

Daily Updates

Thursday, April 21, 2022

Shares with Multiple Voting Rights Now Categorized as Free-Float Shares

Capital Market

- PT Bursa Efek Indonesia ("BEI") has issued Decree [No. KEP-00014/BEI-03/2022 of 2022](#) on the Special Policy for Free-Float Shares for Listed Companies That Implement Shares with Multiple Voting Rights ("**Decree 14/2022**").
- Decree 14/2022 states that shares belonging to common shareholders in listed companies that implement shares with multiple voting rights are now categorized as free-float shares and should therefore comply with the following conditions: 1) Such shares should be deposited at a payment point at the Depository and Settlement Institution or take the form of scrip if payment points have not yet been made available; and 2) Such shares should fulfill the qualifications set out under Provision 1.22 of Rule [Number I-A](#) on the Listing of Shares and Equity Securities Other Than Shares Issued by Listed Companies ("**Rule I-A**").
- The above provision will remain valid until the end of the prohibition period for transfers of shares by shareholders with multiple voting rights, as regulated under Regulation of the Financial Services Authority [No. 22/POJK.04/2021](#). Subsequently, listed companies will still have to fulfill the requirements provision in order to remain listed on the exchange in accordance with Rule I-A.
- Decree 14/2022 has been in force since 25 March 2022.