

ANNEX A

MARGIN VALUE CALCULATION MECHANISM

A. Calculation of Margin Value for Repo Transaction on the Triparty Repo Facility

Scenario	Margin Nominal Value	Current Price	Haircut	Market Value	Collateral Value (Nominal Value x % Current Price) x (1- %haircut)
If Premium Price	IDR100,000,000.00	104.15%	7.50%	IDR104,150,000.00	IDR96,338,750.00
If Discount Price	IDR100,000,000.00	97.15%	7.50%	IDR97,150,000.00	IDR89,853,750.00

Description :

- | No. | Calculation Formula  | Description  |
|-----|----------------------|--|
| 1   | Scenario             | : Securities price scenarios at premium or discount prices   |
| 2   | Margin Nominal Value | : The nominal value of the Margin Placed by the participant  |
| 3   | Current Price        | : Referring to the price published by the securities pricing agency determined by KPEI using the Clean Price value       |
| 4   | Haircut              | : Referring to the haircut amount as determined based on Bank Indonesia Provisions                                       |
| 5   | Market Value         | : Margin value in the form of Securities, calculated by multiplying the nominal value of the Margin by the current price |
| 6   | Collateral Value     | : The final value placed and calculated based on the ICMA  |



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(International Capital Market Association) method with the formula:

$$\text{Collateral Value} = (\text{Nominal Value} \times \text{Current Price}) \times (1 - \% \text{Haircut})$$

**B. Illustration of Margin Value Calculation for Repo Transaction Experiencing Partial Repayment (Amortization) or Full Repayment (Redemption)**

Instrument	Margin Nominal Value	Current Price	Haircut	Market Value	Collateral Value (Nominal Value x % current price) x (1 - %haircut)
SBN 1	IDR100,000,000.00	101%	7.50%	IDR101,000,000.00	IDR93,425,000.00

**C. Margin replacement can be made with 2 different instruments, namely with SBN or funds**

1) Illustration of replacing Margin with SBN:

Instrument	Margin Nominal Value	Current Price	Haircut	Market Value	Collateral Value (Nominal Value x % current price) x (1 - %haircut)	Description



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SBN 2	IDR100,000,000.00	102%	7.50%	IDR102,000,000.00	IDR94,350,000.00	Replacement of margin with a value greater than the redemption value
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2) Illustration of replacing Margin with funds :

Instrument	Margin Nominal Value	Collateral Value	Description
Funds	IDR93,425,000.00	IDR93,425,000.00	Replacement of margin with the same value as the redemption value



ANNEX B

MARK TO MARKET CALCULATION MECHANISM

A. Mark to Market Calculation Mechanism

Seller : ABC  
 Buyer : XYZ  
 Pool Agreement : ABC vs XYZ 1  
 Size or Quantity : 100,000,000,000  
 Haircut : 4%

No	MM Date	Contract No.	Clean Price	Accrued Interest	Dirty Price	Fair Market Value After Haircut	Buyback Value	Deviation	Exposure		Threshold	Breach Threshold?
									Seller	Buyer		
1	4/2/2025	HGH-12345678	97.90%	2.5%	100.400	96,400,000,000 [ (e) - Haircut ]	97,535,486,192 2	-1.16%	-1,135,486,192	1,135,486,192	0.40%	Y
2	4/2/2025	SJK-12345654	101.60%	2.5%	104.100	100,100,000,000 0	97,535,486,192 2	2.63%	2,564,513,808	-2,564,513,808	1%	N
3	4/2/2025	VMJ-12346547	88.55%	2.5%	91.050%	87,050,000,000	97,535,486,192	-10.75%	-10,485,486,192	10,485,486,192	2%	Y



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4	4/2/2025	LJM-12348932	98.40%	2.5%	100.900	96,900,000,000	97,535,486,19	-0.65%	-635,486,192	635,486,192	0.10%	Y
5	4/2/2025	PKA-85345678	101.10	2.5%	103.600	99,600,000,000	97,535,486,19	2.12%	2,064,513,808	-2,064,513,808	0.10%	N
6	4/2/2025	DEL-19445430	101.50	2.5%	104.000	100,000,000,00	97,535,486,19	2.53%	2,464,513,808	-2,464,513,808	1%	N
7	4/2/2025	MSL-29345678	102.85	2.5%	105.350	101,350,000,00	97,535,486,19	3.91%	3,814,513,808	-3,814,513,808	1%	N
8	4/2/2025	KLE-74835678	96.25%	2.5%	98.750%	94,750,000,000	97,535,486,19	-2.86%	-2,785,486,192	2,785,486,192	0.10%	Y
										<b>15,041,944,768</b>	Netting Exposure	



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**Description:**

No.	Calculation Formula	Description
1.	Haircut	: based on an agreement between the parties, where the Haircut value can be determined from KPEI
2.	MTM Date	: the date on which MTM is implemented
3.	Contract No	: contract number
4.	Clean Price	: fair market value derived from PHEI
5.	Accrued Interest	: the accrued interest percentage value refers to the interest generated from outstanding debt during a certain period of time
6.	Dirty Price	: fair market value plus the calculated current interest value
7.	Fair Market Value After Haircut	: fair market value plus the calculated current interest value minus the Haircut
8.	Buyback Value	: repurchase price or 2nd leg price
9.	Deviation	: the difference between the fair market value after haircut and the buyback value
10.	Threshold	: the tolerance threshold for not being subject to a margin call agreed upon in each contract
11.	Netting Exposure	: accumulated exposure that exceeds reasonable limits for seller.



ANNEX C

ILLUSTRATION OF MARK TO MARKET, MARGIN CALL, AND MARGIN HOLD ON PROCESSES AT THE TRI-PARTY AGENT

A. **Example of Illustration of Mark to Market, Margin Call, and Margin Hold On Business Processes**

Bank A requires liquidity of funds in the amount of **IDR10,000,000,000.00** and holds Government Securities (SBN). To obtain the funds, Bank A will pledge the SBN to Bank B through a transaction via Tri-Party Agent.

On the other hand, Bank B has sufficient funds and agrees to lend the funds to Bank A. In return, Bank B receives Bank A's SBN as collateral with a 4% Haircut, provided that upon maturity (second leg), Bank A will repurchase the SBN at a higher price as agreed (repo rate).

The details of the transaction contract are presented in the table below:

Day 1	
Clean Price	1018
Accrued	1.28



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Interest	
Dirty Price	102.2%
Term	3
Day Base	360
Size/Quantity	10,000,000,000.00
Haircut	4%
Repo Rate	6%
Exemption Rate	-
Margin Ratio	104.17%
1st Leg Value	9,820,000,000.00
2nd Leg Value	9,824,910,000.00
Fair Price	102.2%
<b>MTM</b>	<b>9,820,000,000.00</b>

B. Mark to Market



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KPEI, as a Tri-Party Agent, shall perform risk management functions by carrying out daily Mark-to-Market process throughout the Repo Transaction period. Margin Call will only be charged to the Repo Seller. The following is a breakdown of the Mark-to-Market per day:

Date	Clean Price (b)	Accrued Interest (c)	Dirty Price (d)	Fair Market Value After Haircut (e)	Buyback Value (£)	Deviation (g) = [(e) - (f)] / (£)	Seller Exposure (f) = (e) - (£) IF > 0	Buyer Exposure (g) = (d) - (c) IF > 0	Margin Call
30/11/2025	101.90%	1.20%	103.10%	96,900,000,000	97,535,489,192	-0.65%	-	635,486,192	N
01/12/2025	102.60%	1.20%	103.80%	96,600,000,000	97,535,489,192	-0.96%	-	935,486,192	N
02/12/2025	101.55%	1.20%	102.75%	96,550,000,000	97,535,489,192	-1.01%	-	985,486,192	Y
03/12/2025	101.40%	1.20%	102.60%	96,400,000,000	97,535,489,192	-1.16%	-	1,136,486,192	Y
04/12/2025	101.00%	1.20%	102.20%	96,100,000,000	97,535,489,192	-1.47%	-	1,435,486,192	Y
05/12/2025	101.50%	1.20%	102.70%	96,500,000,000	97,535,489,192	-1.06%	-	1,035,486,192	Y
08/12/2025	102.85%	1.20%	104.05%	97,850,000,000	97,535,489,192	0.32%	314,513,808	-	N
09/12/2025	101.25%	1.20%	102.45%	96,250,000,000	97,535,489,192	-1.32%	-	1,285,486,192	Y



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Margin Call Date Analysis

Date	Defiation (g)	Buyer Exposure	Margin Call	Explanation
30/11/2025	-0.65%	635,486,192	N	Difference < 1% → still safe.
01/12/2025	-0.96%	935,486,192	N	Remaining < 1%, not subject to Margin Call.
02/12/2025	-1.01%	985,486,192	Y	Exceeds-1%, collateral is insufficient → Bank A must top-up.
03/12/2025	-1.16%	1,136,486,192	Y	The decline deepens → Margin Call returns.
04/12/2025	-1.47%	1,435,486,192	Y	The collateral shortfall is getting bigger → Margin Call returns.
05/12/2025	-1.06%	1,035,486,192	N	The figure remains >1%, but there is a possibility that a Margin Call <b>was already made</b> on the previous day so that on this date there is no new trigger.
08/12/2025	0.32%	-	N	Prices go up → no Margin shortfall
09/12/2025	-1.32%	1,285,486,192	Y	Price drops again below the threshold → New Margin Call.



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C. **Margin Call**

Example:

On 2 December 2025, Bank A has a first Margin Call to be fulfilled in the amount of **IDR935,486,192.00** to Bank B. For that purpose, Bank A and Bank B agree to carry out a Margin Hold On on the Triparty Repo Facility.

D. **Margin Hold On**

Margin Hold On is a feature of the Triparty Repo Facility. This feature allows banks to carry out Margin Hold On based on an agreement of both parties. Therefore, based on the Margin Call dated 2 December 2025, Bank B, which should have received the Margin Call, can initiate input into the Repo Module under **Margin Management -Margin Hold On** section. Bank B users must log in to the Repo Module system, then select the **Margin Management menu** and access the **Margin Hold On submenu**.

The Triparty Repo Facility applies a six-eye mechanism consisting of the stages of **Create, Create Direct Check, and Create Direct Approve**, so Bank B must adjust its process to reflect its respective Internal Policies.

On 3 December 2025, after the daily Bank Market calculation, Bank A received another



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Margin Call in the amount of IDR1,136,486,192. This situation requires Bank A and Bank B to agree to carry out the Margin Hold On or make the Margin obligation payment.

Jakarta, 19 December 2025  
Translated by:

