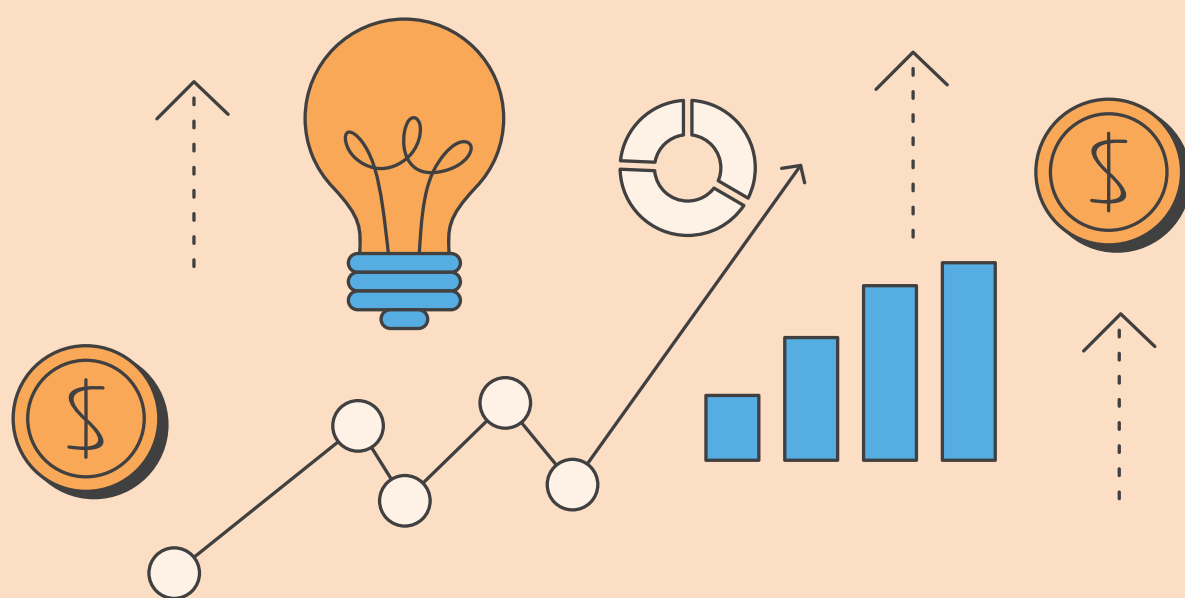


IDX Regulation I-A Redefined: What Every Listed Company Must Know



I. Introduction

On 31 March 2026, the Board of Directors of the Indonesia Stock Exchange (“**IDX**”) issued Decree of the Board of Directors of IDX No. Kep-00045/BEI/03-2026 on the Amendments to Regulation No. I-A on the Listing of Shares and Equity Securities Other Than Shares Issued by Listed Companies (“**Amendments to IDX Regulation No. I-A**”). The amendments were introduced to maintain an orderly, fair and efficient trading of securities and increase the quality of listed companies in Indonesian capital market.



The key changes under the Amendments to IDX Regulation No. I-A include amongst others changes to the definition of free float shares, minimum free float requirements, lock-up requirements for controlling shareholders, financial statements and corporate governance requirements.

II. Definition of Free Float Shares

The Amendments to IDX Regulation No. I-A provide a clearer definition of free float shares, in which, free float shares are defined as **scripless shares** listed on the IDX that are:

1. owned by shareholders that are less than 5% of the total listed shares;
2. not owned by the controlling shareholders and/or their affiliates;
3. not owned by the members of the Board of Commissioners or the Board of Directors;
4. not the shares repurchased by the company; and
5. not required to be subject to any transfer restrictions.



Circular Letter No. SE-00004/BEI/03-2026 on the Clarification of the Provisions on the Listing of Shares and Equity Securities Other Than

Shares Issued by Listed Companies (“**Circular Letter**”) clarifies that shares that are required to be subject to transfer restrictions include amongst others:

- a. shares that are subject to a transfer of shares restriction period, either under a regulation or as a result of the listed company’s corporate action;
- b. shares that are part of the portfolio of a venture capital company or a private equity firm; and/or
- c. shares that are under seizure or a blocking order by a law enforcement authority or other competent authority.

Listed companies may apply to the IDX to classify certain shareholders as free-float shareholders if their beneficial owners are public investors holding less than 10% of total listed shares. These shareholders may include amongst others insurance and reinsurance companies, pension funds, mutual funds and Sovereign Wealth Fund (a foreign investment management institution established and/or owned by a foreign government).

III. Minimum Free Float Requirements

Initial Listing

Under the Amendments to IDX Regulation No. I-A, the minimum free float requirement for an initial listing is as follows:

Initial Listing Free Float Requirement	IDX Main Board	IDX Development Board
Minimum number of free float shares	300,000,000	150,000,000
Minimum free float percentage (based on market capitalization prior to listing):		
< Rp5,000,000,000,000	25%	25%

Initial Listing Free Float Requirement	IDX Main Board	IDX Development Board
Minimum free float percentage (based on market capitalization prior to listing):		
Rp5,000,000,000,000 up to Rp50,000,000,000,000	20%	20%
> Rp50,000,000,000,000	15%	15%

The free float shares minimum percentages above must be maintained for a period of one year from the listing date.

For the purpose of the satisfaction of the minimum free float requirement upon initial listing (either on the main board or development board), the shares held by the shareholders of a prospective listed company prior to public offering are not taken into account. Therefore, compliance with the applicable minimum free float requirement at the time of listing must be assessed by reference to the shares offered in the public offering, rather than the pre-existing shares owned by the shareholders prior to the offering.

Specifically for prospective listed companies conducting a public offering with a minimum fundraising of Rp30,000,000,000,000, the IDX may determine a different minimum free float requirement.



Continuous Listing

Further, the minimum free float threshold required to maintain IDX listing, which was previously set at 7.5% of the total listed shares, has now been increased to 15% of the total listed shares. To comply with this requirement, the IDX has provided the following transition periods:

Category of Listed Company (as at 31 March 2026)	Current Free Float (as at 31 March 2026)	New Free Float	Deadline
Listed companies with market capitalization value of at least Rp5,000,000,000,000	Below 12.5%	At least 12.5%	31 March 2027
		At least 15%	31 March 2028
	12.5% up to below 15%	At least 15%	31 March 2027
Listed companies with market capitalization value of less than Rp5,000,000,000,000	Below 15%	At least 15%	31 March 2029

Subject to market conditions, the IDX may determine different periods upon obtaining approval or based on instructions from the Financial Services Authority (*Otoritas Jasa Keuangan / OJK*).

IV. Lock-Up Requirement for Controlling Shareholders

The controller of a prospective listed company must, where so required by the IDX, retain control and/or not transfer part or all of its shareholding for at least 12 months of the listing date, or for such other period as may be determined by the IDX in accordance with the prevailing laws and regulations, and taking into account the controller's strategic role and investor protection.



V. Certain Financial Statements and Corporate Governance Requirements

The Amendments to IDX Regulation No. I-A also enhance the overall quality requirements applicable to prospective and existing listed companies. Particularly, a company seeking to list on the main board is now required to have positive retained earnings based on its latest financial statements.

Also, in order to remain listed, listed companies must meet one of the following requirements:

1. have at least one financial statement preparer, being a member of the Board of Directors or an employee of the listed company, who holds a certificate of competency in accounting issued by a professional organization recognized in Indonesia or by an international organization; or
2. if a listed company does not have such a financial statement preparer, appoint a practicing accountant or public accountant to prepare its financial statements.



The members of the Board of Directors, Board of Commissioners and Audit Committee of listed companies are now also required to undertake continuing education in the areas of capital markets and corporate governance to remain listed on the IDX. This requirement is intended not only to strengthen their understanding of capital market regulations and good corporate governance principles, but also to improve transparency, accountability and the quality of financial reporting as well as to strengthen investor confidence.