

Corporate/M&A

Final Moratorium Period for Submission of Statutory Documents under the Companies Act 2016

On 1 June 2021, the Companies Commission of Malaysia (“CCM”) announced several initiatives to assist the business community during the total lockdown period in Malaysia, including amongst others, the following initiatives:

- (a) a moratorium period of 30 days from the end of phase 1 of the “*total lockdown*” for the submission of statutory documents to the CCM pursuant to the **Companies Act 2016** (“CA 2016”) and the **Limited Liability Partnerships Act 2012** (“LLPA 2012”) (“Moratorium”); and
- (b) a waiver of late submission fees for the late submission of statutory documents under the CA 2016 and the LLPA 2012 to the CCM during the Moratorium (“Fee Waiver”).

Following the initiatives announced above and on 10 November 2021, CCM announced that the final period of the Moratorium and Fee Waiver will commence on 1 December 2021 and end on 31 December 2021.

Starting from 1 January 2022, the CCM will impose a late submission fee and compound in respect of any late submission of the statutory documents pursuant to the CA 2016 and the LLPA 2012. It is also an offence under sections 68 and 259 of the CA 2016 for any failure to lodge the required statutory documents.

A copy of the CCM’s announcement on 10 November 2021 (in Malay language only) can be accessed [here](#).

CONTACT US FOR FURTHER INFORMATION ON CORPORATE/M&A MATTERS.

Legal Updates

NOVEMBER 2021

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Financial Services

Bank Negara Malaysia issues exposure draft on Code of Conduct for Malaysia Wholesale Financial Markets

An exposure draft on Code of Conduct for Malaysia Wholesale Financial Markets was issued by Bank Negara Malaysia (“BNM”) on 9 November 2021, seeking public feedback by 6 December 2021.

BNM has taken into account the preliminary feedback from selected market participants via the ACI-Financial Markets Association of Malaysia (“FMAM”) and benchmarked against global best practices in this exposure draft. The proposed enhanced requirements are:

- intended to address the key gaps and global development on market conduct matters.; and
- to be observed by market participants (as defined in the **Financial Services Act 2013** and **Islamic Financial Services Act 2013**, respectively) to uphold integrity and principles of fair market practices, which is essential to support confidence, ensure an orderly functioning of the wholesale financial markets and preserving financial stability.

ASEAN Taxonomy for Sustainable Financing

The ASEAN Taxonomy for Sustainable Finance (“ASEAN Taxonomy”) was developed to serve as a common building block that enables an orderly transition and fosters sustainable finance adoption by the ASEAN member states. On 10 November 2021, the ASEAN Taxonomy Board (“ATB”) released Version 1 of the ASEAN Taxonomy which will provide a frame for discussion with official sector and private sector stakeholders to work together on the development of the ASEAN Taxonomy.

The ASEAN Taxonomy is intended to serve as a reference point to guide capital and funding towards activities that can help promote the systemic transformation needed for the ASEAN member states. There are two main elements to the ASEAN Taxonomy:

- (i) the “*Foundation Framework*” which is applicable to all member states and allows a qualitative assessment of activities; and
- (ii) the “*Plus Standard*” with metrics and thresholds to further qualify and benchmark eligible green activities and investments.

Version 1 elaborates on the key components of the ASEAN Taxonomy:

- the environmental objectives and essential criteria for assessment of economic activities which acts as the foundation to, among others, promote transition to low carbon and environmentally sustainable practices;
- a sector-agnostic decision tree to guide users of the ASEAN Taxonomy in classifying economic activities under the “*Foundation Framework*”,

which are designed to be readily applicable to all member states including the stakeholders in the financial sector and business enterprises;

- a list of focus sectors that the “*Plus Standard*” will cover including the stacked approach which will be utilised to determine thresholds and technical screening criteria. The “*Plus Standard*” can be adopted by member states or its stakeholder which require more guidance, based on its individual readiness.

**CONTACT US FOR FURTHER INFORMATION REGARDING
FINANCIAL SERVICES MATTERS.**

Tax & Revenue

Income tax

The following technical guideline has recently been published on the Inland Revenue Board's official website:

- [Guidelines on the Income Tax Treatment for Bank or Development Financial Institution which adopt Malaysian Financial Reporting Standard 9 — Financial Instruments](#) — issued on 11 November 2021.

Service tax

The revised versions of the following industry guides have recently been published on the Royal Malaysian Customs Department's MySST website:

- i. [Guide on Credit Card & Charge Card](#) (as at 26 October 2021) — to replace the earlier version dated 20 August 2018; and
- ii. [Panduan Perkhidmatan Profesional](#) (Malay version as at 31 October 2021) — to replace the earlier version dated 26 August 2018.

CONTACT US FOR FURTHER INFORMATION REGARDING TAX & REVENUE MATTERS.