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Indonesia's New SABH Annual Report Filing Rule:

A Hidden Blocker for Corporate Actions



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INTRODUCTION

The Ministry of Law has introduced a new electronic filing requirement for annual reports of Indonesian limited liability companies (“**PT**”) through the Legal Entity Administration System (Sistem Administrasi Badan Hukum or “**SABH**”), effective 1 June 2026.

While the obligation to prepare an annual report is not new, the practical consequence now is far more significant: annual report compliance may directly affect a company’s ability to process certain corporate actions through SABH. For companies planning board changes, shareholder updates, share transfers, or restructuring transactions, this is no longer merely an internal compliance matter — it is a filing readiness issue that can impact deal execution and corporate timelines.

WHAT CHANGED?

Under Ministry of Law Regulation No. 49 of 2025, a PT must ensure that its annual report is properly prepared, approved through the Annual General Meeting of Shareholders (“**AGMS**”), and submitted electronically through SABH within 30 days after the notarial deed recording the AGMS approval is signed.

The annual report must contain the information required under Indonesian company law, including financial statements, the company’s activities during the relevant financial year, the supervisory report of the Board of Commissioners, board composition, and other mandatory corporate disclosures.

WHY DOES THIS MATTER?

The Ministry of Law has indicated that, during the current implementation phase, annual report submission will be checked before certain applications for changes to company data are processed in SABH.

In practical terms, if the company has not completed its annual report filing, it may face delays in processing corporate actions such as:

- Appointment, replacement, or extension of term of directors and commissioners;
- Share transfers, capital increases, or other changes to capital structure; and
- Updates to shareholder information or other corporate data.

For businesses currently undertaking restructuring, investment rounds, acquisitions, financing, or other time-sensitive corporate actions, this creates a real risk of delay at the filing stage.



WHAT SHOULD COMPANIES DO NOW?

Companies should consider taking the following steps as soon as possible:

- Review whether the latest annual report has been properly prepared;
- Confirm that AGMS approval of the annual report has been properly documented in a notarial deed;
- Check whether the annual report filing through SABH has been completed within the applicable timeline;
- Verify whether audited financial statements are required under Article 68 of the Law No. 40 of 2007 on Limited Liability Company; and
- Identify any planned corporate actions that may be affected by incomplete annual report compliance.

TRANSITIONAL POINTS TO NOTE

The SABH annual report filing portal became operational on 1 June 2026. The government has also introduced several transitional measures, including a temporary waiver of PNBPF fees for annual report submissions and a delay in the active imposition of full administrative sanctions until November 2026.

However, businesses should not take a wait-and-see approach. Even before monetary sanctions are fully enforced, the more immediate concern is the potential filing bottleneck in SABH for companies that have not completed their annual report submission.

HOW PRS CAN ASSIST

At Pasaka Rievan Smith – Counsellors at Law (PRS), we assist clients with the corporate and regulatory aspects of annual report compliance and SABH filings, including:

- Reviewing annual report and AGMS compliance requirements;
- Preparing or reviewing shareholders' resolutions and AGMS documentation;
- Coordinating with notaries in relation to annual report approval deeds and related corporate filings;
- Assessing whether proposed corporate actions may be affected by annual report filing status; and
- Assisting with broader corporate changes, including board changes, shareholder changes, capital restructuring, and other SABH-related filings.

For companies planning corporate actions in Indonesia, checking annual report compliance early is now an important part of transaction readiness and corporate housekeeping.



About Us

Pasaka Rievan Smith - Counsellors at Law (“**PRS**”) is comprised of a team of dedicated and trusted lawyers with over 20 years of experience in the legal industry, spanning law firms, multinational corporations, and government institutions. We provide prompt, precise legal counsel and opinions, offering both legal and commercial perspectives to support corporate clients. Confident in our ability to meet the diverse needs of our clients, PRS enables them to focus on achieving their business objectives. With experience in assisting start-ups, growing enterprises, established organizations, and family-owned businesses, we are committed to delivering both personal and professional attention, ensuring the utmost satisfaction for our clients.

This article was prepared by:



ISHAK RICARDO PASAKA

Partner

pasaka@pasakariEVANsmith.com



ATINA PUTRI INDIRA

Associate

indira@pasakariEVANsmith.com



FAHREZA AHMAD SUGIANTO

Associate

sugianto@pasakariEVANsmith.com

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