

To
The Board of Directors/The Principals of
1. The Securities Issuers; and
2. The KSEI Account Holders
In Place of Domicile

Jakarta, June 2, 2022

CIRCULAR LETTER

No. SE-0002/DIR-EKS/KSEI/0622

Regarding: The Mechanism for the Registration, Depository, and Settlement of Transaction of Structured Warrant at PT Kustodian Sentral Efek Indonesia (KSEI)

In relation to KSEI's effort to support the increment of trading liquidity and capital market deepening through alternative product in the form of Structured Warrant, by continue observing the provisions of:

- I. Regulation of the Financial Services Authority regarding Structured Warrant;
- II. Regulation of KSEI regarding the Registration of Equity Securities at KSEI; and
- III. Regulation of KSEI regarding Central Custodian Services,

therefore, it is considered necessary to stipulate the procedure and provisions related to the mechanism for the registration, depository, and settlement of transaction of Structured Warrant at KSEI for the establishment of an orderly, fair, and efficient transaction of Structured Warrant, with the following procedure and requirements:

1. General Provisions

The mechanism for the registration, depository, and settlement of transaction of Structured Warrant at KSEI as a part of the Equity Securities fulfilling the requirements to be traded at the Stock Exchange, must comply with the provisions in the Regulation of KSEI regarding the Registration of Equity Securities at KSEI and the Regulation of KSEI regarding the Central Custodian Services, unless specifically stipulated in this circular letter.

2. Registration of Structured Warrant at KSEI

2.1. Required Documents for the Registration of Structured Warrant

2.1.1. The candidate Securities Issuer or its proxy who will register the Structured Warrant at KSEI, besides submitting the application for the registration and the registration documents as stipulated in the Regulation of KSEI regarding the Registration of Equity Securities at KSEI, shall complete the following supporting documents:

2.1.1.1. Issuance Documents

- a. The copy of Registration Statement which has been effective from the Financial Services Authority;
- b. The copy of the approval letter of Liquidity Provider of Structured Warrant from the Stock Exchange;
- c. The copy of the agreement between the Securities Issuer and the Liquidity Provider of Structured Warrant (if any);

- d. The copy of the final Prospectus which has stated the provisions regarding the Collective Custody at KSEI; and
- e. The copy of the final Term Sheet of the Structured Warrant.

2.1.1.2. In the event that the Securities Issuer or its proxy will issue new series of Structured Warrant, the Securities Issuer or its proxy shall fulfill the following provisions:

- a. Submit documents to KSEI, among others, in the form of the final Term Sheet over the new series of Structured Warrant and the evidence of announcement on the notification for the implementation of Public Offering for the new series of Structured Warrant to the Financial Services Authority; and
- b. Before submitting the documents to KSEI as referred to in letter a, the Securities Issuer shall ensure that the term for the submission of notification of Public Offering for the new series of Structured Warrant has been fulfilled and the Financial Services Authority does not give any response towards the notification aforesaid as referred to in the Regulation of the Financial Services Authority regarding Structured Warrant.

2.1.1.3. In addition to the required issuance documents as referred to in this point 2, KSEI may request other supporting documents which are required in the framework of issuance of Structured Warrant.

2.2. Procedure for the Registration of Structured Warrant

2.2.1. The submission of registration document shall comply with the procedure as stipulated in the Guidelines for Electronic Securities Registration System (SPEK) issued by KSEI from time to time and can be accessed through <https://spek.ksei.co.id/> or other mechanism or procedure stipulated by KSEI.

2.2.2. The candidate Securities Issuer who will register Structured Warrant shall sign the Securities Registration Agreement regarding Structured Warrant with KSEI by using the standard contract stipulated by KSEI.

3. Depository of Structured Warrant

The Structured Warrant which have been registered by the Securities Issuer will be deposited in the Collective Custody as stipulated in the Regulation of the Financial Services Authority and the Regulation of KSEI.

4. Settlement of Transaction of Structured Warrant at Secondary Market

The settlement of transaction of Structured Warrant at the secondary market at KSEI shall comply with the provisions of Equity Securities overbooking for the settlement of Exchange Transaction stipulated in the Regulation of KSEI regarding Central Custodian Services.

5. Settlement of Trading of Structured Warrant on Maturity Date

- 5.1. The repayment of Structured Warrant is carried out based on the total number of Structured Warrant owned by the Securities Holders, other than the Securities Issuer on:
 - a. The Payment Date of Structured Warrant, which constitutes the date of implementation of Structured Warrant; or
 - b. Before the Payment Date of Structured Warrant (early termination).
- 5.2. KSEI carries out freezing towards Structured Warrant Securities on the Recording Date of Structured Warrant.
- 5.3. KSEI submits the final outstanding data of Structured Warrant to KPEI on the date of implementation of Structured Warrant.
- 5.4. KPEI delivers information on the rupiah value (entitlement) for every Structured Warrant to KSEI at the latest at 12:00 WIB on the date of implementation of Structured Warrant.
- 5.5. The Securities Issuer shall provide adequate repayment fund of Structured Warrant through KPEI and the fund aforesaid has been effective in the Securities Account designated by KSEI at the latest 1 (one) Working Day prior to the Payment Date of Structured Warrant.
- 5.6. KSEI distributes the repayment of Structured Warrant to the Account Holders through Securities Accounts at KSEI on the Payment Date of the Structured Warrant as stipulated in the document which becomes the basis for the issuance of Structured Warrant, provided that KSEI has received adequate fund for the repayment as referred to in point 5.5.
- 5.7. KSEI will issue the report on the distribution of repayment of Structured Warrant and the Register of Securities Holders of Structured Warrant to the Securities Issuer and KPEI.

6. Postponement of Registration of Structured Warrant

KSEI is entitled to postpone the registration of Structured Warrant if the candidate Securities Issuer or the Securities Issuer did not fulfill the requirements which have been stipulated as referred to in the Regulations of KSEI including this circular letter.

7. Annulment of Registration of Structured Warrant

KSEI may carry out the annulment of registration of Structured Warrant at KSEI if:

- 7.1 There is a written application from the relevant Securities Issuer;
- 7.2 The Securities Issuer does not perform its obligations as stated in the Regulations of KSEI, the agreements with KSEI, and the issuance documents;
- 7.3 Based on the prevailing laws and regulations;
- 7.4 There is a sanction imposed by KSEI to the Securities Issuer; or

- 7.5 There is a court decision or an instruction from the authorized institution towards the Securities Issuer or the Structured Warrant which can become the basis for the annulment of registration of Structured Warrant at KSEI.
8. KSEI is entitled to announce to the public through the mechanism stipulated by KSEI if:
 - 8.1. There is an annulment of registration of Structured Warrant at KSEI along with the reasons thereof;
 - 8.2. There is a sanction imposed by KSEI to the Securities Issuer; and/or
 - 8.3. There is other matter related to Structured Warrant which are registered at KSEI and considered necessary by KSEI to be acknowledged by the public in general.
9. The mechanism for the issuance and Public Offering over Structured Warrant shall follow the mechanism stipulated in the laws and regulations as well as the prevailing issuance documents.
10. This Circular Letter will be effective starting as of June 2, 2022.

Thus therefore, we convey the above. Thank you for your attention.

Regards,

PT Kustodian Sentral Efek Indonesia

Syafruddin
Director

Supranoto Prajogo
Director

Copies sent to:

1. The Chief Executive of Capital Market Supervisor of Financial Services Authority (OJK);
2. The Deputy Commissioner of Capital Market Supervisor I of OJK;
3. The Deputy Commissioner of Capital Market Supervisor II of OJK;
4. The Head of Capital Market Supervisor IIA Department of OJK;
5. The Director of Securities Institution Supervision of OJK;
6. The Director of Securities Transaction Supervisory of OJK;
7. The Director of Capital Market Regulation of OJK;
8. The Board of Directors of PT Bursa Efek Indonesia;
9. The Board of Directors of PT Kliring Penjaminan Efek Indonesia;
10. The Indonesian Securities Companies Association;
11. The Indonesian Custodian Banks Association;
12. The Indonesian Issuers Association;
13. The Board of Commissioners of KSEI;
14. The Board of Directors of KSEI.