



Appendix 1

Key points in MIA's letters to SSM, Bursa Malaysia and the IRB

- Challenges faced by preparers and auditors of financial statements due to COVID-19, especially on the audit of financial statements of entities for the year ended 31 December 2019 or the upcoming audits of other year ends. These include precautionary working arrangements, travel restrictions or difficulties in providing/obtaining sufficient audit evidence particularly from third party sources, or limitation faced by auditors of components in a group audit.
- There are concerns for companies meeting the reporting deadlines for their annual report and their upcoming AGMs. Holding physical AGMs containing a large number of shareholders may risk the spreading of the disease.
- Some measures implemented by Exchanges in Singapore, Thailand, Hong Kong and China for companies that might face delays on releasing their financial results, are as follows:
 - Encourage shareholders to grant proxies to independent director(s) instead of physical attendance;
 - Follow the official guideline on prevention of COVID-19 in relation to conventions, seminars or similar activities;
 - Use electronic meetings or teleconferences for board or shareholders meetings if it is specified in the company's articles of association;
 - Facilitate shareholders who cannot physically attend the AGMs, such as broadcasting the AGMs via online channels and allowing shareholders to send questions in advance and recording the answers to the questions in the minutes;
 - Companies that have been affected by the COVID-19 outbreak and therefore cannot hold meetings (including AGMs) within the deadline prescribed by the law can submit a clarification letter to the authorities on a case-by-case basis once the meetings are held.
- As the listed issuer must issue its annual report that includes annual audited financial statements together with the auditors' and directors' reports of the listed issuer, to the Bursa Malaysia and shareholders within 4 months from the close of the financial



year of the listed issuer, there is an urgent need to consider deferring this deadline and the deadline for issuing the notice of AGM.

- As the deadline for submission of the financial statements is one month from the date on which the shareholders' meeting approves the financial statements, if the AGM is allowed to be deferred to a later date, the deadline for submission of the financial statements to SSM should also be deferred.
- Due to the challenges faced by preparers and auditors of financial statements in meeting reporting deadlines, we seek the IRB's consideration to extend the grace period stated in the Return Form (RF) Filing Programme for the Year 2020 in order to assist the affected taxpayers in meeting their tax filing deadlines. This extension of grace period should also apply to the payment of the balance of tax under Section 103(1) of the Income Tax Act 1967 (ITA 1967) / Section 48(1) of the Petroleum (Income Tax) Act 1967 [PITA 1967] for RF (except Form E, Form P and Form CPE) furnished via e-Filing / postal delivery.
- For assessments raised under Sections 91, 92, 96A and Sections 90(2A), 90(3), 101(2) of the ITA, the tax/balance of tax must be paid within 30 days from the date of assessment. Nevertheless, a grace period of 7 days is given by the Inland Revenue Board of Malaysia (IRB). We would also propose that the IRB extend this grace period of 7 days in assisting the affected taxpayers in managing the negative impact of COVID-19 outbreak on their cash flows and financial commitments.