

MINISTER'S MESSAGE

Salam Sejahtera.

I am pleased to introduce the Companies Commission of Malaysia's (SSM) Annual Report for the year 2021.



YB DATO SRI ALEXANDER NANTA LINGGI
Minister of Domestic Trade and Consumer Affairs

As the Minister helming the Ministry of Domestic Trade and Consumer Affairs (MDTCA), the Ministry's vision is for domestic trade to be the backbone of a high-income economy and one of the Ministry's missions is to ensure that key domestic sectors are developed, become competitive as well as sustainable. SSM which is an agency under the Ministry plays an important role in ensuring that the vision and mission of the Ministry can be achieved.

As we are all aware, year 2021 presented challenges that changed the country's business landscape. On a positive side, the pandemic that resulted in lay-offs and loss of jobs has in turn triggered interests amongst the unemployed to venture into business as a career and in selecting online business that requires least human interface will increase efficiency and save business operating costs. What makes me proud is the fact that the Malaysian economy which

is gradually recovering following the National COVID-19 Immunization Programme and the success of achieving subsequent herd immunity, has enabled the resumption of more economic and social activities.

MDTCA and its agencies have a huge responsibility in stimulating the domestic economy during this challenging time. Officers from my Ministry and the agencies under it have worked hard to ensure that the domestic economy remains competitive and sustainable. Priority was channelled towards the improvement of various SOPs and work processes to ensure that business activities would continue to run smoothly during the various movement restrictions to curb the spread of the COVID-19 virus.

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MDTCA through SSM has also taken various proactive actions by introducing 11 initiatives in support of the government's efforts to reduce the impact faced by the corporate sector and the national economy during the COVID-19 pandemic as follows:

<p>Introduction of <i>Skim Pendaftaran Perniagaan Prihatin</i> (SPPP) that offers one year free registration of new businesses:</p> <ul style="list-style-type: none"> • B40 Group Entrepreneurs • Full Time Higher Learning Institutions Students 		<p>Recognition of Continuing Professional Education (CPE) points through online training</p> <ul style="list-style-type: none"> • For the renewal of the Company Secretary Practising Certificate • Effective 1 January 2021 	
<p>Continuation of <i>Skim 1 OKU 1 Perniagaan</i> (S101P)</p> <ul style="list-style-type: none"> • Limited to 1 business per OKU 		<p>Proposing amendments to the Companies Act 2016 related to Corporate Rescue Mechanism (CRM) and Scheme of Compromise or Arrangement</p>	
<p>The extension of time for FREE registration of SSM BizTrust Until 31 December 2021</p> <ul style="list-style-type: none"> • Until 31 December 2021 		<p>Introducing provisions relating to Corporate Rescue Mechanism (CRM) under the Limited Liability Partnerships Act 2012</p>	
<p>Compound exemption for the late business renewal and late registration of businesses</p> <ul style="list-style-type: none"> • Until 31 December 2021 		<p>Introducing a 30-day moratorium at the end of the total lockdown for statutory documents lodgement as required under Companies Act 2016 and the Limited Liability Partnerships Act 2012</p> <ul style="list-style-type: none"> • Late lodgement fee is waived 	
<p>Compound reduction up to 90% from the original value of the compound for the application to strike off a company under section 549/ 550 of the Companies Act 2016</p> <ul style="list-style-type: none"> • Until 30 June 2021 • Extended until 31 December 2021 		<p>Extension of time (EOT) up to 90 days for companies having financial year end 1 November 2020 to 31 January 2021</p> <ul style="list-style-type: none"> • Circulation of financial statements • Holding of Annual General Meeting (AGM) • Lodgements of financial statements • Application fee of RM100 for EOT is waived 	
<p>Increasing the value of indebtedness from RM10,000 to RM50,000 permanently effective 1st April 2021</p>		<p>In addition to these 11 initiatives, SSM successfully launched the XCESS Portal on 2 September 2021 which provides sales of information about limited liability partnership (LLP) entities and information on personal involvement in companies, businesses as well as LLPs, online. Through the XCESS portal, the public can obtain information related to LLP and personal involvement with ease via online without the hassle of having to go to the SSM counter.</p>	

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In improving the quality of its service delivery system, SSM has implemented the *Hala Tuju* Project HT1 - MyLLP which is one of the Quick Win projects that has been successfully realized with the implementation of the new MyLLP system on 19 August 2021. The existing MyLLP system has been replaced with a new MyLLP system with several system improvement features and providing new modules.

Apart from that, I would also like to share the Government's Twelfth Malaysia Plan 2021 - 2025 (12MP) that was tabled on 27 September 2021 in the Dewan Rakyat with its strategic direction themed 'Malaysian Family - Prosperous, Inclusive, Sustainable'. The three (3) main focuses of the 12MP are regenerating the economy, strengthening security, well-being and inclusiveness as well as boosting sustainability.

Based on the 12MP document, SSM has been listed as an implementing agency involved in two (2) chapters including Chapter 5 on 'Tackling Poverty, Developing an Inclusive Society and Drivers of Change' as well as Chapter 7 on 'Strengthening Socio-Economic Development in Sabah and Sarawak, and Drivers of Change.'

SSM's involvement in Chapter 5 covers two (2) strategies. The first is by improving governance and strengthening service delivery where amendments to the Companies Act 2016 is underway on the beneficial owner reporting framework. This is intended to complement the existing framework for the purpose of corporate transparency to combat money laundering and terrorist financing (AMLA) activities. For the second strategy, which is to ensure sustainable corporate equity ownership, SSM is responsible for providing data to the Government involving the functions and laws under SSM for analysis purposes.

Meanwhile, SSM's involvement for Chapter 7 is to introduce a modern and applicable business registration legal framework throughout Malaysia. I would like to share that this involvement is an effort to facilitate the registration of businesses in Sabah and Sarawak. SSM is also ready to collaborate in sharing technology for the purpose of collecting business registration data to be more organised and centralised which can assist the Federal Government in formulating more inclusive policies for implementation throughout the country.

The implementation of several initiatives that I mentioned are just some of the various initiatives implemented by SSM in 2021 as presented in SSM's Annual Report for 2021. I hope, readers will benefit from the information reported in this publication.

Finally, I would like to thank all SSM employees who have served at the forefront of delivering outstanding services in ensuring that the country's economic growth prospect remains strong in the medium and long term. They stand strong together as a team to ensure that the service delivery to customers is excellent and smooth during this challenging pandemic period.

I am happy and grateful for the efforts taken by SSM throughout 2021 and wish you continued success in the future.

Thank you.

YB DATO SRI ALEXANDER NANTA LINGGI
Minister of Domestic Trade and Consumer Affairs