



COMPANIES ACT 2016: PRACTICE DIRECTIVE NO. 6/2020

**EXTENSION OF TIME FOR ANNUAL GENERAL MEETING AND
LODGMET OF FINANCIAL STATEMENT**

This Practice Directive is issued pursuant to section 20C of the Companies Commission of Malaysia Act 2001 and section 609 of the Companies Act 2016.

OBJECTIVE

2. This Practice Directive serves to clarify the powers of the Registrar relating to the application for the extension of time—
- (a) to hold annual general meetings under section 340(4) of the Companies Act 2016 (CA 2016);
 - (b) to file an annual statement under section 259(2) of CA 2016; and
 - (c) to waive the application fee for extension of time made under section 340(4) or section 259(2) of CA 2016,
- for companies which are affected by the COVID-19 pandemic.

BACKGROUND

3. As a result of the COVID-19 outbreak that has plagued the country and worldwide, the Government has implemented the Movement Control Order (MCO) issued under the Prevention and Control of Infectious Diseases Act 1988.

4. Following the implementation of the MCO from 18 March 2020, companies are required to comply with this directive including cancelling the notice of annual general meetings or deferring to hold the annual general meeting at a later date.

5. In addition, SSM has received feedback from companies, practitioners and trade associations that companies are unable to prepare and audit the financial statements as a result of the MCO implementation. This will cause the affected companies to fail to comply with the specified timeframe to lodge their financial statements with the Registrar.

REQUIREMENTS OF THE LAW

Lodgement of Financial Statements and Reports

6. Section 259(1) of CA 2016 provides that a company must submit a financial statement:

- (a) in the case of a private company, within thirty (30) days from the date the financial statements are circulated to the shareholders; and

(b) in the case of a public company, within thirty (30) days from the date of the company's AGM.

7. Section 259(2) of CA 2016, however, allows the Registrar to extend the period of filing of the financial statements upon an application made by the company before the expiry of the periods specified in paragraph 6.

Annual General Meeting

8. Section 340(2) of CA 2016 provides that every public company must hold an AGM within six (6) months from the date of its financial year end and not later than fifteen (15) months from the date of its last preceding AGM.

9. However, section 340(4) of CA 2016 provides that company may apply to the Registrar for an extension of the time required to hold their AGM by giving grounds to the satisfaction of the Registrar.

Fees for the application for extension of time

10. In both the applications for extension of time as referred to in paragraphs 7 and 9 above, the company is required to pay a fee of RM100 as specified under items 19 and 23 of the Schedule to the Companies Regulations 2017 (CR 2017), respectively.

11. However, pursuant to Regulation 8(4) of the CR 2017, the Registrar may reduce or waive, partly or in wholly, any fees specified under the Schedule.

SPECIAL PROCEDURE FOR APPLICATION FOR EXTENSION OF TIME FOR LODGEMENT OF FINANCIAL STATEMENTS and ANNUAL GENERAL MEETING FOR COMPANIES AFFECTED BY COVID-19 PANDEMIC

12. In support of the Government initiatives to ease the economic pressures faced by the corporate community arising from the COVID-19 pandemic, the Registrar invokes the following:

- (a) To grant an extension of time for companies affected by the MCO to hold an AGM for a period of three (3) months in accordance with the powers under section 340(4) of CA 2016;
- (b) To grant extension of time to companies having financial year ending 30 September 2019 to 31 December 2019 to lodge financial statements for a period of three (3) months in accordance with the powers under section 259(2) of CA 2016; and
- (c) To waive the application fee of RM100 for each application respectively in accordance with the powers under Regulation 8(4) of CR 2017.

13. Notwithstanding the 'blanket approval' for extension of time under paragraph 12, the following procedures must be observed:

- (a) affected companies are still required to lodge an application to Registrar by completing the following templates:

- i. Application for extension of time to lodge financial statements and reports (**Appendix A**); and
 - ii. Application for extension of time for holding of AGM (**Appendix B**).
- (b) the application must be addressed to eot@ssm.com.my.
14. The Registrar will grant an extension of time as follows:
- (a) for lodgement of financial statements, the three (3) months period will be effective from the date the financial statements was supposed to be lodged with the Registrar;
 - (b) for holding of AGM, the three (3) months period will be effective from the date the AGM was supposed to be held.
15. This Practice Directive clarifies the special procedures for companies to apply for an extension of time to hold an AGM or to submit a financial statement in respond to the economic stimulus package announced by the Government to address the impact of COVID-19 pandemic.

REGISTRAR OF COMPANIES
COMPANIES COMMISSION OF MALAYSIA
7 April 2020

APPENDIX A

Company No.

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COMPANIES ACT 2016**Section 259(2)****APPLICATION OF EXTENSION OF TIME TO LODGE FINANCIAL STATEMENTS AND REPORTS**

_____ (Company Name)

DETAILS OF COMPANY	
Name	
Address of registered office	
Company No	
Tel No	
Fax No	
E-mail	

 Private Company

APPLICATION FOR EXTENSION OF TIME – PRIVATE COMPANY	
Date of Financial Year End	
Last date for the Circulation of Financial Statement (within 6 months from date of Financial Year End)	
Proposed period for extension of the Circulation of Financial Statement (Fee: RM 100)	
Proposed Period for extension of the Financial Statement Lodgement (Fee: Waived)	
Reasons for applying the extension of time	

Company No.

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Public Company

APPLICATION FOR EXTENSION OF TIME - PUBLIC COMPANY	
Date of Financial Year End	
Last date to hold Annual General Meeting	
Proposed period for extension of the Circulation of Financial Statement (Fee: RM 100)	
Proposed period for extension of the Financial Statement Lodgement (Fee: Waived)	
Reasons for applying the extension of time	

Declaration:

I confirm that the facts and information stated in this document are true and to the best of my knowledge.

Signed:

(Secretary)

Name :
License no/ Membership No. :
SSM Practicing Certificate No. :
Date :

Attention:

It is an offence under section 591 of the Companies Act 2016 to make or authorize the making of a statement that a person knows is false or misleading and that person may be liable, upon conviction, to imprisonment for a term not exceeding ten years or to a fine not exceeding RM3million or to both.

LODGER INFORMATION

Name :
NRIC No :
Address :
Phone No :
Email :

APPENDIX B

Company No.

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COMPANIES ACT 2016

Section 340(4)

APPLICATION FOR EXTENSION OF TIME FOR HOLDING OF ANNUAL GENERAL MEETING

_____ (Company Name)

DETAILS OF COMPANY	
Name	
Address of registered office	
Company No	
Tel No	
Fax No	
E-mail	

APPLICATION FOR EXTENSION OF TIME	
Date of Incorporation / Notice of Registration	
Date of Financial Year End	
Date of last Annual General Meeting	
Proposed period for extension of the Annual General Meeting (Fee: Waived)	
Reasons for applying the extension of time	

Declaration:

I confirm that the facts and information stated in this document are true and to the best of my knowledge.

Signed by:

(Secretary)

Name :
License no/ Membership No. :
SSM Practicing Certificate No. :
Date :

Attention:

It is an offence under section 591 of the Companies Act 2016 to make or authorize the making of a statement that a person knows is false or misleading and that person may be liable, upon conviction, to imprisonment for a term not exceeding ten years or to a fine not exceeding RM3million or to both.

LODGER INFORMATION	
Name	:
NRIC No	:
Address	:
Phone No	:
Email	: