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PRESS RELEASE

Republic of Indonesia priced a US\$ 3.25 billion Global Sukuk, the largest Global Sukuk transaction ever issued by the Republic

Jakarta, 24 May 2022 – The Republic of Indonesia (the “Republic”) made its annual return to the global Sukuk market and priced a US\$ 3.25 billion Sukuk offering comprising of US\$ 1.75 billion 5-year and US\$ 1.5 billion 10-year (Green) Reg S/144A Trust Certificate due on 2027 and 2032 respectively (the “Wakala Sukuk”). The Wakala Sukuk will be issued by the Republic through Perusahaan Penerbit SBSN Indonesia III (“PPSI-III”), a legal entity established by the Republic solely for the purpose of issuing Shari’a compliant securities in foreign currencies in the international markets. The Wakala Sukuk will be listed on the Singapore Stock Exchange and NASDAQ Dubai (dual-listing). The settlement date is 6 June 2022. Each tranche has been assigned a rating of Baa2 by Moody’s Investor Service, BBB by S&P Global Ratings Services and BBB by Fitch Ratings.

Leveraging on a steady market session overnight and on the Asia morning of 24 May 2022, the Republic successfully navigated volatile market condition and entered the global Sukuk market, announcing an initial price guidance at 4.75% area for the 5-year and 5.10% area for the 10-year Green tranche. The Republic was able to compress the initial price guidance by 35 bps on the 5-year tranche and by 40 bps on the 10-year, respectively, and announce final price guidance at 4.40% (the number) for the 5-year tranche and 4.70% (the number) for the 10-year tranche. The Wakala Sukuk were subsequently priced at par and with a profit rate of 4.40% on the 5-year tranche, and 4.70% on the 10-year tranche. The issuance totaled to \$3.25bn, which is the largest ever Global USD Sukuk deal by the Republic in history, a feat achieved amidst intraday volatility. The final order size amounted to US\$10.8 bn combined, or an oversubscription rate of more than 3.3x of the issuance.

Continuing a tradition of bringing to market of launching landmark Green Sukuk deals since its debut Green Sukuk in 2018, the Republic this year printed the largest ever Green Sukuk tranche globally, backed by the Republic’s significant pool of Green assets. This issuance further evidenced the Republic’s dedication and long-term commitment to green and sustainable financing, as part of its effort in combatting climate change. The 10-year Green Sukuk tranche is the fifth global Green Sukuk issued by the Republic and the first since the Republic published its SDGs Government Securities Framework in August 2021.

Several notable achievements of this transaction include: 1) the largest ever Global USD Sukuk transaction from the Republic 2) the largest Green Sukuk tranche ever printed globally, 3) the

largest issuance from Indonesia year-to-date and 4) the first Green Sukuk tranche in 10-year maturity by the Republic.

The Sukuk are structured based on the Shari'a principle of Wakala and has obtained Shari'a opinion from DSN MUI as well as from 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. The transaction is aligned with the Republic's strategy to finance the state budget, as well as its commitment to develop and improve the liquidity of the Sukuk market in the region.

Amidst challenging market conditions, the transaction managed to attract interest from diverse investor types and geography, showcasing strong investment appetite for Indonesia given the Republic's strong following and economic fundamentals.

The issuance with the 5-year tranche was distributed 35% to Asia, 30% to Middle East investors, 18% to U.S and 17% to Europe. By investor type, the tranche is allocated 41% to asset managers / fund managers, 30% to financial institutions / banks, 20% to central banks, 8% to insurance / pension funds and 1% to private banks.

The 10-year tranche was distributed 38% to Asia, 27% to Middle East investors, 20% to U.S and 15% to Europe. By investor type, the tranche is allocated 49% to asset managers / fund managers, 30% to financial institutions / banks, 13% to insurance / pension funds, 7% to central banks and 1% to private banks.

CIMB, Deutsche Bank, Dubai Islamic Bank, HSBC and Standard Chartered Bank acted as Joint Lead Managers and Joint Bookrunners. HSBC and Standard Chartered Bank acted as Joint Green Structuring Advisors. PT BRI Danareksa Sekuritas and PT PT Trimegah Sekuritas Indonesia Tbk acted as Co-Managers for this transaction.

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