

## CHAIRMAN'S FOREWORD



Assalamualaikum  
Warahmatullahi Wabarakatuh,  
Salam Malaysia MADANI,

As we reflect on the achievements of 2023, I am delighted to present the annual report of the Companies Commission of Malaysia (SSM). This year has been marked by transformative advancements that underscore our dedication to strengthening Malaysia's corporate governance and business environment.

A major highlight of 2023 has been the significant amendments to the Companies Act 2016. These changes are designed to enhance our regulatory framework, particularly in areas crucial for fostering business resilience and transparency.

The amended Act introduces a more comprehensive corporate rescue framework, which includes:

### **1 Corporate Voluntary Arrangement (CVA):**

The amendments streamline the CVA process, allowing companies to negotiate formal arrangements with creditors to restructure debts and continue operations. This provides a structured pathway for recovery, offering an alternative to liquidation and supporting the revival of financially distressed businesses.

### **2 Judicial Management:**

Enhancements to the judicial management provisions offer greater flexibility and effectiveness in restructuring processes. The updated framework enables companies to enter judicial management to rehabilitate and stabilise their operations, thereby preserving business value and safeguarding employment.

### **3 Scheme of Arrangement or Compromise:**

The amendments improve the efficiency and transparency of the scheme of arrangement process. Companies can now engage in more effective negotiations with creditors, facilitating tailored solutions for restructuring and compromise. This approach ensures that companies can address financial challenges while achieving fair outcomes for all stakeholders.

## CHAIRMAN'S FOREWORD

In addition to corporate rescue mechanisms, in response to the Mutual Evaluation of Malaysia by the Financial Action Task Force (FATF) and Organisation for Economic Co-operation and Development (OECD) to be conducted in 2024 and 2025, we have implemented crucial amendments to our beneficial ownership reporting requirements. These changes are designed to enhance transparency in corporate ownership structures by mandating clearer and more detailed disclosure of beneficial owners. This initiative is pivotal for combating illicit financial activities, improving corporate accountability and ensuring that ownership information is both accessible and accurate.

“

**Further, our focus on digital transformation continues to support these regulatory advancements. We have invested in cutting-edge digital platforms to facilitate the implementation of new procedures and enhance service delivery. These technological upgrades are designed to simplify compliance for businesses and provide efficient tools for managing corporate rescue and beneficial ownership reporting.**

This year, we have placed a strong emphasis on engaging with our stakeholders to ensure that our regulatory framework effectively meets the needs of the business community. Input from industry experts, legal professionals and corporate leaders has been invaluable in refining our approach and ensuring that our law amendments address practical challenges.

”

As we move forward, SSM's commitment to advancing corporate governance, promoting transparency and supporting business growth remains steadfast. SSM's focus on continuous improvement and innovation will guide SSM as we implement these regulatory changes and navigate the evolving business landscape.

With deep respect, I wish to pay tribute to the late YB Datuk Seri Salahudin Ayub, my dear friend and mentor. The contributions and dedication of the late YB Datuk Seri Salahudin Ayub in the field of Domestic Trade and Cost of Living will always be remembered. His loss is a great one, not only to his family but also to all who have interacted with him and benefited from his advice and wisdom.

I extend my sincere appreciation to the SSM team for their dedicated efforts in advancing these initiatives. I also wish to express my gratitude to our stakeholders for their continued support and collaboration, which has been crucial in achieving our shared objectives. Together, we will continue to build a resilient and dynamic corporate environment in Malaysia, positioning our nation as a leading destination for investment and entrepreneurship.

Thank you for your trust and partnership.

**YBRS. TUAN AHMAD SABKI YUSOF**

Chairman

Companies Commission of Malaysia