



COMPANIES ACT 2016: PRACTICE NOTE NO. 3/2018

**CLARIFICATION ON APPLICATION FOR  
EXTENSION OF TIME UNDER THE COMPANIES ACT 2016**

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This Practice Note is issued pursuant to section 20C of the Companies Commission of Malaysia Act 2001.

**OBJECTIVE**

2. This Practice Note serves to clarify on the application for extension of time under subsections 609(2), 259(2) and 340(4) of the Companies Act 2016 ('CA 2016').

**BACKGROUND**

3. There is a need to lodge documents in a timely manner. As such, the CA 2016 prescribes the timeframe in which documents are to be lodged with the Registrar.

4. Where a document is required to be lodged but there is no timeframe prescribed, subsection 609(1) of the CA 2016 will apply.

5. The CA 2016 takes cognisance of situations or circumstances where companies may not be able to lodge within the prescribed timeline. To this end, subsection 609(2) of the CA 2016 empowers the Registrar to extend any prescribed timeline on an application and upon payment of fees. The Registrar may also impose terms and conditions if necessary.

6. This provision is important to ensure that the Registrar has the power to extend the period for lodgement of documents to ensure that information are kept updated in SSM's database.

7. For the purpose of this practice note, documents lodged with the Registrar after the lodgement due date shall be deemed to be lodged within the prescribed period if it is lodged within the approved extended period of time.

## **CIRCUMSTANCES WHERE COMPANY CAN APPLY FOR EXTENSION OF TIME (EOT) UNDER THE COMPANIES ACT 2016**

### **A. Initial Application and Subsequent Approvals for EOT**

8. Application must be received by the Registrar at least seven (7) days before the end of the event to which the document relates. Any subsequent EOT by the company must be made at least seven (7) days before the last day of the extended period of time for consideration of the Registrar.

9. In the case where the prescribed lodgement period is seven (7) days or less, the application must be received by the Registrar

at least three (3) days before the end of the event to which the document relates.

## **B. EOT Application for Circulation and/or Lodgment of Financial Statements and Reports**

10. In the circumstances that an application for extension is made before the expiry of the period referred to in paragraph 259(1)(a) or (b) of the CA 2016, the Registrar may, as he considers fit, extend the period to such period as specified in the notice of extension pursuant to subsection 259(2) of the CA 2016.

### *(a) Private Company*

11. In the case of a private company, the circulation of financial statements and reports must be made within six (6) months of its financial year end as provided under paragraph 258(1)(a) of the CA 2016.

12. Thereon, by virtue of paragraph 259(1)(a) of the CA 2016, the duty of the private company to lodge with the Registrar its financial statements must be made within thirty (30) days from the financial statements and reports are circulated to its members under section 258 of the CA 2016.

13. For the purposes of an application for EOT by a private company, in event the circulation of financial statements and reports cannot be made within the specified time, the company is required to submit the EOT application at least seven (7) days before the last day of circulation period.

14. In event the lodgement of financial statements and reports cannot be made within the specified time, the company is required to submit the EOT application at least seven (7) days before the last day of lodgement period.

15. Payment for each EOT application by a company respectively is for the sum of RM100 upon submission of such application.

16. In event the lodgement of financial statements and reports cannot be made within the extended time under paragraph 14, a payment for a sum of RM100 shall be made upon subsequent submission of an application of an extension period for such lodgement.

*(b) Public Company*

17. In the case of a public company, the circulation of financial statements and reports must be made at least twenty-one (21) days before the date of its annual general meeting as provided under paragraph 258(1)(b) of the CA 2016.

18. Thereon, by virtue of paragraph 259(1)(b) of the CA 2016, the duty of the public company to lodge with the Registrar its financial statements must be made within thirty (30) days from its annual general meeting.

19. Paragraph 340(1)(a) of the CA 2016 states that every public company must hold an annual general meeting within six (6) months of the company's financial year end and not more than

fifteen (15) months after the last preceding annual general meeting.

20. Under section 340(4) of the CA 2016, the company may apply to the Registrar to extend the periods referred to in this section, and the Registrar may extend such periods as he considers appropriate, upon being satisfied with the reasons provided.

21. In event the circulation of financial statements and reports cannot be made within the specified time, the company is required to submit the EOT application at least thirty (30) days before the last day to hold its annual general meeting.

22. SSM acknowledges that there are instances where the public company is unable to hold the annual general meeting and to lay the audited financial statements within the specified time. In this instance, the company is required to submit the EOT application to lodge its financial statements and reports at least thirty (30) days before its last day to hold its annual general meeting.

23. Payment for each EOT application by a company respectively is for the sum of RM100 upon submission of such application.

24. In event the lodgement of financial statements and reports cannot be made within the extended time under paragraph 22, a payment for a sum of RM100 shall be made upon subsequent submission of an application of an extension period for such lodgement.

## **EFFECT OF THIS PRACTICE NOTE**

25. This Practice Note serves to clarify the various circumstances for the application of EOT under the relevant provisions stated above under the CA 2016.

**REGISTRAR OF COMPANIES**

**COMPANIES COMMISSION OF MALAYSIA**

**26 July 2018**