



ADVISORY
MAKARIM&TAIRA S.
COUNSELLORS AT LAW

New Annual General Meeting of Shareholders Reporting Obligations: What Businesses Need to Know

Introduction

The Minister of Law (“**MOL**”) has introduced new compliance obligations for all Indonesian limited liability companies (*Perseroan Terbatas* – “**PT**”) through MOL Regulation No. 49 of 2025, effective 17 December 2025. This regulation mandates that PTs report their annual reports through the Legal Entity Administration System (*Sistem Administrasi Badan Hukum* – “**SABH**”), with potential access restrictions for non-compliance.

Key Requirements

Under MOL Regulation No. 49 of 2025, an annual report approved by the General Meeting of Shareholders (“**GMS**”) must now be formalized in a notarial deed.

The Board of Directors (“**BOD**”) through the notary, must report the notarial deed to the MOL through the SABH within 30 days from the date the deed is executed.

A copy of the approved annual report must also be submitted as a supporting document to the notarial deed.

The annual report must be prepared by the BOD within six months after the end of each fiscal year. Before it is submitted to the GMS for approval, the report must first be reviewed by the Board of Commissioners (“**BOC**”).

At a minimum, the annual report must include the following:

- a. financial statements, consisting of at least the balance sheet for the most recent fiscal year in comparison with the previous fiscal year, profit and loss statement, cash flow statement, statement of changes in equity, and notes to the financial statements;
- b. a report on the company’s activities;
- c. a report on the implementation of social and environmental responsibility;
- d. details of material issues arising during the fiscal year that affect the company’s business activities;
- e. a report on the supervisory duties carried out by the BOC during the relevant fiscal year;
- f. the names of the members of the BOD and the BOC; and
- g. Information on renumeration, including salaries and allowances for members of the BOD, and salaries or honoraria and allowances for members of the BOC, for the relevant fiscal year.

Consequences of Non-Compliance

Failure to comply with the reporting requirements may result in administrative sanctions, starting with a written warning and potentially leading to the suspension of access to the SABH.

Because access to the SABH is required for various corporate actions, such as updating company data, amending the articles of association, and making statutory filings, any suspension may significantly disrupt a company’s corporate governance and day-to-day operations.

Practical Considerations and Current Implementation Status

Based on discussions with the Directorate General of Legal Administration (*Direktorat Jenderal Administrasi Hukum Umum*) of the MOL, this reporting obligation is already legally in force. However, the SABH system does not yet have the technical functionality to accommodate a submission. As a result, PTs are currently unable to comply with this requirement in practice.

There are also several open questions regarding implementation. Because PTs are free to determine their own fiscal year, it remains unclear how the SABH system will identify the applicable reporting deadline for each company. In addition, it is not yet clear whether this obligation applies only to fiscal years starting in 2025 or whether it also applies to earlier fiscal

years (including the one ending in 2025).

Actions Required by PTs

All PTs should review their internal corporate governance and compliance processes to ensure they align with these new requirements. PTs should coordinate closely with their notaries to ensure the timely preparation and execution of notarial deeds recording GMS approval of the annual report. In addition, PTs should maintain complete and accurate annual report documentation and closely monitor announcements on the activation of the relevant reporting feature in the SABH system.



Reagan Roy Teguh
Partner
reagan.teguh@makarim.com



Demi Narendra Soegandhi
Associate
demi.soegandhi@makarim.com

M&T Advisory is a digital publication prepared by the Indonesian law firm, Makarim & Taira S. It informs generally on the topics covered and should not be treated as legal advice or relied upon when making investment or business decisions. Should you have any questions on any matter contained in M&T Advisory, or other comments in general, please contact us at the emails provided at the end of this article.