surplus of U.S.\$11.7 billion in 2021, mainly due to long-term capital inflows from foreign direct investments and portfolio investments of the private sector.

Indonesia's overall balance of payments in 2021 recorded a surplus of U.S.\$13.5 billion, accompanied by a higher position of reserve assets from U.S.\$135.9 billion at the end of 2020 to U.S.\$144.9 billion at the end of 2021.

Financial System

The Banking System

As of 31 January 2022, total banking assets were Rp10,192.1 trillion, consisting of commercial bank assets of Rp10,007.2 trillion and rural bank assets (including assets of sharia rural banks) of Rp184.9 trillion.

Islamic Financial System

As of 31 March 2022, of the 87 underwriters licensed by OJK, only 30 were involved in Sukuk issuances, and of the 97 investment managers licensed by OJK, 61 had Sharia investment management unit and one was sharia investment manager.

As of 31 March 2022, assets of Sharia banks (Sharia Commercial Bank, Sharia Business Unit, Rakyat Sharia Financing Bank) were Rp674.40 trillion, or 6.5% of Indonesia's total banking assets.

Bank Indonesia

The following table sets forth the balance sheet of Bank Indonesia and was prepared in accordance with the Monetary and Financial Statistics Manual published by the IMF, as of the dates indicated.

Analytical Balance Sheet of Bank Indonesia

	As of 31 December		As of April 30
	2020	2021 ^P	2022 ^P
	(in billions of Rupiah)		
Base Money (M0)	1,147,200	1,351,172	1,451,141
Currency in Circulation ⁽¹⁾	898,870	959,812	1,041,323
Commercial Banks Demand Deposits at Bank Indonesia	246,807	389,178	408,934
Private sector Demand Deposits	1,523	2,183	885
Bank Indonesia Certificates ("SBI") ⁽²⁾	—	—	—
Factors Affecting Base Money (M0)	1,147,200	1,351,172	1,451,141
Net Foreign Assets	1,877,480	1,942,909	1,840,423
Claims on Non-Residents	1,997,927	2,151,872	2,048,329
Liabilities to Non-Resident	(120,447)	(208,964)	(207,906)
Claims on Other Depository Corporations	56	56	56
Liquidity Credits	56	56	56
Other Claims	—	—	—
Net claims on central Government	(191,278)	(167,718)	(390,520)
Claims on central Government	124,326	113,358	113,165
Liabilities to central Government	(315,605)	281,076	(503,684)
Claims on Other Sectors	9,805	9,782	9,882
Claims on Other Financial Institutions	—	—	—
Claims on Private Sectors	9,805	9,782	9,882
Open Market Operations ⁽³⁾	(15,312)	126,293	419,806
Other Liabilities to Commercial & Rural Banks	(58,222)	(87,160)	(87,052)
Deposits included in Broad Money (M2)	—	—	—
Deposits excluded from Broad Money (M2)	—	—	—
Shares and Other Equity	(447,681)	(412,022)	(323,938)
Net Other items	(27,649)	(60,967)	(17,515)

Source: Bank Indonesia

^P Preliminary.

(1) Currency outside banks plus cash in vault.

(2) SBI which is used to fulfil the secondary statutory reserve requirement of banks and accounted for as primary money supply components. Included in base money from October 2009 to June 2018. Starting from July 2018 SBI is not accounted as component of primary money supply, due to changes in the reserve requirement regulation.

(3) Consists of total SBI after it is reduced by the SBI used to fulfil the secondary statutory reserve requirement of banks, and is accounted for as a primary money supply component (see footnote 2). Such SBI types include: Syariah SBI, Third Party Syariah SBI, Bank Indonesia Facility, Fine Tune Operation, Government Bonds, State Syariah Negotiable Paper, and Reserve Reverse Repo Government Bonds.

Banks and Other Financial Institutions

The following table sets forth the total number of financial institutions in operation and their share of total assets of the financial system as of the date indicated.

Indonesian Financial Institutions as of 31 March 2022

	Number of institutions	Assets* (in trillions of Rupiah)	Percentage of total assets (%)
Banking:			
Commercial banks	107	10,131.5	74.7
Rural credit banks ⁽¹⁾	1,627	187.9	1.4
Total banking	1,734	10,319.5	76.1
Insurance:			
Life insurance	60	628.0	4.6
General insurance & Reinsurance	85	231.8	1.7
Social insurance ⁽²⁾	5	823.1	6.1
Total insurance	150	1,682.8	12.4
Pension funds:			
Financial institution pension funds	26	116.7	0.9
Employer pension funds	180	217.6	1.6
Total pension funds	206	334.2	2.5
Finance companies ⁽³⁾	158	443.6	3.3
Venture capital companies	59	23.1	0.2
Securities companies	123 ⁽⁴⁾	67.9 ⁽⁵⁾	0.5
Mutual funds (collective investment schemes, not institutions)	2,197	565.1	4.2
Credit guarantee companies	22	34.6	0.3
Pawn shops	129	69.3	0.5
Fintech peer to peer Lending ⁽⁶⁾	102	4.5	0.0
Micro Financial Institution ⁽⁷⁾	226	1.4	0.0
Insurance and Reinsurance Brokers ⁽⁸⁾	196	14.8	0.1
Total	5,302	13,560.70	100.0

Sources: OJK

* Unaudited.

(1) Including sharia rural banks.

(2) Social insurance encompasses traffic and public transportation, health social security programs, worker social security programs and insurance for civil servants and the armed forces.

(3) Finance companies provide investment financing, working capital financing, multipurpose financing, sharia financing and other financing based on OJK approval.

(4) Includes 29 securities companies that are not members of a securities exchange but acting as broker-dealers.

(5) As of 31 October 2021. Only assets of securities companies as members of a securities exchange.

(6) Fintech peer to peer Lending includes sharia.

(7) Micro Financial Institution includes sharia MFI. Assets based on data as of 31 December 2021, number of institution based on data as of 31 March 2022.

(8) Insurance and Reinsurance Brokers Assets based on data as of 31 December 2021, number of institution based on data as of 31 March 2022.

Bank Assets and Liabilities

The following table sets forth the consolidated balance sheets of the commercial banks as of the dates indicated.

Consolidated Balance Sheet of Commercial Banks

	As of 31 December 2021	As of 31 March 2022^P
	(in trillions of Rupiah)	
Assets		
Loans	5,820.6	5,915.8
Interbank Assets	223.1	233.7
Placements at Bank Indonesia	1,146.4	998.7
Securities (including Government Bonds)	1,831.0	1,844.7
Equity Participation	96.5	98.1
Other Claims	623.6	691.7
Others	371.1	348.8
Total Assets	10,112.3	10,131.5
Liabilities		
Third Party Funds	7,479.5	7,481.7
Liabilities owed to Bank Indonesia	1.7	1.6
Interbank Liabilities	160.6	161.0
Securities	117.7	116.0
Borrowing	227.6	217.7
Other Liabilities	125.8	121.9
Guarantee Deposits	4.6	3.6
Others	523.5	572.8
Capital:		
Paid in Capital	261.7	272.7
Reserves	81.2	83.6
Current Earnings/Loss	140.2	45.4
Retained Earnings/Loss	648.3	710.1
Estimates of Additional Paid in Capital	274.0	274.9
Others	65.9	68.5
Total Liabilities	10,112.3	10,131.5

Source: OJK.

^P Preliminary.

The following table shows the average capital adequacy ratio of the banking system as of the dates indicated:

Average Capital Adequacy Ratios

	As of 31 December 2021	As of 31 March 2022^P
	(percentages)	
CAR	25.7	24.8

Source: OJK

^P Preliminary.

Non-Performing Loans

The following table shows the gross NPL ratios as of the dates indicated.

Non-Performing Loans Ratios

	As of 31 December 2021	As of 31 March 2022 ^P
	(percentages)	
Gross NPL ratio*	3.0	3.0

Source: OJK

^P Preliminary.

* Interbank Loans Excluded

Capital Markets and Capital Markets Regulation

The following table sets forth key indicators regarding the IDX and any securities traded on the IDX as of and for the three months ended 31 March 2022.

Indonesian Stock Exchange

	IDX
Market capitalization (in trillions of Rupiah)	8,909.5
Listed shares (in billions of shares)	7,493.1
Average daily transaction value (in billions of Rupiah) ⁽¹⁾	14,439.4
Average daily transaction volume (in millions of shares) ⁽¹⁾	22,824.2

Source: IDX

(1) For the three months ended 31 March 2022.

The IDX, a self-regulatory body, has two indices based on Sharia stock, the Jakarta Islamic Index (“**JII**”), and the Indonesia Sharia Stock Index (“**ISSI**”).

The JII is a stock market index established on the Indonesian Stock Exchange. The JII was launched in 2000 and consists of the 30 largest Sharia-compliant listings by market capitalization and average liquidity in the regular market. As of 31 March 2022, the market capitalization of the JII was Rp2,144.0 trillion. The IDX launched the Indonesia Sharia Stock Index, or ISSI on 12 May 2011. The ISSI comprised of 478 Sharia stocks which are listed on the IDX and its market capitalization was Rp4,249.3 trillion as of 31 March 2022.

Monetary Policy

Bank Indonesia has maintained a pro-growth policy stance, directing the full panoply of monetary, macroprudential and payment system policy mix instruments towards supporting the national economic recovery in close coordination with the Government. In the monetary sector, a historically low policy rate has been maintained along with rupiah exchange rate stability and liquidity injections through quantitative easing. The low policy rate will be maintained until there are indications of rising inflation. Since 2020, Bank Indonesia has lowered the BI 7-Day Reverse Repo Rate (“**BI repo rate**”) six times to 3.50%, the lowest in history. The rupiah exchange rate stabilization policy was implemented using triple intervention in the spot market, Domestic Non-Deliverable Forwards (“**DNDF**”), and the purchase of Government securities in the secondary market, amid persistent global financial market uncertainty. Likewise, Bank Indonesia continued to inject liquidity via quantitative easing to strengthen the banks’ ability to extend credit/financing to the corporate sector.

In September to December 2021, Bank Indonesia maintained the BI repo rate at 3.50% and maintained the deposit facility rate at 2.75% and lending facility rate at 4.25%. The decision is consistent with the need to maintain exchange rate and financial system stability amid projected low inflation and efforts to revive economic growth. Liquidity conditions also remain very loose in line with Bank Indonesia’s accommodative monetary policy stance and the impact of synergy between Bank Indonesia and the Government to support the national economic recovery. Bank Indonesia has injected liquidity through quantitative easing (QE) to the banking industry totalling Rp141.19 trillion in 2021 (as of 14 December 2021). Bank Indonesia in 2021 has purchased

government debt securities to fund the 2021 State Revenue and Expenditure Budget (APBN) totalling Rp201.32 trillion, comprising: (i) Rp143.32 trillion through primary auction in accordance with the Joint Decree (KB) issued by the Minister of Finance and Governor of Bank Indonesia on 16 April 2020 and subsequently extended on 11 December 2020 until 31 December 2021, and (ii) Rp58 trillion through private placement in November 2021 to fund the health and humanitarian budgets for Covid-19 pandemic handling in accordance with the Joint Decree (KB) issued by the Minister of Finance and Governor of Bank Indonesia on 23 August 2021.

Accommodative macroprudential policies continue to revive bank financing disbursed to the corporate sector in synergy with Financial System Stability Committee policy. This includes loosening the down payment requirements on automotive loans, Loan/Financing-to-Value (LTV/FTV) Ratio on Property Loans and (sharia) Macroprudential Intermediation Ratio (MIR), encouraging the banks to lower Prime Lending Rates, as well as other accommodative macroprudential policies. Bank Indonesia has also refined and modernized the MSME Credit Ratio policy into the Macroprudential Inclusive Financing Ratio (RPIM — *Rasio Pembiayaan Inklusif Makroprudensial*).

Bank Indonesia continues to accelerate payment system digitalization for integration of the national digital economy and finance, including expansion of Quick Response Code Indonesian Standard (QRIS) acceptance to 12 million merchants by the end of 2021, including cross-border QRIS, implementation of the National Open API Payment Standard, as well as electronification of social aid program (bansos) disbursements, transportation modes, and government financial operations. Various agendas in the Indonesia Payment System Blueprint (BSPI — *Blueprint Sistem Pembayaran Indonesia*) 2025 have also been accelerated, including development of BI-FAST as a real-time retail payment system available 24/7, along with interlinkages between digital banking and FinTech, as well as payment system regulatory reform.

In addition to the three main policy initiatives above, Bank Indonesia also oriented all four supporting policies (MSMEs, Islamic Economy and Finance, Financial market deepening, and International policy) towards the national economic recovery. Close synergy with the Government, banks, and other institutions has been enhanced to develop MSMEs as well as the Islamic Economy and Finance as a new source of national economic growth in Indonesia. Financial market deepening has also accelerated, particularly the rupiah and foreign exchange money markets, to strengthen monetary policy transmission, support financial system stability, and finance development, including infrastructure. International policy has been directed towards not only strengthening Bank Indonesia's policy diplomacy, but also to support the Government in facilitating and promoting trade and investment in various countries.

In January and February 2022, Bank Indonesia maintained the BI repo rate at 3.50%, and also maintained the deposit facility rate at 2.75% and lending facility rate at 4.25%. The decision is consistent with the need to maintain exchange rate stability, control inflation and stimulate economic growth amid a build-up of external pressure.

In March and April 2022, Bank Indonesia maintained the BI repo rate at 3.50%, and also maintained the deposit facility rate at 2.75% and lending facility rate at 4.25%. The decision is consistent with the need to maintain exchange rate stability, control inflation and stimulate economic growth amid a build-up of external pressure, particularly the geopolitical tensions between Russia and Ukraine.

Bank Indonesia will direct its policy mix in 2022 towards maintaining stability by supporting national economic recovery efforts. Monetary policy will focus on maintaining stability, while macroprudential policy, payment system policy, money market deepening as well as an inclusive and green economy and finance will be maintained to revive and support economic growth.

Bank Indonesia continues to optimise its policy mix strategy to maintain stability and safeguard economic recovery momentum through the following policy measures:

1. Strengthening exchange rate policy to maintain rupiah stability in line with market mechanisms and economic fundamentals.
2. Maintaining an accommodative macroprudential policy stance by holding: (i) the Countercyclical Capital Buffer (CCyB) at 0%, (ii) Macroprudential Intermediation Ratio (MIR) in the 84-94% range, (iii) Macroprudential Liquidity Buffer (MPLB) at 6% with 6% repo flexibility and the Sharia Macroprudential Liquidity Buffer at 4.5% with 4.5% repo flexibility.

3. Maintaining prime lending rate transparency in the banking industry with a focus on granular Prime Lending Rates components and the affecting factors.
4. Ensuring adequate availability of currency fit for circulation, maintaining seamless currency distribution and prime cash services, while preparing BI-FAST implementation during the holy fasting month of Ramadan and Eid-ul-Fitr 1443H.
5. Preparing Payment System Providers (“PSP”) particularly first mover PSP, for National Open API Payment Standard implementation to support interlinkages between the banking and FinTech industries.
6. Raising the maximum deposit limit for registered electronic money from Rp10 million to Rp20 million and the monthly transaction limit from Rp20 million to Rp40 million, effective from 1 July 2022.
7. Strengthening international policy by expanding cooperation with other central banks and international organisations, promoting trade and investment in conjunction with the relevant institutions as well as ensuring the success of the six priority agendas in the Finance Track during Indonesia’s G20 Presidency in 2022.

Money Supply

The following table sets forth the money supply as of the periods indicated.

End of period	Money							
	Base Money	Currency	Demand deposits	Rupiah saving deposits ⁽¹⁾	Total ^{M1 (1)}	Quasi-money	Securities other than shares	Total ^{M2}
	(in billions of Rupiah)							
2020	1,147,200	760,112	1,095,580	1,887,268	3,742,960	3,139,759	23,220	6,905,939
2021 ^P	1,351,172	831,234	1,450,967	2,131,756	4,413,956	3,433,822	22,675	7,870,453
2022 (As of 31 March) ^P	1,283,929	792,518	1,462,073	2,097,432	4,352,023	3,432,318	26,068	7,810,949

Source: Bank Indonesia

^P Preliminary.

M1 Narrow Money.

M2 Broad Money.

- (1) Since September 2021, rupiah saving deposits that can be withdrawn at any time is reclassified from quasi-money to narrow money, due to their high liquidity.

End of period	Factors affecting money supply			
	Foreign assets (net)	Claims on central Government (net) ⁽¹⁾	Claims on business sectors	Other items (net) ⁽²⁾
	(in billions of Rupiah)			
2020	1,711,187	818,392	5,129,116	713,554
2021 ^P	1,809,680	1,127,267	5,444,160	1,007,279
2022 (As of 31 March) ^P	1,776,927	885,833	5,568,447	988,323

Source: Bank Indonesia

^P Preliminary.

- (1) Claims on the Government include net of the Government’s deposits with the banking system.

- (2) Includes capital accounts, tradeable government bonds held by central bank and inter-system accounts.

As of 31 December 2020, broad money experienced faster growth on the back of narrow money and quasi-money. Totalling Rp6,905.9 trillion, broad money growth accelerated to 12.5% (year-on-year) compared to 6.5% (year-on-year) growth as of the end of the previous year. Narrow money growth increased to 14.9% (year-on-year) compared to 7.0% (year-on-year) as of the end of the previous year, in line with increases recorded in terms of currency outside banks, Rupiah demand deposits, as well as Rupiah saving deposits that can be withdrawn at any time. Quasi-money growth increased to 10.0% (year-on-year), compared to the 5.8% (year-on-year) at the end of the previous year, due to increases in all components, namely time deposits, other saving deposits and foreign currency demand deposits.

As of 31 December 2021, broad money grew by 14.0% (year-on-year) compared to 12.5% (year-on-year) as of the same date in the previous year, resulting from higher growth in narrow money. Narrow money growth increased to 17.9% (year-on-year) as of 31 December 2021 compared to 14.9% (year-on-year) as of the same date in the previous year, due to higher growth in Rupiah demand deposits and Rupiah saving deposits that can be withdrawn at any time. Quasi-money growth decreased to 9.4% (year-on-year) compared to 10.0% (year-on-year) as of the same date in the previous year, due to slower growth in time deposits and other saving deposits.

As of 31 March 2022, broad money grew by 13.3% compared to 7.0% as of the same date in the previous year, resulting from higher growth in narrow money (M1). Narrow money growth increased to 18.7% as of 31 March 2022 compared to 10% as of the same date in the previous year, in line with increases recorded in Rupiah demand deposits. Quasi-money grew 6.9% as of 31 March 2022, compared to 4.2% as of the same date in the previous year, due to a slower growth in time deposits.

Government Budget

Fiscal Policy

The following table sets forth Government revenues and expenditures for the periods indicated.

Government Revenues and Expenditures

	Year Ended 31 December			
	2020 ^L	2021 ^B	2021 ^P	2022 ^B
	(in trillions of Rupiah)			
Revenues and grants:				
Domestic revenues				
Tax revenues	1,285.1	1,444.5	1,546.5	1,510.0
Non-tax revenue	343.8	298.2	452.0	335.6
Total domestic revenues	1,629.0	1,742.7	1,998.5	1,845.6
Grants	18.8	0.9	4.6	0.6
Total revenues and grants	1,647.8	1,743.6	2,003.1	1,846.1
Expenditures:				
Central government expenditures	1,833.0	1,954.5	2,001.1	1,944.5
Transfer to regions and rural fund	762.5	795.5	785.7	769.6
Total expenditures	2,595.5	2,750.0	2,786.8	2,714.2
Primary balance ⁽¹⁾	(633.6)	(633.1)	(440.2)	(462.2)
Surplus/(deficit)	(947.7)	(1,006.4)	(783.7)	(868.0)
Financing: ⁽²⁾				
Debt Financing	1,229.6	1,177.4	867.4	973.6
Investment Financing	(104.7)	(184.5)	(142.5)	(182.3)
On-Lending	1.0	0.4	2.0	0.6
Government Guarantee	(3.6)	(2.7)	(2.7)	(1.1)
Other Financing	70.9	15.8	144.4	77.3
Total Financing	1,193.3	1,006.4	868.6	868.0

Source: Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^B Budget.

^P Preliminary.

(1) Primary balance represents revenues minus expenditures excluding interest expenditures.

(2) In 2021, total financing of Rp868.6 trillion exceeded the 2021 deficit of Rp783.7 trillion and the Government added the difference of Rp84.9 trillion to its reserves.

2022 Budget

The 2022 Budget law was enacted on 27 October 2021. Budget policy for 2022 continues to focus on economic recovery and structural reform. The key macroeconomic assumptions for 2022 underlying the 2022 Budget contained in the bill are as follows:

- an economic growth rate of 5.2%;
- an inflation rate of 3.0%;
- an average Government 10-year bond rate of 6.80%;
- an exchange rate of Rp14,350 to U.S.\$1.00;
- an ICP of U.S.\$63 per barrel;
- an oil production by the Republic of 703 thousand barrels of oil per day; and
- gas production by the Republic of 1.036 million barrels of oil equivalent of gas per day.

Tax revenues under the 2022 Budget are targeted at Rp1,510.0 trillion, or a decrease of 2.4% from the 2021 Budget realization of Rp1,546.5 trillion. Non-tax revenues under the 2022 Budget are targeted at Rp335.6 trillion, or a decrease of 25.8% from the 2021 Budget realization of Rp452.0 trillion.

Total expenditure under the 2022 Budget are estimated at Rp2,714.2 trillion, or an 2.6% decrease from the 2021 Budget realization of Rp2,786.8 trillion, comprising of Rp1,944.5 trillion in central Government expenditures and Rp769.6 trillion in transfer to regional and rural funds. Allocations in the 2022 Budget include (i) Rp255.4 trillion for health budget; (ii) Rp431.5 trillion for social protection budget; (iii) Rp542.8 trillion for education; (iv) Rp365.8 trillion for infrastructure development; (v) Rp25.4 trillion for optimizing information and communication technology; and (vi) Rp92.3 trillion for food security.

The primary deficit in the 2022 Budget is projected to be Rp868.0 trillion or 4.85% of projected 2022 GDP, higher than the deficit of 4.65% of projected 2021 GDP in the 2021 Budget. The Government expects to fund the deficit from debt financing.

Realization of 2021 Budget

The key macroeconomic results for 2021, as compared with the key macroeconomic assumptions underlying the 2021 Budget, are as follows:

- economic growth rate of 3.7% (preliminary projection), compared to 5.0% in the 2021 Budget;
- an inflation rate of 1.87%, compared to 3.0% in the 2021 Budget;
- an average Government 10-year bond rate of 6.35%, compared to 7.29% in the 2021 Budget;
- an exchange rate of Rp14,312 to U.S.\$1, compared to Rp14,600 to U.S.\$1 in the 2021 Budget;
- an ICP of U.S.\$68.5 per barrel, compared to ICP of U.S.\$45.0 per barrel in the 2021 Budget;
- oil production by the Republic of 662 thousand barrels of oil per day (preliminary projection), compared with 705 thousand barrels of oil per day in the 2021 Budget; and
- gas production by the Republic of 982 million barrels of oil equivalent of gas per day (preliminary projection), compared to 1,007 million barrels of oil equivalent of gas per day in the 2021 Budget.

The realization of total Government revenues (including grants) for 2021 was Rp2,003.1 trillion, or 114.9% of the targeted amount set out in the 2021 Budget. Total Government revenues consisted of Rp1,546.5 trillion in tax revenues and Rp452.0 trillion in non-tax revenues. Tax revenues realization in 2021 has returned to its pre-pandemic level in 2019 of Rp1,546.1 trillion. The positive tax revenues performance is driven by improvement in tax revenues from the majority of the main sectors contributing to tax revenues. During 2021, total Government expenditures realization amounted to Rp2,786.8 trillion, or 101.3% of the projected expenditures in the 2021 Budget. This is in line with the countercyclical Budget policy strategy taken by the Government to deal with the resurgence of the Delta variant in the second half of 2021 and to encourage national economic growth amidst the ongoing impact of the Covid-19 pandemic. Total expenditures consisted of Rp2,001.1 trillion in central Government expenditures and Rp785.7 trillion in transfers to regions and rural funds.

Government Finances

The following table sets forth information regarding the revenues and expenditures of the Government for the periods indicated.

Government Revenues

The following table sets forth Government revenues by category for the periods indicated.

		Year Ended 31 December			
		2020 ^L	2021 ^B	2021 ^P	2022 ^B
		(in trillions of Rupiah)			
Domestic revenues:					
Tax revenues:					
Domestic tax					
Income tax:					
Oil and gas	33.0	45.8	52.9	47.3	
Non-oil and gas	561.0	638.0	643.6	633.6	
Total income tax	594.0	683.8	696.5	680.9	
Value added tax (VAT)	450.3	518.5	551.0	554.4	
Land and building tax	21.0	14.8	18.9	18.4	
Excises	176.3	180.0	195.5	203.9	
Other taxes	6.8	12.4	11.1	11.4	
Total domestic taxes	1,248.4	1,409.6	1,473.0	1,468.9	
International trade taxes:					
Import duties	32.4	33.2	38.9	35.2	
Export tax	4.3	1.8	34.6	5.9	
Total international trade taxes	36.7	35.0	73.5	41.1	
Total tax revenues	1,285.1	1,444.5	1,546.5	1,510.0	
Non-tax revenues:					
Natural resources:					
Oil	44.9	57.9	76.7	64.6	
Gas	24.2	17.1	21.3	21.3	
Total oil and gas	69.1	75.0	98.0	85.9	
General mining	21.2	22.1	44.8	28.0	
Forestry	4.4	4.6	5.4	4.9	
Fishery	0.6	1.0	0.7	1.6	
Geothermal	2.0	1.4	1.9	1.6	
Total non-oil and gas	28.1	29.1	52.8	36.0	
Total natural resources	97.2	104.1	150.8	122.0	
Profit transfer from SOEs	66.1	26.1	30.5	37.0	
Other non-tax revenues	111.2	109.2	151.1	97.8	
Public Service Agency (BLU) Income ⁽¹⁾	69.3	58.8	119.5	78.8	
Total non-tax revenues	343.8	298.2	452.0	335.6	
Total domestic revenues	1,629.0	1,742.7	1,998.5	1,845.6	
Grants	18.8	0.9	4.6	0.6	
Total revenues and grants	1,647.8	1,743.6	2,003.1	1,846.1	

Source: Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^B Budget.

^P Preliminary.

- (1) Includes Government's share of Bank Indonesia's profits representing amounts in excess of Bank Indonesia's capital ratio requirements, which excess amounts are transferred to the central Government to be used for repayments of certain central Government obligations to Bank Indonesia.

Government revenues increased by 21.6% from Rp1,647.8 trillion in 2020 to Rp2,003.1 trillion in 2021, driven by increases in domestic revenues. By the end of 2021, total tax revenues increased by 20.3% from Rp1,285.1 trillion in 2020 to Rp1,546.5 trillion in 2021, in line with improving economic activity and international trade. Total non-tax revenues increased by 31.5% from Rp343.8 trillion in 2020 to Rp452.0 trillion in 2021, in line with the upward trend in commodity prices, especially oil, minerals, coal, and crude palm oil (CPO).

Government Expenditures

The following table sets forth the expenditures of the Government for the periods indicated.

	Year Ended 31 December			
	2020 ^L	2021 ^B	2021 ^P	2022 ^B
	(in trillions of Rupiah)			
Central Government expenditures:				
Personnel expenditures	380.5	421.1	387.6	426.5
Good and services expenditures	422.3	362.5	526.6	339.7
Capital expenditures	190.9	246.8	241.5	199.2
Interest payments:				
Domestic debt	297.2	355.1	332.9	393.7
Foreign debt	16.9	18.2	10.6	12.2
Total interest payments	314.1	373.3	343.5	405.9
Subsidies:				
Energy subsidies	108.8	110.5	140.4	134.0
Non-energy subsidies	87.4	64.8	102.7	72.9
Total subsidies	196.2	175.4	243.1	207.0
Grant expenditures	6.3	6.8	4.3	4.8
Social assistance ⁽¹⁾	202.5	161.4	173.6	147.4
Other expenditures	120.0	207.3	80.8	214.0
Total central Government expenditures	1,833.0	1,954.5	2,001.1	1,944.5
Transfers to Regions and Rural Fund				
Transfer to Regions				
Balanced funds:				
General transfer funds:				
Revenue sharing funds	93.9	102.0	117.2	105.3
General allocation funds	381.6	390.3	377.8	378.0
Total general transfer funds	475.5	492.3	494.9	483.3
Specific allocation funds:				
Physical special allocation fund	50.2	65.2	57.1	60.9
Non-physical special allocation fund	126.4	131.2	127.6	128.7
Total specific allocation funds	176.6	196.4	184.6	189.6
Total balanced funds	652.1	688.7	679.6	672.9
Regional incentive fund	18.5	13.5	13.5	7.0
Specific autonomy funds ⁽²⁾	19.6	20.0	19.5	20.4
Specific Fund for Special Region of Yogyakarta	1.3	1.3	1.3	1.3
Total Transfer to Regions	691.4	723.5	713.9	701.6
Rural Fund	71.1	72.0	71.9	68.0
Total transfers to regions and Rural Fund	762.5	795.5	785.7	769.6
Total Government expenditures	2,595.5	2,750.0	2,786.6	2,714.2

Source: Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^B Budget.

^P Preliminary.

(1) Consists of Social Assistance from Ministries/Agencies Spending and Social Assistance for Disaster Relief.

(2) Consists of specific autonomy fund and additional specific infrastructure autonomy fund for Papua and West Papua Provinces.

Total Government expenditures in 2021 reached Rp2,786.8 trillion or an increase of 7.4% from Rp2,595.5 trillion in 2020. This is mainly driven by the realization of central Government expenditures, which, among other things, support the handling of the impact of the Covid-19 pandemic, especially in health sector and social protection. Total central Government expenditures increased by 9.2% from Rp1,833.0 trillion in 2020 to Rp2,001.1 trillion in 2021, primarily due to high expenditures from line ministries, which was mainly driven by the realization for infrastructure, connectivity projects, vaccination, medical treatment claims, productive relief programs, as well as disbursement of various protection programs. Total transfers to regions and rural fund increased by 3.0% from Rp762.5 trillion in 2020 to Rp785.7 trillion in 2021.

Fuel Prices and Subsidies

The table below sets forth the amount of subsidies for the periods indicated.

	Year Ended 31 December			
	2020 ^L	2021 ^B	2021 ^P	2022 ^B
	(in trillions of Rupiah)			
Subsidies:				
Energy subsidies	108.8	110.5	140.4	134.0
Non-energy subsidies	87.4	64.8	102.7	72.9
Total subsidies	196.2	175.4	243.1	207.0

Source: Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^B Budget.

^P Preliminary.

Government Expenditure Allocation

The following table sets forth, by percentage, the allocation of central Government expenditures by function for the periods indicated.

Allocation of Central Government Expenditures by Function

	Year Ended 31 December		
	2020 ^L	2021 ^P	2022 ^B
	(percentages)		
General public services	29.3	27.5	32.3
Defense	7.5	6.3	6.9
Public order and safety	8.4	7.9	9.1
Economic affairs	21.8	23.1	20.6
Environmental protection	0.7	0.7	0.7
Housing and community amenities	1.2	1.5	0.9
Health	5.7	10.6	7.2
Tourism and culture	0.2	0.2	0.2
Religion	0.5	0.5	0.5
Education	8.5	8.1	8.7
Social protection	16.1	13.6	12.9
Total	100.0	100.0	100.0

Source: Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^P Preliminary

^B Budget.

The table below sets forth certain Government budget expenditures for priority sectors for the periods indicated.

	Year Ended 31 December		
	2020 ^L	2021 ^B	2022 ^B
	(in trillions of Rupiah)		
Education	473.7	550.0	542.8
Infrastructure	286.5	417.4	365.8
Energy Subsidy	108.8	110.5	134.0
Health	172.3	169.7	255.4

Source: Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^B Budget.

Deficit Financing

The following table sets forth, by amount, information on deficit financing for the periods indicated.

Deficit Financing				
	Year Ended 31 December			
	2020 ^L	2021 ^B	2021 ^P	2022 ^B
	(in trillions of Rupiah)			
Debt financing				
Government securities (net)	1,177.2	1,207.3	877.5	991.3
Loans				
Domestic loans (net)	2.4	1.0	0.7	1.8
Foreign loans:				
Gross drawings:				
Program loan	102.3	21.9	41.6	28.7
Project loan	38.9	29.5	29.7	34.8
Total gross drawing	141.1	51.4	71.3	63.5
Amortization	(91.0)	(82.3)	(82.1)	(83.0)
Total foreign loan (net)	50.1	(30.9)	(10.8)	(19.5)
Total loans (net)	52.5	(29.9)	(10.1)	(17.7)
Total debt financing	1,229.6	1,177.4	867.4	973.6
Investment financing				
Investment to SOEs	(31.3)	(37.4)	(71.2)	(38.5)
Investment to other institutions	(25.0)	(5.0)	(21.0)	0.0
Investment to public service agencies	(31.3)	(60.7)	(64.0)	(52.8)
Investment in financial organisations/institutions	(0.7)	(0.9)	(0.9)	(0.9)
Revenue of investment	22.0	—	24.4	—
Government's Investments	(38.4)	(10.0)	(9.8)	(19.1)
Others investment financing	—	(70.4)	0.0	(49.5)
Investment financing reserves	—	—	—	(21.5)
Total investment financing	(104.7)	(184.5)	(142.5)	(182.3)
Lending				
On-lending to SOEs/local government/institutions/other agencies: ...	1.0	0.4	2.0	0.6
Total lending	1.0	0.4	2.0	0.6
Government guarantee	(3.6)	(2.7)	(2.7)	(1.1)
Other financing	70.9	15.8	144.4	77.3
Total financing (net)	1,193.3	1,006.4	868.6	868.0

Source: Ministry of Finance

^L LKPP (Financial Report of Central Government/Audited).

^B Budget.

^P Preliminary.

Public Debt

As of 31 December 2021, the central Government's foreign debt-to-GDP ratio was 12.4%, with foreign debt to total debt ratio of 30.0%.

External Public Debt of the Republic

Outstanding External Public Debt of the Republic by Source⁽¹⁾

	As of 31 December		As of
	2020	2021 ^P	31 March
	(in billions of U.S. dollars)		
Concessional Loans:			
Multilateral creditors	33.0	32.8	34.2
Bilateral creditors	23.7	20.8	19.6
Commercial ⁽²⁾	88.0	92.0	90.8
Total	144.7	145.5	144.7
Total external public debt of the Republic, as a percentage of GDP for the period indicated ⁽³⁾	12.7%	12.2%	11.9%

Source: Ministry of Finance

^P Preliminary.

- (1) Foreign currency values of outstanding external debt have been converted into U.S. dollars at the applicable BI middle exchange rates as of the respective dates indicated.
- (2) Includes securities (bonds and Sukuk) issued in international capital markets and commercial bank borrowings.
- (3) In calculating as a percentage of GDP, GDP in U.S. dollars has been converted from Rupiah into U.S. dollars at the applicable BI middle exchange rates as of the respective dates indicated.

As of 31 March 2022, 62.7% and 37.3% of the outstanding external public debt of the Republic are from commercial and concessional loans, respectively. The total outstanding external public debt of the Republic as of 31 March 2022 was U.S.\$144.7 billion.

Sources of External Public Borrowing

The following table sets forth the outstanding amounts of international development assistance received by the Republic as of the dates indicated.

International Development Assistance⁽¹⁾⁽²⁾

	As of 31 December		As of
	2020	2021 ^P	31 March
	(in millions of U.S. dollars)		
Bilateral loans	23,739.3	20,781.8	19,594.0
Multilateral loans:			
International Monetary Fund	—	—	—
World Bank Group	19,285.6	19,091.2	19,764.5
Asian Development Bank	10,999.8	10,818.4	11,128.0
Islamic Development Bank	1,325.6	1,345.4	1,350.8
Nordic Investment Bank	9.4	8.1	7.4
European Investment Bank	—	—	—
International Fund for Agricultural Development	195.7	202.1	218.3
Asian Infrastructure Investment Bank	1,187.4	1,306.7	1,770.4
Multilateral Investment Guarantee Agency	—	—	—
Total multilateral loans	33,003.5	32,771.8	34,239.4
Total loans	56,742.8	53,553.6	53,833.4

Source: Ministry of Finance

^P Preliminary.

- (1) The term international development assistance includes any concessionary loans provided by international financial institutions or foreign governments, excluding grants.

- (2) Foreign currency values of international development assistance have been converted into U.S. dollars at the applicable BI middle exchange rates as of the respective dates indicated.

The following table sets forth the external public debt of the Republic by currency as of the dates indicated.

Outstanding External Public Debt of the Republic by Major Currency

	As of 31 December				As of 31 March	
	2020		2021		2022	
	(in millions of original currency)	(in millions of U.S. dollars) ⁽¹⁾	(in millions of original currency)	(in millions of U.S. dollars) ⁽¹⁾	(in millions of original currency)	(in millions of U.S. dollars) ⁽¹⁾
U.S. dollars	95,823	95,823	99,263	99,263	100,446	100,446
Japanese yen	2,391,841	23,142	2,392,620	20,786	2,361,060	19,333
Euros	18,036	22,160	19,843	22,453	19,713	21,940
SDR	861	1,239	701	981	671	928
British pounds	17	22	1	1	1	1
Others	Multiple Currencies	2,315	Multiple Currencies	2,036	Multiple Currencies	2,018
Total	N/A	144,702	N/A	145,521		144,666

Source: Ministry of Finance

^P Preliminary.

- (1) Calculated based on the applicable BI middle exchange rates as of the date indicated for each column.

As of 31 March 2022, 69.4%, 13.4%, 15.2% and 1.4% of the external public debt of the Republic was denominated in U.S. dollars, Japanese Yen, Euros and other currencies respectively.

The following table sets forth the external debt service requirements of the central Government for the years indicated.

External Debt Service Requirements of the Central Government

Period	Principal repayment	Interest repayment	Total
	(in billions of U.S. dollars)		
2020 ^R	9.8	4.7	14.4
2021 ^R	11.4	3.4	14.8
2022*	12.0	4.1	16.1
2023*	12.2	3.9	16.2
2024*	12.1	3.7	15.8

Source: Ministry of Finance

^R Realization.

* Projected based on external debt outstanding as of 31 March 2022.

External Debt of Bank Indonesia

As of 31 December 2020 and 31 December 2021, external debt of Bank Indonesia amounted to U.S.\$2,871 million and U.S.\$9,018 million, respectively, entirely comprising of SDR allocation and currency and deposits, while commercial debt was nil as of each of the two dates. For calculation purposes, foreign currency values of outstanding external debt were converted into U.S. dollars at the applicable BI middle exchange rates as of the respective dates indicated.

The following table sets forth the external debt service requirements of Bank Indonesia for the years indicated.

External Debt Service Requirements of Bank Indonesia

Period	Principal repayment	Interest repayment	Total
	(in millions of U.S. dollars)		
2020	0.0	19.15	19.15
2021 ^{*(1)}	0.0	2.7	2.7
2022 ^{*(1)}	0.0	4.8	4.8

Source: Bank Indonesia

* Projected based on external debt outstanding as of 15 February 2022.

(1) Foreign currency values of outstanding external debt have been converted into U.S. dollars at the applicable BI middle exchange rates as of 28 February 2022.

External Debt of State-Owned Enterprises

The following table sets forth the outstanding direct external debt of State-Owned Enterprises as of the dates indicated.

Outstanding Direct External Debt of State-Owned Enterprises⁽¹⁾

	As of 31 December		As of 31 January
	2020	2021 ^P	2022 ^P
	(in millions of U.S. dollars)		
Financial institutions:			
Bank	8,807	9,281	9,146
Non-bank	2,615	2,895	2,894
Total financial institutions	11,422	12,176	12,041
Non-financial institutions	45,677	46,698	46,457
Total	57,100	58,874	58,497

Source: Bank Indonesia

^P Preliminary.

(1) Foreign currency values of outstanding direct external debt have been converted into U.S. dollars at the applicable BI middle exchange rates as of the respective dates indicated.

Domestic Public Debt of the Central Government

The following table sets forth the outstanding domestic public debt of the central Government as of the dates indicated.

	As of 31 December		As of 31 March
	2020	2021 ^P	2022 ^P
	(in trillions of Rupiah)		
Total domestic public debt ⁽¹⁾	4,038.2	4,836.2	4,975.5

Source: Ministry of Finance

^P Preliminary.

(1) Excludes SBI, which are obligations of Bank Indonesia and not of the Government.

Domestic Debt Service Requirements of the Central Government

The following table sets forth the debt service requirements for the central Government for the years indicated.

Direct Domestic Debt Service Requirements of the Central Government

Period	Principal repayment and redemption	Interest repayment	Total
	(in trillions of Rupiah)		
2020 ^R	245.1	248.1	493.2
2021 ^R	382.3	299.2	681.5
2022 [*]	295.6	301.7	597.3
2023 [*]	366.4	288.4	654.8
2024 [*]	431.2	260.0	691.2

Source: Ministry of Finance

R Realization.

* Projected based on domestic debt outstanding as of 31 March 2022.

Foreign Exchange and Reserves

Exchange Rates

The following table sets forth information on exchange rates between the Rupiah and the U.S. dollar for the periods indicated.

Exchange Rates

	End of Period	Average ⁽¹⁾
	Rupiah per U.S. dollar	
2016	13,473	13,305
2017	13,568	13,385
2018	14,380	14,246
2019	13,883	14,139
2020	14,050	14,525
2021	14,252	14,296
2022		
January	14,382	14,338
February	14,367	14,342
March	14,369	14,344
April ⁽²⁾	14,354	14,346

Source: Bank Indonesia

(1) Average exchange rate on year-to-date or month-to-date basis.

(2) As of 18 April 2022.

As of 31 December 2021, the Rupiah depreciated by 1.42% to Rp14,252 per U.S. dollar from Rp14,050 per U.S. dollar as of 31 December 2020, but on average the Rupiah appreciated by 1.60% year to date to Rp14,296 per U.S. dollar. As of 18 April 2022, the Rupiah depreciated by 0.70% compared to the exchange rate recorded at the end of 2021. Rupiah exchange rate movements remain under control despite continued global financial market uncertainty in response to external sector resilience and Bank Indonesia's stabilization measures. Bank Indonesia continues to strengthen rupiah exchange rate stabilization policy in line with the currency's fundamental value and market mechanisms through effective monetary operations and adequate market liquidity.

International Reserves

The following table sets forth the Republic's total official international reserves, expressed in (i) U.S. dollar equivalents and (ii) the number of months of imports and Government external debt repayments, in each case at the end of the periods indicated. These reserves consist of foreign exchange, gold, SDRs and a reserve position with the IMF. Indonesia complies with the IMF's Special Data Dissemination Standard requirement on international reserves and foreign exchange currency liquidity.

Official International Reserves of the Republic⁽¹⁾

	As of 31 December 2020	As of 31 December 2021 ^P	As of 30 April 2022 ^P
	(in millions of U.S. dollars, except for months)		
Gold	4,758	4,595	4,767
SDRs	1,605	7,795	7,512
Reserve position with the IMF	1,135	1,110	1,069
Foreign exchange and others	128,398	131,405	122,311
Total	135,897	144,905	135,659
Total as number of months of imports and			
Government external debt repayments	9.8	7.8	6.7

Source: Bank Indonesia

^P Preliminary.

(1) Converted into U.S. dollars at the applicable BI middle exchange rates as of the respective dates indicated.

As of 30 April 2022, foreign reserves decreased to U.S.\$135.7 billion from U.S.\$144.9 billion as of 31 December 2021, equivalent to 6.7 months of import coverage and government external debt service requirements. The coverage ratio is in excess of the recommended international adequacy ratio of 3.0 months of import coverage.

Regional Swap Arrangements of the Republic

As of 31 December 2021, no drawdowns on existing bilateral and regional swap arrangements have been made.

Debt-to-GDP Ratios

The following table sets forth the central Government's debt-to-GDP ratio and debt service to GDP ratio as of the dates indicated.

	As of 31 December 2020^L	As of 31 December 2021^P
	(percentages, unless indicated otherwise)	
Debt-to-GDP ratio	39.4	40.7
Debt service to GDP ratio	5.0	5.3
Total public debt of the central Government (in billions of U.S.\$) ⁽¹⁾	431.0	484.1
—% in Loans	14.1	11.9
—% in Bonds	85.9	88.1

Source: Ministry of Finance, Bank Indonesia

^L LKPP (Financial Report of Central Government/Audited).

^P Preliminary.

(1) Outstanding foreign currency debt was converted to U.S. dollars using the BI middle exchange rate as of each period indicated in the table.

As of 31 December 2021, the central Government's debt-to-GDP ratio was 40.7%, with U.S.\$484.1 billion of total public debt of the central Government, 11.9% of which are in loans and 88.1% are in bonds.

USE OF PROCEEDS

The proceeds of each Series of Certificates issued under the Program will be applied by the Issuer for the purchase of the Assets relating to the relevant Series from the Republic.

Unless otherwise specified in the Pricing Supplement for each Series of Certificates issued under the Program, the Republic will use the proceeds it receives to meet part of its general financing requirements.

TAXATION

Indonesian Taxation

The following summary of Indonesian taxation issues deals only with the implications for holders of Certificates who are non-residents for Indonesian taxation purposes.

Generally, an individual is considered a non-resident of Indonesia if the individual:

- (i) does not reside in Indonesia;
- (ii) is a foreign citizen who is present in Indonesia for less than 183 days in any 12-month period; or
- (iii) is an Indonesian citizen who resides outside of Indonesia for more than 183 days within a 12-month period and fulfils certain requirements on place of residency, main activities, habitual abode, status of tax subject and/or other requirements.

An entity will be considered non-resident if it is established and domiciled outside Indonesia.

If a non-resident has a permanent establishment in Indonesia, the permanent establishment is subject to the ordinary Indonesian corporate income tax at a flat rate of 22.0% for 2020, 2021 and 2022 onwards on all taxable income, including but not limited to income from foreign sources directly or indirectly attributable to such permanent establishment, except that certain types of income will be subject to final Indonesian income tax at certain rates. In addition, the after-tax taxable income of a permanent establishment is subject to a branch profits tax of 20.0% (which may be reduced under the provisions of most income tax treaties entered into by Indonesia). Under the Republic's income tax treaty with the United States (the "**U.S.-Indonesia Treaty**"), the branch profits tax on the after-tax taxable income of a permanent establishment is reduced to 10.0%. The branch profit tax can be exempted if all the after-tax income are reinvested in Indonesia no later than the following fiscal year in one of the following investment forms: (1) as a founding shareholder or a participant founder in a newly established Indonesian company through capital participation; (2) as a shareholder in an established Indonesian company through capital participation; (3) acquisition of fixed assets used by the permanent establishment to conduct its business or activities in Indonesia; or (4) investment in the form of intangible assets used by the permanent establishment to conduct its business or activities in Indonesia. The investment procedure for the exemption of branch profit tax should be in accordance with the requirements set out in the Minister of Finance Regulation No. 14/PMK.03/2011 dated 24 January 2011.

Taxation of Distributions

In 2009, the Republic issued Government Regulation No. 25 of 2009 dated 3 March 2009 on the Income Tax of Sharia Based Business Activities. Pursuant to this regulation, Periodic Distribution Amounts (as defined in the Conditions) arising from the Certificates constitute taxable income.

Based on Government Regulation No. 91 of 2021 dated 30 August 2021 on Income Tax on Income in the form of Bonds Interest Received or Obtained by Domestic Taxpayer and Permanent Establishment ("**GR 91/2021**") and Minister of Finance Regulation No. 85/PMK.03/2011 dated 23 May 2011 on Procedures for Withholding, Payment, and Reporting of Income Tax on Bonds Interest, which was amended by Minister of Finance Regulation No. 07/PMK.011/2012 dated 13 January 2012, any amount paid by a company in the form of interest and/or discount (which in general is also treated as interest) in relation to bonds that have a maturity exceeding 12 months will be subject to a final withholding tax under Article 4(2) of Law No. 7 of 1983 on Income Tax, as lastly amended by the Law No. 7 of 2021 dated 29 October 2021 on Harmonization of Tax Regulations (the "**Income Tax Law**"). Interest is taxed on the gross value, while discount is taxed on the difference between the transfer value (or nominal value if held to maturity date) and acquisition cost of bonds. The definition of discount is the difference between the transfer value and the nominal value of the bonds, and also the difference between the transfer value and the acquisition cost of the bonds. For a resident taxpayer or non-resident taxpayer with a permanent establishment, a final withholding tax of 15% shall apply to interest received on the bonds. For a non-resident taxpayer, a final withholding tax of 20% applies to interest received on the bonds.

Based on the Law on Job Creation, interest including premium, discount and income related to debt repayment guarantee paid to a non-resident taxpayer is subject to withholding tax of 20.0% of the gross amount. The 20.0% withholding tax of the gross amount must be paid by the party paying the interest, premium, discount or debt repayment guarantee and can be lowered based on Government regulations. To date, the relevant implementing regulation of this law has not been issued yet.

Assuming that the Certificates are considered as bonds and the Payment of Periodic Distribution Amounts are considered as interest as stipulated in the above regulation, the payment of Periodic Distribution Amounts to non-residents will generally be subject to Indonesian withholding tax of 20.0% of the gross amount of the distribution (unless the Certificates are held and owned by a permanent establishment in Indonesia, as discussed below). Accordingly, subject to certain exceptions, the Republic will be required to pay additional amounts as provided in Condition 9 (*Capital Distributions of the Trust*). The 20.0% rate may be reduced under the provisions of any applicable income tax treaty Indonesia has concluded with another jurisdiction. Under the U.S.-Indonesia Treaty, the withholding tax rate is reduced to 10.0%.

The Republic has concluded double taxation treaties with a number of countries, including Japan, The Netherlands, Singapore, the United States and the United Kingdom. To obtain the benefit of the reduced rate under an applicable tax treaty, a Certificateholder must comply with the certification, eligibility, information and reporting requirements in force in Indonesia. Currently under, the prevailing tax regulation to be entitled to tax treaty protection, a Certificateholder would need to provide to PPSI-III (in its capacity as Trustee) a valid certificate of tax domicile using a specific form issued by the Indonesian tax authority (known as Form DGT) that is validated by a competent tax authority of the relevant country. For US person, in addition to the Form DGT that has been filled in by the recipient of income, a form 6166 issued by the IRS is required to be submitted.

Pursuant to Minister of Finance Regulation No. 187/PMK.03/2015 dated 30 September 2015 on the Procedure of Overpayment Refund for Non-Payable Tax, a non-resident who has been subjected to withholding tax by an Indonesian withholding tax agent may apply for a tax refund to the Directorate General of Taxation if the tax withheld is not in accordance with the Indonesian income tax law in force and/or any double taxation treaty.

The concept of beneficial owner was introduced in the latest Income Tax Law which was taken into effect as of 1 January 2009. According to the Income Tax Law, a beneficial owner is defined as the person (an individual or a corporation) entitled to directly enjoy the benefits of such income. The domicile country of the beneficial owner is determined based on the actual residence of the individual, in the case of an individual, or the domicile of the corporation (i.e. the country where the owners or more than 50.0% of the shareholders are domiciled or where the effective management is located).

Further, on 21 November 2018, the Directorate General of Taxation Regulation issued No. PER-25/PJ/2018 (“**PER-25/2018**”) on Procedures for Application Double Tax Avoidance Agreements, which came into effect on 1 January 2019.

Under PER-25/2018, in order for a non-resident recipient of the payment from Indonesia to be eligible for tax treaty benefit, it must:

- (a) satisfy the administrative criteria (i.e. by providing the Certificate of Domicile using Form DGT);
- (b) satisfy the anti-tax treaty abuse test and/or beneficial ownership test; and
- (c) not have an Indonesian PE in Indonesia.

The non-resident should satisfy the following anti-tax treaty abuse test:

A. The non-resident has:

- (a) Economic substance in the entity’s establishment or execution of the transaction;
- (b) A legal form which is the same with the economic substance either in the entity’s establishment or the execution of the transaction;
- (c) Business activities managed by its own management and the management has sufficient authority to carry out transactions;
- (d) Fixed and non-fixed assets, sufficient and adequate to carry out business activities in the Tax Treaty Partner State or Partner Jurisdiction other than the assets that generate income from Indonesia;
- (e) Sufficient number of employees and competent employees with certain expertise in accordance with the business field that is carried out; and
- (f) Activities or active business other than only receiving income in the form of dividend, interest and/or royalty originating from Indonesia.

- B. There are no arrangements on the transaction, directly or indirectly, for the purpose to obtain benefit from the tax treaty application, among others:
- (a) Reduction on tax cost; and/or
 - (b) Double non-taxation which are in contrary to the intent and purpose of the tax treaty.

Further, if the non-resident taxpayer receives income for which the relevant tax treaty stipulates a beneficial requirement (for example interest, royalty and dividend income), it must satisfy the following beneficial ownership test:

- (a) a “**non-resident individual**” does not act as an agent or a nominee; or
- (b) a “**non-resident entity**” should satisfy the following conditions:
 - 1. not acting as an agent, a nominee or a conduit company;
 - 2. having control or disposal rights over the fund, assets or the rights that generate the income from Indonesia;
 - 3. no more than 50% of the income is used to satisfy claims by other party;
 - 4. it bears the risk on its own assets, capital or liabilities; and
 - 5. it has no written or unwritten contract that obliges it to transfer partially or entirely the income derived from Indonesia to other party.

Failure to comply with the above requirements for the application of tax treaty benefit, the statutory withholding tax of 20.0% will be applied.

In general, the permanent establishment will be taxed on profits at a flat rate of 22.0% for 2020, 2021 and 2022 onwards under the ordinary Indonesian corporate income tax. Payments of Periodic Distribution Amounts made to the permanent establishment in Indonesia will be subject to a 15.0% withholding tax, which will be withheld by the Republic from the payment of each Periodic Distribution Amounts. This withholding tax is a prepaid tax, which may be credited against the Indonesian annual corporate income tax payable by the permanent establishment at the end of fiscal year. If the permanent establishment in Indonesia is a bank, the payments of Periodic Distribution Amounts on the Certificates shall not be subject to withholding tax.

Taxation of Dispositions

In general, gains resulting from the sale or other disposition of assets by a non-resident to a non-resident without a permanent establishment in Indonesia will not be subject to income, withholding or capital gains tax, unless the assets are held and owned through a permanent establishment in Indonesia, in which case the permanent establishment will be taxed on any profit at a flat rate of 22.0% for 2020, 2021 and 2022 onwards, and branch profit tax.

Based on GR 91/2021 gains from the disposal of the bonds are considered interest that shall be subject to the final withholding tax outlined above.

Gains from the disposal of the bonds derived by a resident taxpayer, whether an individual or a corporation, or by a non-resident taxpayer with a permanent establishment, are subject to final withholding tax at the rate of 15%. Non-resident taxpayers that derive gains from the disposal of the bonds will be subject to 20% final withholding tax, subject to reduction under the provisions of the applicable tax treaty.

Under Article 3A of Minister of Finance Regulation No. 07/PMK.011/2012, any negative discount or loss incurred from the disposal of the bonds can be deducted from the amount of interest income in calculating the withholding tax on interest.

If the Certificates are held and owned by a permanent establishment in Indonesia and the gains from the disposal are considered interest under GR 91/2021, the permanent establishment shall be taxed on the capital gain at 15.0% and branch profit tax.

Other Indonesian Duties

There are no other material Indonesian duties (such as inheritance duties, gift duties, stamp duties or other similar duties) that a holder of Certificates will be required to pay in relation to any of the payments of Periodic Distribution Amounts by the Republic.

United States Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax considerations that may be relevant to a holder of a Certificate. This summary does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the income tax laws of the U.S. federal government. This summary is based on laws, regulations, rulings and decisions in effect as of the date hereof, all of which are subject to change, which change could apply retroactively and could affect the tax consequences described below. This summary deals only with holders that acquire the Certificates at original issuance and that will hold Certificates as capital assets and does not address tax considerations applicable to investors that may be subject to special tax rules, such as banks, financial institutions, regulated investment companies, tax-exempt entities, insurance companies, dealers or traders in securities or currencies, U.S. branch operations of foreign corporations, holders that are subject to the mark to market rules, persons that will hold Certificates as a position in a hedging, “straddle” or conversion transaction, or as part of a “synthetic security” or other integrated financial transaction, persons required for U.S. federal income tax purposes to accelerate the recognition of any item of gross income with respect to the Certificates as a result of such income being recognised on an applicable financial statement, persons that have a “functional currency” other than the U.S. dollar or persons who hold Certificates through a partnership or other pass-through entity. Furthermore, this summary does not address Medicare contribution or alternative minimum tax consequences or the indirect effects on the holders of equity interests in a holder of the Certificates or U.S. federal estate and gift tax consequences.

For the purposes of this summary, a “**United States holder**” is a beneficial owner of Certificates that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States, (ii) a corporation created in, or organised under the laws of, the United States or any state thereof, including the District of Columbia, (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source or (iv) a trust the administration of which is subject to the primary supervision of a U.S. court and which has one or more United States persons who have the authority to control all substantial decisions of the trust. A “**non-United States holder**” is a beneficial owner of Certificates that is neither a United States holder nor a partnership. If a partnership (or any other entity treated as a partnership for U.S. federal income tax purposes) holds the Certificates, the tax treatment of the partnership and a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Such partner or partnership should consult its own tax adviser regarding the specific consequences of the acquisition, ownership and disposition of the Certificates.

No ruling is being requested from the U.S. Internal Revenue Service (the “**IRS**”) and no legal opinion is being given regarding the tax consequences of investing in the Certificates and no assurance can be given that the IRS or the courts will agree with the discussions set forth herein. Investors should consult their own tax advisers in determining the tax consequences to them of holding Certificates, including the application to their particular situation of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.

Overview

The Issuer intends to treat the Certificates as debt instruments for U.S. tax purposes and the remainder of this discussion assumes that the Certificates will be so treated. Under this characterisation, United States holders will not be required to take account of income and expenses incurred at the level of the Trust. The following summary does not discuss Certificates that are issued at more than a *de minimis* discount for U.S. federal income tax purposes. In the event that the Issuer issues Certificates at more than a *de minimis* discount, the applicable Pricing Supplement may describe the material U.S. federal income tax consequences thereof.

Periodic Distribution Amounts

Periodic Distribution Amounts will be subject to taxation under the U.S. tax rules applicable to debt instruments. Accordingly, a United States holder will be required to include Periodic Distribution Amounts in its income as ordinary income at the time that such distributions are accrued or are received (in accordance with the holder’s method of tax accounting). Such income will be treated as foreign source income for purposes of calculating that United States holder’s foreign tax credit limitation. The limitation on foreign taxes eligible for foreign tax credit is calculated separately with respect to specific classes of income. For this purpose, such income should generally constitute “**passive income**.” Any foreign income taxes withheld from payments of Periodic Distribution Amounts will be included in the income of United States holders as ordinary income and will likewise be deductible to United States holders, or, alternatively, United States holders may be eligible for a U.S. foreign tax credit subject to various limitations. United States holders should consult their own tax advisers regarding the availability of a foreign tax credit and the application of the foreign tax credit rules.

A United States holder utilising the cash method of accounting for U.S. federal income tax purposes that receives a Periodic Distribution Amount denominated in a currency other than U.S. dollars (a foreign currency) will be required to include in income the U.S. dollar value of that Periodic Distribution Amount, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

If a Periodic Distribution Amount is payable in a foreign currency, an accrual basis United States holder is required to include in income the U.S. dollar value of the Periodic Distribution Amount. Such a United States holder may determine the amount of the accrued Periodic Distribution Amount to be recognised in accordance with either of two methods. Under the first accrual method, the amount of income accrued will be based on the average exchange rate in effect during the accrual period or, with respect to an accrual period that spans two taxable years, the part of the period within the taxable year. Under the second accrual method, the United States holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. If the last day of the accrual period is within five business days of the date the Periodic Distribution Amount is actually received, an electing accrual basis United States holder may instead translate that Periodic Distribution Amount at the exchange rate in effect on the day of actual receipt. Any election to use the second accrual method will apply to all debt instruments held by the United States holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the United States holder and will be irrevocable without the consent of the IRS.

A United States holder utilising either of the foregoing two accrual methods will recognise ordinary income or loss with respect to accrued income attributable to a Periodic Distribution Amount on the date of receipt of the Periodic Distribution Amount denominated in a foreign currency (including a payment attributable to accrued but unpaid Periodic Distribution Amount upon the sale, exchange or other disposition of a Certificate). The amount of ordinary income or loss will equal the difference between the U.S. dollar value of the Periodic Distribution Amount received (determined on the date the payment is received) in respect of the accrual period and the U.S. dollar value of the income attributable to a Periodic Distribution Amount that has accrued during that accrual period (as determined under the accrual method utilised by the United States holder).

Foreign currency received as a Periodic Distribution Amount will have a tax basis equal to its U.S. dollar value at the time the Periodic Distribution Amount is received. Gain or loss, if any, realised by a United States holder on a sale, exchange or other disposition of that foreign currency will be ordinary income or loss and generally will be income from sources within the United States for U.S. foreign tax credit limitation purposes.

Sale, Exchange or Retirement of Certificates

A United States holder's tax basis in a Certificate generally will equal the U.S. dollar cost of such Certificate to such holder. The **"U.S. dollar cost"** of a Certificate purchased with a foreign currency will generally be the U.S. dollar value of the purchase price on the date of purchase or, in the case of a Certificate traded on an established securities market (as defined in the applicable U.S. Treasury regulations) that is purchased by a cash basis United States holder (or an accrual basis United States holder that so elects), on the settlement date for the purchase. Upon the sale, exchange or retirement of a Certificate, a United States holder generally will recognise gain or loss equal to the difference between the amount realised on the sale, exchange or retirement (less any amounts in respect of accrued Periodic Distribution Amounts, which will be taxable as ordinary income to the extent not previously included in income) and the holder's tax basis in such Certificate.

The amount realised on the sale, exchange or retirement of a Certificate for an amount in foreign currency will be the U.S. dollar value of that amount on the date of disposition or, in the case of a Certificate traded on an established securities market (as defined in the applicable U.S. Treasury regulations) that is sold by a cash basis United States holder (or an accrual basis United States holder that so elects), on the settlement date for the sale.

Gain or loss recognised by a United States holder on the sale, exchange or retirement of a Certificate that is attributable to changes in currency exchange rates will be ordinary income or loss and will consist of principal exchange gain or loss. Principal exchange gain or loss will equal the difference between the U.S. dollar value of the United States holder's purchase price of the Certificate in foreign currency determined on the date of the sale, exchange or retirement, and the U.S. dollar value of the United States holder's purchase price of the Certificate in foreign currency determined on the date the United States holder acquired the Certificate. The foregoing foreign currency gain or loss will be recognised only to the extent of the total gain or loss realised by the United States

holder on the sale, exchange or retirement of the Certificate, and will generally be treated as from sources within the United States for U.S. foreign tax credit limitation purposes.

Any gain or loss recognised by a United States holder in excess of any foreign currency gain or loss recognised by a United States holder generally will be U.S. source capital gain or loss. For United States holders who are individuals, trusts or estates that hold the Certificates for more than one year, capital gains may be taxed at lower rates than ordinary income. The deductibility of capital losses is subject to certain limitations.

A United States holder will have a tax basis in any foreign currency received on the sale, exchange or retirement of a Certificate equal to the U.S. dollar value of the foreign currency at the time of the sale, exchange or retirement. Gain or loss, if any, realised by a United States holder on a sale, exchange or retirement of that foreign currency will be ordinary income or loss and will generally be income or loss from sources within the United States for U.S. foreign tax credit limitation purposes.

Reference Rate Modification

The terms of the Certificates may provide that if a Reference Rate is discontinued, interest will be determined based on fall-back provisions. The treatment of such fall-back provisions for U.S. federal income tax purposes is not entirely clear and it is possible that if any such fall-back provisions go into effect, it might be treated for U.S. federal income tax purposes as a deemed disposition of Certificates by a United States holder in exchange for new Certificates. As a result of this deemed disposition, a United States holder could be required to recognise capital gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the fair market value at that time of the United States holder's Certificates, and the United States holder's tax basis in those Certificates. It could also impact the accrual of income on the Certificates after the deemed disposition.

United States holders should consult their tax advisers concerning the U.S. federal income tax consequences to them of a discontinuation and redetermination of a Reference Rate with respect to the Certificates.

Potential Alternative Characterisation

The Issuer believes that it is appropriate to treat the Certificates as representing debt obligations of the Obligor and intends to do so. However, the IRS may seek to characterise the Certificates as interests in a grantor trust for U.S. federal income tax purposes. Under this characterisation, while the taxation of the income, gain or loss attributable to the Certificates would be essentially the same as the consequences described above, the Issuer and United States holders would be subject to certain information reporting applicable to foreign trusts. United States holders that fail to comply with these information reporting requirements in a timely manner could be subject to significant penalties. A United States holder could also be liable for penalties equal to the greater of \$10,000.00 or 5.0% of the gross value of the portion of the trust owned by a United States holder at the close of the year, if the Issuer failed to file a U.S. annual information return and provide each United States holder with a foreign grantor trust owner statement. Similar penalties would be applicable to the Issuer for failure to comply. The Issuer does not expect that it will provide information that would allow either itself or United States holders to comply with foreign trust reporting obligations if they were determined to be applicable. United States holders should consult their own tax advisers as to the potential application of the foreign trust reporting rules and the tax consequences generally with respect to an investment in the Certificates.

Non-United States Holders

Subject to the backup withholding rules discussed below, a non-United States holder generally should not be subject to U.S. federal income or withholding tax on any payments on the Certificates and gain from the sale, redemption or other disposition of the Certificates unless: (i) that payment and/or gain is effectively connected with the conduct by that non-United States holder of a trade or business in the U.S.; (ii) in the case of any gain realised on the sale or exchange of a Certificate by an individual non-United States holder, that holder is present in the U.S. for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met; or (iii) the non-United States holder is subject to tax pursuant to provisions of the U.S. Internal Revenue Code of 1986 applicable to certain expatriates.

Information Reporting and Backup Withholding

Information returns may be required to be filed with the IRS with respect to payments made to certain United States holders of Certificates. In addition, a United States holder may be subject to backup withholding

tax in respect of such payments if such holder fails to provide its taxpayer identification number, to certify that such United States holder is not subject to backup withholding, or otherwise to comply with the applicable requirements of the backup withholding rules. Non-United States holders may be required to comply with applicable certification procedures to establish that they are not United States holders in order to avoid the application of such information reporting requirements and backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a holder of Certificates generally may be claimed as a credit against such holder's U.S. federal income tax liability provided that the required information is furnished to the IRS. Holders of Certificates should consult their own tax advisers as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Additionally, certain United States holders may be required to report to the IRS certain information with respect to their beneficial ownership of the Certificates. Investors who fail to report required information could be subject to substantial penalties.

Reportable Transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. A United States holder may be required to treat a foreign currency exchange loss from the Certificates as a reportable transaction if the loss exceeds certain specified thresholds in a single taxable year. Accordingly, if a United States holder realises a loss on any Certificate (or, possibly, aggregate losses from the Certificates) satisfying such thresholds, the United States holder could be required to file an information return with the IRS, and failure to do so may subject the United States holder to penalties. Prospective purchasers are urged to consult their tax advisers regarding the application of these rules to the acquisition, holding or disposition of Certificates.

The Proposed Financial Transactions Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Certificates (including secondary market transactions) in certain circumstances.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Certificates where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Certificates are advised to seek their own professional advice in relation to the FTT.

THE ABOVE DESCRIPTION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSEQUENCES RELATING TO THE ACQUISITION, OWNERSHIP AND DISPOSITION OF CERTIFICATES. PROSPECTIVE PURCHASERS OF CERTIFICATES SHOULD CONSULT THEIR OWN TAX ADVISERS CONCERNING THE TAX CONSEQUENCES OF THEIR PARTICULAR SITUATIONS.

ERISA CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), and Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), impose certain restrictions on (i) employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Title I of ERISA, (ii) plans (as defined in Section 4975(e)(1) of the Code) that are subject to Section 4975 of the Code, including individual retirement accounts and Keogh plans, (iii) any entity whose underlying assets could be deemed to include “**plan assets**” pursuant to the U.S. Department of Labour “plan assets” regulation, 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (the “**Plan Assets Regulation**”) by reason of any such employee benefit plans or plan’s investment in such entity (each of the foregoing, a “**Plan**”) and (iv) persons who have certain specified relationships to a Plan or its assets (“**parties in interest**” under Section 3(14) of ERISA and “**disqualified persons**” under the Section 4975 of the Code; collectively, “**Parties in Interest**”). ERISA also imposes certain duties on persons who are fiduciaries of Plans subject to ERISA, and ERISA and Section 4975 of the Code prohibit certain transactions between a Plan and its Parties in Interest. Violations of these rules may result in the imposition of excise taxes and other penalties and liabilities under ERISA and the Code.

ERISA and Section 4975 of the Code prohibit a broad range of transactions involving “plan assets” and Parties in Interest, unless a statutory or administrative exemption is available. Parties in Interest that participate in a prohibited transaction may be subject to penalties imposed under ERISA and/or excise taxes may be imposed pursuant to Section 4975 of the Code, unless a statutory or administrative exemption is available. These prohibited transactions generally are set forth in Section 406 of ERISA and Section 4975 of the Code. Certain employee benefit plans, including governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA), and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the prohibited transaction rules of ERISA or the Code but may be subject to substantially similar rules under other applicable federal, state, local or non-U.S. laws or regulations.

Under the Plan Asset Regulation, if a Plan invests in an “*equity interest*” of an entity that is neither a “*publicly offered security*” nor a security issued by an investment company registered under the Investment Company Act, the Plan’s assets include both the equity interest and an undivided economic interest in each of the entity’s underlying assets, unless it is established that the entity is an “*operating company*” or that equity participation in the entity by “*benefit plan investors*” is not “*significant*”. The Plan Assets Regulation generally defines equity participation in an entity by “*benefit plan investors*” as “*significant*” if 25 per cent. or more of the total value of any class of equity interest in the entity is held by “benefit plan investors”.

For the purposes of determining whether participation by “*benefit plan investors*” is “*significant*”, Certificates held by an investor (other than a “*benefit plan investor*”) that has discretionary authority or control over the assets of the Trustee or provides investment advice for a fee (direct or indirect) with respect to such assets, and any affiliates of such an investor, are excluded from such calculation and will not be treated as outstanding. If the assets of the Trustee were deemed to be plan assets of a Plan, the Trustee would be subject to certain fiduciary obligations under ERISA and certain transactions that the Trustee might enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under ERISA or Section 4975 of the Code and might have to be rescinded.

Plans may not purchase or hold any interest in a Certificate. Accordingly, each initial purchaser of the Certificates (or any interest in a Certificate) and each subsequent transferee will be deemed to have acknowledged, represented and agreed, by its purchase or holding of a Certificate (or any interest in a Certificate), that (A) it is not, and for so long as it holds Certificates (or interests therein) will not be and will not be acting on behalf of, (i) a Plan or (ii) a governmental, church or non-U.S. plan unless, under this subsection (ii), its acquisition, holding and disposition of the Certificates (or interests therein) will not constitute or result in a violation of any other applicable federal, state, local or non-U.S. laws or regulations that are substantially similar to the prohibited transaction provisions of ERISA and/or Section 4975 of the Code (“**Similar Law**”) or subject the Trustee or any transactions thereby to any such Similar Law and (B) it and any person causing it to acquire any of the Certificates agrees to indemnify and hold harmless the Issuer, the Republic, the Arrangers, the Dealers, the Trustee, the Delegate, the Agents, and their respective affiliates from any cost, damage or loss incurred by them as a result of it being or being deemed to be a Plan.

ERISA TRANSFER RESTRICTIONS

Each purchaser or transferee of the Certificates (or any interest in a Certificate) will be deemed to have acknowledged, represented and agreed that (a) it is not, and for so long as it holds Certificates (or interests

therein) will not be and will not be acting on behalf of: (i) a Plan or (ii) a governmental, church or non-U.S. plan unless, under this subsection (ii), the acquisition, holding and disposition of the Certificates (or interests therein) will not constitute or result in a violation of any Similar Law or subject the Trustee or any transactions thereby to any such Similar Law and (b) it will not sell or otherwise transfer any such Certificates or interests therein to any person unless the same foregoing representations and warranties apply to that person.

PLAN OF DISTRIBUTION

Subject to the terms and conditions stated in the Program Agreement between the Issuer, the Republic, the Arrangers and the Dealers, the Certificates may be offered on a continuous basis by the Republic to the Dealers. The Certificates may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer(s). The Certificates may also be sold by the Republic through the Dealers, acting as agents of the Republic. If a jurisdiction requires that the offering of the Certificates be made by a licensed broker or dealer and the Arrangers and Dealers or any their affiliates is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that arranger or dealer or their affiliates on behalf of the Issuer in such jurisdiction. The Program Agreement also provides for Certificates to be issued in syndicated Tranches that are jointly and severally or severally underwritten by two or more Dealers.

The Republic will pay the relevant Dealer a commission as agreed between them in respect of Certificates subscribed by it. The Republic has agreed to reimburse each Arranger for certain of its expenses incurred in connection with the establishment and any update of the Program and the Dealers for certain of their activities in connection with the Program.

The Republic has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Certificates including liabilities under the Securities Act. The Program Agreement entitles the Dealers to terminate any agreement that they make to subscribe Certificates in certain circumstances prior to payment for such Certificates being made to the Republic.

The Arrangers and the Dealers and certain of their affiliates may from time to time engage in transactions with and perform services for the Issuer and the Republic in the ordinary course of their business. The Arrangers, Dealers and their respective affiliates are full service financial institutions engaged in various activities which may include securities trading, commercial and investment banking, financial advice, investment management, principal investment, hedging, financing and brokerage activities. Each of the Arrangers and Dealers may have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Republic from time to time. In the ordinary course of their various business activities, the Arrangers, Dealers and their respective affiliates may make or hold (on their own account, on behalf of clients or in their capacity of investment advisers) a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments and enter into other transactions, including credit derivatives (such as asset swaps, repackaging and credit default swaps) in relation thereto. Such transactions, investments and securities activities may involve securities and instruments of the Republic, including Certificates issued under the Program, may be entered into at the same time or proximate to offers and sales of Certificates or at other times in the secondary market and be carried out with counterparties that are also purchasers, holders or sellers of Certificates. Certificates issued under the Program may be purchased by or be allocated to any Dealer or an affiliate for asset management and/or proprietary purposes but not with a view to distribution.

United States

The Certificates have not been and will not be registered under the Securities Act or under any applicable securities laws or regulations of any state of the United States and, subject to certain exceptions, may not be offered or sold within the United States except to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Certificates are being offered and sold only (1) in the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act and (2) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

The Certificates are being offered and sold outside the United States in reliance on Regulation S. The Program Agreement provides that the Dealers may directly or through their respective U.S. broker-dealer affiliates arrange for the offer and resale of the Certificates within the United States only to QIBs in reliance on Rule 144A or Institutional Accredited Investors pursuant to an exemption from the registration requirements of the Securities Act.

In addition, until 40 days after the commencement of the offering of any Series of Certificates, an offer or sale of such Certificates within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in

accordance with an available exemption from registration under the Securities Act. See “*Transfer Restrictions*” for a description of other restrictions on the transfer of the Certificates.

As used herein, the term “**United States**” has the meaning given to it in Regulation S.

United Kingdom

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree, that it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by the Offering Memorandum as completed by the Pricing Supplement in relation thereto to the public in the United Kingdom other than:

- (a) to any legal entity which is a qualified investor as defined in the UK Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the UK Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) in any other circumstances falling within section 86 of the Financial Services and Markets Act 2000 (“**FSMA**”),

provided that no such offer of Certificates referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Certificates to the public**” in relation to any Certificates in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates and the expression “**UK Prospectus Regulation**” means Regulation (EU) 2017/1129 of the European Parliament and of the Council as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”).

Other regulatory restrictions

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree, that:

- (a) in relation to any Certificates which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer and the Republic; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Certificates in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the European Economic Area (each, a “**Member State**”), each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not made and will not make an offer of Certificates which are the subject of the offering contemplated by this Offering Memorandum as completed by the Pricing Supplement in relation thereto to the public in that Member State except that it may make an offer of such Certificates to the public in that Member State:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Certificates referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “**offer of Certificates to the public**” in relation to any Certificates in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Certificates and the expression “**Prospectus Regulation**” means Regulation (EU) 2017/1129 of the European Parliament and of the Council.

Hong Kong

This Offering Memorandum has not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. In relation to the Certificates, each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that:

- (a) it has not offered or sold and will not offer or sell in the Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**”), by means of any document, any Certificates (except for Certificates which are a “structured product” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the “**SFO**”)) other than (A) to “professional investors” as defined in the SFO and any rules made under the SFO; or (B) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of C(WUMP)O; and
- (b) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO.

Japan

As the Certificates have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the “**FIEA**”), each relevant Dealer represents and agrees, and each further Dealer appointed under the Program will be required to represent and agree, that it will not offer or sell any Certificates, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Program will be required to acknowledge, that this Offering Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent, warrant and agree, that it has not offered or sold any Certificates or caused the Certificates to be made the subject of an invitation for subscription or purchase and will not offer or sell any Certificates or cause the Certificates to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for

subscription or purchase, of the Certificates, whether directly or indirectly, to any person in Singapore other than: (a) to an institutional investor (as defined in Section 4A of the SFA pursuant to Section 274 of the SFA), (b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Certificates are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Certificates pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Brunei

This Offering Memorandum has not been registered, delivered to, licensed or permitted by the Autoriti Monetari Brunei Darussalam with the Authority designated under the Brunei Darussalam Securities Markets Order (the "SMO") nor has it been registered with the Registrar of Companies, Registrar of International Business Companies. As such the Certificates may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Offering Memorandum or any other document or material in connection with the offer or sale or invitation for subscription or purchase of Certificates be circulated or distributed, whether directly or indirectly, to any person in Brunei other than: (a) to an accredited investor under Section 20 of the SMO; (b) an expert investor under Section 20 of the SMO; or (c) an institutional investor under Section 20 of the SMO, and in accordance with the conditions specified in Section 117 of the SMO.

This Offering Memorandum is for informational purposes only and does not constitute an invitation or offer to the public. It must not be distributed or redistributed to and may not be relied upon or used by any person in Brunei other than the person to whom it is directly communicated: (i) in accordance with the conditions of section 21(3) of the International Business Companies Order 2000; or (ii) whose business or part of whose business is in the buying and selling of shares within the meaning of section 308(4) of the Companies Act (Cap. 39).

Any offers, acceptances, subscription, sales and allotments of the Certificates shall be made outside Brunei. Nothing in this Offering Memorandum shall constitute legal, tax, accounting or investment advice. The recipient should independently evaluate any specific investment with consultation with professional advisers in law, tax, accounting and investments.

United Arab Emirates (excluding the Dubai International Finance Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that the Certificates have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered and will not offer the Certificates to be issued under the Program to any person in the Dubai International Financial Centre unless such offer is:

- (a) an “**Exempt Offer**” for the purposes of the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the “**DFSA**”) rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business Module of the DFSA rulebook.

Kingdom of Saudi Arabia

Any investor in Saudi Arabia or who is a Saudi person (a “**Saudi Investor**”) who acquires any Certificates pursuant to an offering should note that the offer of Certificates is an exempt offer under Article 6 of the “Rules on the Offer of Securities and Continuing Obligations” as issued by the Board of the Capital Market Authority (“**CMA**”) resolution no. 3-123-2017 dated 27 December 2017 as amended by the Board of the CMA resolution no. 1-104-2019 dated 30 September 2019, as amended or supplemented from time to time (the “**Rules on the Offer of Securities and Continuing Obligations**”), made through an authorised person licensed by the CMA to carry on the securities activity of arranging.

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that any offer of Certificates to a Saudi Investor will be made in compliance with the Rules on the Offer of Securities and Continuing Obligations, as amended and/or supplemented from time to time.

State of Qatar

Each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it:

- (i) has not offered, sold, or delivered, and will not offer, sell, or deliver, directly or indirectly, any Certificates in the State of Qatar (including the Qatar Financial Centre), except: (a) in compliance with all applicable laws and regulations of the State of Qatar (including the Qatar Financial Centre); and (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the State of Qatar (including the Qatar Financial Centre); and
- (ii) this Offering Memorandum (a) has not been, and will not be registered with or approved by the Qatar Financial Markets Authority, the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Centre Regulatory Authority and may not be publicly distributed in the State of Qatar (including the Qatar Financial Centre); (b) is intended for the original recipient only and must not be provided to any other person; and (c) is not for general circulation in the State of Qatar (including the Qatar Financial Centre) and may not be reproduced or used for any other purpose.

Kingdom of Bahrain

Each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that it has not offered or sold and will not offer or sell, any Certificates except on a private placement basis to persons in the Kingdom of Bahrain who are “accredited investors”. For this purpose, an accredited investor means: (a) an individual holding financial assets (either singly or jointly with a spouse) of U.S.\$1,000,000 or more (excluding that person’s principal place of residence); (b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000; or (c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund).

State of Kuwait

The Certificates have not been and will not be offered, sold, promoted or advertised by it in the State of Kuwait, other than in compliance with Decree Law No. 31 of 1990 and the implementing regulations thereto, as

amended and Law No. 7/2010 and the bylaws thereto, as amended, governing the issue, offering and sale of the Certificates. No private or public offering of the Certificates is being made in the State of Kuwait, and no agreement relating to the sale of the Certificates will be concluded in the State of Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Certificates in the State of Kuwait.

Malaysia

This Offering Memorandum has not been registered as a prospectus with the Securities Commission Malaysia under the Capital Markets and Services Act 2007 of Malaysia (the “CMSA”).

Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that the Certificates have not been and will not be offered, sold or delivered, and no invitation to subscribe for or purchase any Certificates has been or will be made, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within any one of the categories of persons specified under Part 1 of Schedule 6 (or Section 229(1)(b)), Part 1 of Schedule 7 (or Section 230(1)(b)), and Schedule 8 (or Section 257(1)) of the CMSA, read together with Schedule 9 (or Section 257(3)) of the CMSA, subject to any law, order, regulation or official directive of the Central Bank of Malaysia, Securities Commission Malaysia and/or any other regulatory authority from time to time.

Residents of Malaysia may be required to obtain relevant regulatory approvals including approval from the Controller of Foreign Exchange to purchase the Certificates. The onus is on the Malaysian residents concerned to obtain such regulatory approvals and none of the Dealers is responsible for any invitation, offer, sale or purchase of the Certificates as aforesaid without the necessary approvals being in place.

Switzerland

This Offering Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Certificates. The Certificates may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“FinSA”) and no application has or will be made to admit the Certificates to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Certificates constitutes a prospectus pursuant to the FinSA, and neither this Offering Memorandum nor any other offering or marketing material relating to the Certificates may be publicly distributed or otherwise made publicly available in Switzerland.

General

These selling restrictions may be modified by agreement between the Issuer, the Republic and the Dealers following a change in relevant law, regulation or directive. The distribution of this Offering Memorandum and the offering, sale or delivery of the Certificates is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Offering Memorandum are advised to consult with their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Offering Memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. The Certificates may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor such other material may be distributed or published in or from any country or jurisdiction except in compliance with any applicable rules and regulations of such country or jurisdiction.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of the Certificates, or possession or distribution of this Offering Memorandum, or any other offering material in any country or jurisdiction where action for that purpose is required.

Settlement and Delivery

The Republic and the Issuer expect that delivery of the Global Certificates will be made against payment therefor on or about the Closing Date, which will be on or about the fifth business day following the date of pricing of the Certificates. Under Rule 15c6-1 of the U.S. Securities Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to a trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Certificates on the date of pricing or the next succeeding business day will be required, by virtue of the fact that the Certificates initially will settle on or about

T+5, to specify alternative settlement arrangements to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Certificates may be affected by such local settlement practices and purchasers of Certificates who wish to trade Certificates on the date of pricing or the next succeeding business day should consult their own adviser.

In connection with the issue of Certificates in any Series under the Program, subsequent to the issue of Certificates, the Dealer or Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Pricing Supplement may over-allot Certificates or effect transactions with a view to supporting the market price of the Certificates in such a Series at a level higher than that which might otherwise prevail. However, there is no assurance that a Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation will be conducted in accordance with all applicable laws and regulations.

TRANSFER RESTRICTIONS

Due to the following significant transfer restrictions applicable to the Certificates, investors are advised to consult legal counsel prior to making any reoffer, resale, pledge, transfer or disposal of Certificates.

The Certificates have not been and will not be registered under the Securities Act or any other securities laws and may not be offered or sold in the United States except pursuant to an effective registration statement or in accordance with an applicable exemption from the registration requirements of the Securities Act.

Accordingly, the Certificates are being offered and sold in the United States only to persons reasonably believed to be QIBs in reliance on the registration exemption in Rule 144A of the Securities Act or to Institutional Accredited Investors within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D of the Securities Act pursuant to another available exemption from registration under the Securities Act. The international offering is being made outside the United States in offshore transactions pursuant to Regulation S under the Securities Act.

Any reoffer, resale, pledge, transfer or other disposal, or attempted reoffer, resale, pledge, transfer or other disposal, made other than in compliance with the restrictions noted below shall not be recognised by the Republic, the Issuer or the Trustee.

Rule 144A Transfer Restrictions

Each purchaser of the Rule 144A Certificates in the United States will be deemed to have acknowledged, represented and agreed that:

1. It is:
 - (a) a QIB as defined in Rule 144A under the Securities Act;
 - (b) aware, and that each beneficial owner of the Rule 144A Certificates has been advised, that the sale of such Certificates to it is being made in reliance on Rule 144A; and
 - (c) acquiring the Rule 144A Certificates for its own account or for the account of one or more QIBs; and
2. It understands that the Rule 144A Certificates have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may be offered, sold, pledged or otherwise transferred only:
 - (a) outside the United States in an offshore transaction in accordance with Regulation S under the Securities Act;
 - (b) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available);
 - (c) within the United States to a person whom it reasonably believes is a QIB that is purchasing for its own account or for the account of one or more QIBs, in a transaction meeting the requirements of Rule 144A under the Securities Act; or
 - (d) pursuant to an effective registration statement under the Securities Act,in each case in accordance with any applicable securities laws of any state of the United States; and
3. Rule 144A Certificates sold in the offering will constitute “restricted securities” within the meaning of Rule 144 under the Securities Act, and for so long as they remain “restricted securities” such Rule 144A Certificates may not be transferred except as described in paragraph (2) above; and
4. Rule 144A Certificates will bear a legend to the following effect, unless the Issuer determines otherwise in compliance with applicable law:

“THIS CERTIFICATE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ACCORDINGLY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DISPOSED OF WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AS SET FORTH IN THE FOLLOWING SENTENCE.

BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS ACQUIRING THE CERTIFICATES REPRESENTED HEREBY IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATIONS UNDER THE SECURITIES ACT, (2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE CERTIFICATES EXCEPT (A) WITHIN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (B) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS CERTIFICATE IS BEING TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

AS USED HEREIN, THE TERMS “OFFSHORE TRANSACTION” AND “UNITED STATES” HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT. IN CONNECTION WITH ANY TRANSFER, THE HOLDER WILL DELIVER TO THE REGISTRAR SUCH OPINIONS OF COUNSEL, CERTIFICATES AND/OR OTHER INFORMATION AS IT MAY REASONABLY REQUIRE IN FORM REASONABLY SATISFACTORY TO IT AS PROVIDED FOR IN THE DECLARATION OF TRUST TO CONFIRM THAT THE TRANSFER COMPLIED WITH THE FOREGOING RESTRICTIONS AS PROVIDED FOR IN THE DECLARATION OF TRUST.

ANY RESALE OR OTHER TRANSFER OF THIS CERTIFICATE (OR BENEFICIAL INTEREST HEREIN) WHICH IS NOT MADE IN COMPLIANCE WITH THE RESTRICTIONS SET FORTH HEREIN WILL BE OF NO FORCE AND EFFECT, WILL BE NULL AND VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE”; and

5. The Issuer, the Republic, the Registrar, the other Transfer Agents, the Arrangers, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Certificates for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Definitive IAI Transfer Restrictions

Each purchaser of the Definitive IAI Certificates in the United States will be deemed to have acknowledged, represented and agreed that:

1. It is:
 - (a) an Accredited Investor within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D of the Securities Act that is an institution which has delivered an IAI Investment Letter; and
 - (b) acquiring the Definitive IAI Certificates for its own account or for the account of one or more Institutional Accredited Investors; and
2. It understands that the Definitive IAI Certificates have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and may be offered, sold, pledged or otherwise transferred only:
 - (a) outside the United States in an offshore transaction in accordance with Regulation S under the Securities Act;
 - (b) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available);
 - (c) within the United States to a person whom it reasonably believes is a QIB that is purchasing for its own account or for the account of one or more QIBs, in a transaction meeting the requirements of Rule 144A under the Securities Act; or
 - (d) pursuant to an effective registration statement under the Securities Act,

in each case in accordance with any applicable securities laws of any state of the United States; and

3. Definitive IAI Certificates sold in the offering will constitute “restricted securities” within the meaning of Rule 144 under the Securities Act, and for so long as they remain “restricted securities” such Definitive IAI Certificates may not be transferred except as described in paragraph (2) above; and
4. Definitive IAI Certificates will bear a legend to the following effect, unless the Issuer determines otherwise in compliance with applicable law:

“THIS CERTIFICATE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ACCORDINGLY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DISPOSED OF WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AS SET FORTH IN THE FOLLOWING SENTENCE.

BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS AN INSTITUTIONAL “ACCREDITED INVESTOR” (WITHIN THE MEANING OF RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) AND IT IS ACQUIRING THIS CERTIFICATE FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO ANY RESALE OR DISTRIBUTION HEREOF, SUBJECT TO ITS ABILITY TO RESELL THIS CERTIFICATE PURSUANT TO RULE 144A OR REGULATION S UNDER THE SECURITIES ACT OR AS OTHERWISE PROVIDED BELOW AND SUBJECT IN ANY CASE TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF THE PROPERTY OF ANY PURCHASER SHALL AT ALL TIMES BE AND REMAIN WITHIN ITS CONTROL.

THE HOLDER OF THIS CERTIFICATE BY ITS ACCEPTANCE HEREOF AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THE CERTIFICATES EXCEPT (A) WITHIN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QUALIFIED INSTITUTIONAL BUYERS IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, (B) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (C) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (D) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT.

AS USED HEREIN, THE TERMS “OFFSHORE TRANSACTION” AND “UNITED STATES” HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT. IN CONNECTION WITH ANY TRANSFER, THE HOLDER WILL DELIVER TO THE REGISTRAR SUCH OPINIONS OF COUNSEL, CERTIFICATES AND/OR OTHER INFORMATION AS IT MAY REASONABLY REQUIRE IN FORM REASONABLY SATISFACTORY TO IT AS PROVIDED FOR IN THE DECLARATION OF TRUST TO CONFIRM THAT THE TRANSFER COMPLIED WITH THE FOREGOING RESTRICTIONS AS PROVIDED FOR IN THE DECLARATION OF TRUST.

ANY RESALE OR OTHER TRANSFER OF THIS CERTIFICATE (OR BENEFICIAL INTEREST HEREIN) WHICH IS NOT MADE IN COMPLIANCE WITH THE RESTRICTIONS SET FORTH HEREIN WILL BE OF NO FORCE AND EFFECT, WILL BE NULL AND VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE”; and

5. The Issuer, the Republic, the Registrar, the other Transfer Agents, the Arrangers, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. If it is acquiring any Certificates for the account of one or more Institutional Accredited Investors, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

Regulation S Transfer Restrictions

Each purchaser of the Regulation S Certificates and each subsequent purchaser of such Regulation S Certificates in resales, by accepting delivery of this Offering Memorandum and the Certificates, will be deemed to have represented, agreed and acknowledged that:

1. It is, or at the time Regulation S Certificates are purchased will be, the beneficial owner of such Regulation S Certificates and (a) it is located outside the United States and (b) it is not an affiliate of the Republic or a person acting on behalf of such an affiliate;
2. It understands that such Regulation S Certificates have not been and will not be registered under the Securities Act;
3. It understands that the Regulation S Certificates, unless otherwise determined by the Issuer in accordance with applicable law, will bear a legend substantially in the following form:

“THIS CERTIFICATE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (the “**SECURITIES ACT**”), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ACCORDINGLY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED OR DISPOSED OF WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT”; and
4. The Issuer, the Republic, the Registrar, the other Transfer Agents, the Arrangers, the Dealers and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

ERISA Transfer Restrictions

Each purchaser or transferee of the Certificates will be deemed to have acknowledged, represented and agreed that:

- (a) either:
 - (i) it is not, and for so long as it holds the Certificates or interests in the Certificates will not be, a Plan or a governmental, church or non-U.S. plan that is subject to any Similar Law; or
 - (ii) it is a governmental, church or non-U.S. plan and the acquisition, holding and disposition of the Certificates (or interests therein) will not constitute or result in a violation of any Similar Law or subject the Trustee or any transactions thereby to any such Similar Law; and
- (b) it will not transfer any such Certificates to any person unless such person could itself truthfully make the foregoing deemed acknowledgements, representations and agreements.

LEGAL MATTERS

The validity of the Certificates will be passed upon for the Republic by the Head of the Legal Bureau of the Ministry of Finance of the Republic and by Ary Zulfikar and Partners (azp legal consultants), Indonesian counsel to the Republic and the Issuer, as to matters of Indonesian law, and by Allen & Overy LLP, international counsel to the Republic and the Issuer, as to matters of U.S. federal and English law. Certain legal matters will be passed upon for the Arrangers and Dealers by Assegaf Hamzah & Partners, Indonesian counsel to the Arrangers and Dealers and by White & Case Pte. Ltd. and White & Case LLP, international counsel to the Arrangers and Dealers, as to matters of U.S. federal securities and English law. In rendering their opinions, Allen & Overy LLP will rely as to all matters of Indonesian law upon the opinion of the Head of the Legal Bureau of the Ministry of Finance of the Republic and of Ary Zulfikar and Partners (azp legal consultants) and White & Case Pte. Ltd. and White & Case LLP will rely as to all matters of Indonesian law upon the opinions of Assegaf Hamzah & Partners and Ary Zulfikar and Partners (azp legal consultants).

CLEARANCE AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC or Euroclear and/or Clearstream, Luxembourg currently in effect. The information in this section concerning such clearing systems has been obtained from sources that the Issuer believes to be reliable, but none of the Issuer, the Republic, the Arrangers, the Dealers, the Agents or the Delegate takes any responsibility for the accuracy of this section. The Issuer and the Republic only take responsibility for the correct extraction and reproduction of the information in this section. Investors wishing to use the facilities of any of the clearing systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant clearing system. None of the Issuer, the Republic nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Certificates held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

The relevant Pricing Supplement will specify the clearing system(s) applicable for each Series.

Book-entry ownership

The Certificates will be evidenced on issue by the Regulation S Global Certificate (unless otherwise specified in the applicable Pricing Supplement, registered in the name of a nominee of, and shall be deposited with a custodian for, DTC for the accounts of Euroclear and Clearstream, Luxembourg or registered directly in the name of a nominee of, and shall be deposited with the common depository for, Euroclear and Clearstream, Luxembourg) and the Rule 144A Global Certificate (unless otherwise specified in the applicable Pricing Supplement, registered in the name of a nominee of, and shall be deposited with a custodian for, DTC).

Unless otherwise specified in the applicable Pricing Supplement, the Issuer, and a relevant US agent appointed for such purpose that is an eligible DTC participant, will make application to DTC for acceptance in its book-entry settlement system of the Certificates represented by the Regulation S Global Certificate and the Rule 144A Global Certificate. Unless otherwise specified in the applicable Pricing Supplement, the Issuer will also make application to Euroclear and/or Clearstream, Luxembourg for acceptance in their respective book-entry systems in respect of the Certificates to be represented by the Regulation S Global Certificate. The Regulation S Global Certificate and Rule 144A Global Certificate will each have a CUSIP, an ISIN and a Common Code. The Rule 144A Global Certificate and the Regulation S Global Certificate will be subject to restrictions on transfer contained in a legend appearing on the front of such Global Certificate, as set out under “*Transfer Restrictions*.” In certain circumstances, as described below, transfers of interests in the Rule 144A Global Certificate may be made as a result of which such legend may no longer be required.

Upon the Global Certificates being registered in the name of a nominee of, and deposited with a custodian for, DTC, DTC will electronically record the nominal amount of the Certificates held within the DTC system. Investors may hold their beneficial interests in the Global Certificates directly through DTC if they are participants in the DTC system, or indirectly through organisations (including Euroclear and Clearstream, Luxembourg) which are participants in such system (together, such direct and indirect participants of DTC shall be referred to as “**DTC participants**”). All interests in the Global Certificates, including those held through Euroclear or Clearstream, Luxembourg may be subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream, Luxembourg may also be subject to the procedures and requirements of such system.

Upon the Regulation S Global Certificates being registered in the name of a nominee of, and deposited with a common depository for Euroclear and Clearstream, Luxembourg, Euroclear and Clearstream, Luxembourg will electronically record the face amount of the Certificates held within their respective systems. Investors may hold their beneficial interests in the Regulation S Global Certificates directly through Euroclear and Clearstream, Luxembourg if they are participants in those systems or indirectly through organisations which are participants in such system. The interests held through Euroclear or Clearstream, Luxembourg may also be subject to the procedures and requirements of such system.

Payments and relationship of participants with clearing systems

Each of the persons shown in the records of DTC as the holder of a Certificate represented by a Global Certificate must look solely to DTC for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under such Global Certificate, subject to and in

accordance with the respective rules and procedures of DTC. The Issuer expects that, upon receipt of any payment in respect of Certificates represented by a Global Certificate, DTC or its nominee will immediately credit the relevant participants' or account holders' accounts in the relevant clearing system with payments in amounts proportionate to their respective beneficial interests in the face amount of the relevant Global Certificate as shown on the records of the relevant clearing system or its nominee. The Issuer also expects that payments by DTC participants to owners of beneficial interests in a Global Certificate held through such DTC participants will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Certificates for so long as the Certificates are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Delegate or any Agent shall have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Transfer of Certificates

Transfers of interests in the Global Certificates within Euroclear, Clearstream, Luxembourg and DTC will be in accordance with the usual rules and operating procedures of the relevant clearing system. The laws of some states in the United States require that certain persons take physical delivery in definitive form of securities.

Consequently, the ability to transfer interests in the Rule 144A Global Certificate to such persons may be limited. Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants, the ability of a person having an interest in the Rule 144A Global Certificate to pledge such interest to persons or entities that do not participate in DTC, or otherwise take actions in respect of such interest, may be affected by the lack of a physical certificate in respect of such interest.

Beneficial interests in the Regulation S Global Certificate may only be held through Euroclear or Clearstream, Luxembourg. In the case of Certificates to be cleared through Euroclear, Clearstream, Luxembourg and/or DTC, transfers may be made at any time by a holder of an interest in the Regulation S Global Certificate to a transferee who wishes to take delivery of such interest through the Rule 144A Global Certificate provided that any such transfer will, subject to the applicable procedures of Euroclear, Clearstream, Luxembourg and/or DTC from time to time, only be made upon receipt by any Transfer Agent of a written certificate from Euroclear or Clearstream, Luxembourg, as the case may be, (based on a written certificate from the transferor of such interest) to the effect that such transfer is being made to a person that the transferor reasonably believes is a QIB within the meaning of Rule 144A purchasing the Certificates for its own account or any account of a QIB, in each case in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States. Any such transfer made thereafter of the Certificates represented by such Regulation S Global Certificate will only be made upon request through Euroclear or Clearstream, Luxembourg by the holder of an interest in the Regulation S Global Certificate to the Delegate or other agent of details of that account at DTC to be credited with the relevant interest in the Rule 144A Global Certificate.

Transfers at any time by a holder of any interest in the Rule 144A Global Certificate to a transferee who takes delivery of such interest through the Regulation S Global Certificate will, subject to the applicable procedures of Euroclear, Clearstream, Luxembourg and/or DTC from time to time, only be made upon delivery to any transfer agent of a certificate setting forth compliance with the provisions of Regulation S and giving details of the account at Euroclear or Clearstream, Luxembourg, as the case may be, and DTC to be credited and debited, respectively, with an interest in each relevant Global Certificate.

Subject to compliance with the transfer restrictions applicable to the Certificates described above and under "*Transfer Restrictions*," cross-market transfers between DTC, on the one hand, and directly or indirectly through Euroclear or Clearstream, Luxembourg account holders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the custodian or common depository of the Global Certificates, the Registrar, the Transfer Agents, the Principal Paying Agent and any other Paying Agents.

On or after the Closing Date, transfers of Certificates between account holders in Euroclear and/or Clearstream, Luxembourg and transfers of Certificates between participants in DTC will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between account holders in Euroclear or Clearstream, Luxembourg and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no

direct link between DTC, on the one hand, and Euroclear and Clearstream, Luxembourg, on the other, transfers of interests between the Global Certificates will be effected through the Principal Paying Agent and other paying agents, the custodian or common depository of the Global Certificates, the Registrar and any other Transfer Agent receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. Transfers will be effected on the later of (i) three business days after the trade date for the disposal of the interest in the relevant Global Certificate resulting in such transfer and (ii) two business days after receipt by the Principal Paying Agent or other paying agent or the Registrar or other Transfer Agent, as the case may be, of the necessary certification or information to effect such transfer. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg account holders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

For a further description of restrictions on transfer of the Certificates, see “*Transfer Restrictions.*”

DTC

DTC is a limited purpose trust company organised under the laws of the State of New York, a “banking organisation” under the laws of the State of New York, a member of the US Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities for its participants and facilitate the clearance and settlement of securities transactions between participants through electronic computerised book-entry changes in accounts of its participants, thereby eliminating the need for physical movement of certificates. Direct participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to DTC is available to others, such as banks, securities brokers, dealers and trust companies that clear through or maintain a custodial relationship with a DTC direct participant, either directly or indirectly.

DTC will take any action permitted to be taken by a holder of Certificates only at the direction of one or more DTC participants in whose accounts with DTC interests in the Global Certificates are credited and only in respect of such portion of the aggregate nominal amount of the relevant Global Certificate as to which such DTC participant or participants has or have given such direction. However, the custodian of the Global Certificates will surrender the relevant Global Certificate for exchange for individual definitive certificates in certain limited circumstances.

Although Euroclear, Clearstream, Luxembourg and DTC have agreed to the foregoing procedures in order to facilitate transfers of beneficial interests in the Global Certificates among participants and account holders of Euroclear, Clearstream, Luxembourg and DTC they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. None of the Issuer, the Delegate or any Agent will have any responsibility for the performance by Euroclear, Clearstream, Luxembourg or DTC or their respective direct or indirect participants or account holders of their respective obligations under the rules and procedures governing their operations.

While the Global Certificates are lodged with DTC, Certificates represented by individual definitive certificates will not be eligible for clearing or settlement through Euroclear, Clearstream, Luxembourg or DTC.

Euroclear and Clearstream, Luxembourg

Each of Euroclear and Clearstream, Luxembourg holds securities for their account holders and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders, thereby eliminating the need for physical movements of certificates and any risks from lack of simultaneous transfers of securities. Euroclear and Clearstream, Luxembourg each provides various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg each also deals with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems which enables their respective account holders to settle trades with each other. Account holders in Euroclear and Clearstream, Luxembourg are financial institutions throughout the world, including underwriters, securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. Indirect access to both Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship

with an account holder of either system. An account holder's contractual relations with either Euroclear or Clearstream, Luxembourg are governed by the respective rules and operating procedures of Euroclear or Clearstream, Luxembourg and any applicable laws. Both Euroclear and Clearstream, Luxembourg act under those rules and operating procedures only on behalf of their respective account holders and have no record of or relationship with persons holding through their respective holders.

Individual Definitive Certificates

Registration of title to Certificates in a name other than a custodian or its nominee for DTC or the common depository for Euroclear and Clearstream, Luxembourg will be permitted only in the circumstances set forth in "*Global Certificates — Exchange for Definitive Certificates*." In such circumstances, the Issuer and the Delegate will cause sufficient individual definitive certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Certificateholder. A person having an interest in a Global Certificate must provide the Registrar with certain information as specified in the Agency Agreement.

Pre-issue trades settlement

It is expected that delivery of Certificates will be made against payment therefor on the Issue Date, which could be more than three business days following the date of pricing of the Certificates. Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle within three business days (T+3), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Certificates on the date of pricing or the next succeeding business day will be required, by virtue of the fact the Certificates initially will settle beyond T+3, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Settlement procedures in other countries will vary. Purchasers of Certificates may be affected by such local settlement practices and purchasers of Certificates who wish to trade Certificates on the date of pricing or the next succeeding business day should consult their own adviser.

GENERAL INFORMATION

Authorisation

The entry by the Republic into the transactions contemplated by the Transaction Documents was authorised by (1) Law No. 19 of 2008 on Sovereign Sukuk (SBSN), (2) Law No. 6 of 2021 on State Budget of 2022 passed on 27 October 2021 and (3) the approval on the use of underlying assets for the issuance of sovereign sukuk from the Minister of Finance on the list of projects of ministries or agencies (“**List of Projects**”) as underlying assets for the issuance of sovereign sukuk in 2022 on 29 December 2021. The use of underlying assets for the issuance of sovereign sukuk (save for the List of Projects) was provided to the parliament on 28 September 2021. The Issuer was created under Government Regulation No. 57 of 2011 on the Establishment of Perusahaan Penerbit SBSN Indonesia III in conjunction with Law No. 19 of 2008 on Sovereign Sukuk (SBSN) and Government Regulation No. 56 of 2008 on Perusahaan Penerbit SBSN (as amended by Government Regulation No. 73 of 2012) for the purpose of issuing the Certificates and entering into the Transaction Documents.

Listing

Application has been made to the SGX-ST for permission to deal in and quotation of any Certificates that may be issued pursuant to the Program and which are agreed at or prior to the time of issue thereof to be so listed on the SGX-ST. There is no assurance that the application to the Official List of the SGX-ST for the listing of a particular Series will be approved. However, Certificates may be issued under the Program that will not be listed on the SGX-ST or any other stock exchange, and the Pricing Supplement applicable to each Series or Tranche of Certificates will specify whether or not the Certificates will be listed on the SGX-ST or any other stock exchange.

For so long as the Certificates are listed on the SGX-ST and the rules of the SGX-ST so require, the Issuer shall appoint and maintain a Paying Agent in Singapore, where such Certificates may be presented or surrendered for payment or redemption, in the event that any of the Global Certificates representing such Certificates is exchanged for definitive Certificates. In addition, in the event that any of the Global Certificates is exchanged for definitive Certificates, for so long as such Certificates are listed on the SGX-ST, an announcement of such exchange will be made by or on behalf of the Issuer through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Certificates, including details of the Paying Agent in Singapore.

It is expected that each Series of Certificates which is to be admitted to the DFSA Official List and to trading on Nasdaq Dubai will be admitted separately as and when issued, subject only to the issue of a Global Certificate initially representing the Certificates of such Series. Application has been made for the Certificates to be admitted to the DFSA Official List and to be admitted to trading on Nasdaq Dubai. However, unlisted Certificates may also be issued pursuant to the Program.

Documents Available

For so long as any Certificates remain outstanding, copies (and English translations where the documents in question are not in English) of the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the offices of the Issuer and, subject to applicable laws and regulations following prior written request and proof of holding between 9.30am and 3.00pm, Monday to Friday (public holidays excepted), for inspection at the specified office of the Principal Paying Agent in New York:

- (a) the Transaction Documents;
- (b) Law No. 19 of 2008 on Sovereign Sukuk (SBSN); Government Regulation No. 56 of 2008 on Perusahaan Penerbit SBSN as amended by Government Regulation No. 73 of 2012 on the amendment of Government Regulation No. 56 of 2008 on Perusahaan Penerbit SBSN and Government Regulation No. 57 of 2011 on the Establishment of Perusahaan Penerbit SBSN Indonesia III;
- (c) this Offering Memorandum; and
- (d) any future offering circulars, offering memoranda, prospectuses, information memoranda and supplements, including the Pricing Supplement (except that the Pricing Supplement relating to unlisted Certificates will only be available for inspection by a Holder of such Certificate and such Holder must produce evidence satisfactory to the Delegate as to the identity of such Holder) to this Offering Memorandum and any other documents incorporated herein or therein by reference.

Additional Information

The following documents, which the Republic has filed with the SEC, are considered part of and incorporated by reference in this Offering Memorandum:

- (a) the Republic's Annual Report for the fiscal year ended 31 December 2020 on Form 18-K filed with the SEC on 23 April 2021, as well as any existing and subsequent amendments thereto filed with the SEC on Form 18-K/A; and
- (b) each subsequent annual report on Form 18-K and any subsequent amendments thereon on Form 18-K/A filed with the SEC before, on or after the date of this Offering Memorandum and before all of the Certificates are sold.

These documents are available for viewing electronically on the website of the SEC (<https://www.sec.gov/edgar/browse/?CIK=1719614>).

Sharia Advisers

The transaction structure relating to Certificates to be issued under the Program (as described in this Offering Memorandum) has been approved by CIMB Islamic Bank Berhad, Khalij Islamic, Sharia Adviser of Deutsche Bank AG, London Branch, the Internal Sharia Supervisory Committee (ISCD) of Dubai Islamic Bank PJSC, the HSBC Global Shariah Supervisory Committee and the Standard Chartered Bank Global Sharia Supervisory Committee. Prospective Certificateholders should not rely on the approval referred to above in deciding whether to make an investment in Certificates and should consult their own Sharia advisers as to whether the proposed transaction described in the approval referred to above is in compliance with Sharia principles.

Clearing Systems

The appropriate common code and ISIN for each Tranche of Certificates allocated by DTC or Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. In addition, the CUSIP for each Tranche of Certificates allocated by DTC will also be specified in the applicable Pricing Supplement. If the Certificates are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Pricing Supplement.

Significant or Material Change

There has been no significant change in the financial or trading position of the Issuer and no material adverse change in the financial position or prospects of the Issuer, in each case, since the date of its incorporation.

There have been no recent events relevant to the evaluation of the Republic's solvency. Other than as disclosed in (i) the Republic's Annual Report for the fiscal year ended 31 December 2020 on Form 18-K, which was filed with the SEC on 23 April 2021, as amended and supplemented by each amendment to the Republic's Annual Report for the year ended 31 December 2020 on Form 18-K/A filed with the SEC from time to time and before the date of this Offering Memorandum, and (ii) in the section entitled "*Republic of Indonesia*" in this Offering Memorandum, there has been no significant change in the financial or trading position of the Republic and no material adverse change in the financial position or prospects of the Republic, in each case, since the year ended 31 December 2020.

Litigation

Neither the Issuer nor the Republic is currently, nor have either of them in the 12 months preceding the date of this Offering Memorandum been, involved in any governmental, legal or arbitration proceedings (including any such proceedings that are pending or, except as may be disclosed in this Offering Memorandum, threatened of which either the Issuer or the Republic is aware) that may have, or that in the 12 months preceding the date of this Offering Memorandum have had, a significant effect on the financial position or profitability of the Issuer or the financial position of the Republic.

Financial Statements

The fiscal years of the Issuer end on 31 December of each year.

The Issuer prepares unaudited financial statements in respect of the end of, and the first six months of, each fiscal year. The Issuer is not required by Indonesian law to prepare or publish audited financial statements and does not intend to do so. If the Issuer publishes its accounts, it will ensure that copies are made available free of charge at the specified office of the Principal Paying Agent in New York.

The Issuer has no subsidiaries.

ISSUER

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Directorate General of Budget Financing and Risk Management
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REPUBLIC OF INDONESIA

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United States of America

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Clearstream, Luxembourg only)

**The Bank of New York Mellon,
London Branch**
One Canada Square
London E14 5AL
United Kingdom

REGISTRAR
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Clearstream, Luxembourg only)

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