

Corporate/M&A

Amendments to the Main and ACE Market Listing Requirements in relation to Directors' Appointment, Independence and Miscellaneous Changes

On 19 January 2022, Bursa Malaysia Securities Berhad ("the Exchange") announced certain amendments to the Main and ACE Market Listing Requirements, which are aimed at further strengthening board independence, quality and diversity.

The key amendments to the Main and ACE Market Listing Requirements and their respective implementation dates are set out below:

No	Relevant Amendments	Implementation Dates under the Main and Ace Market Listing Requirements
1.	Publication of the Directors' Fit and Proper Policy for the appointment and re-election of directors of the listed issuer and its subsidiaries on the listed issuer's website	On or after 1 July 2022.
2.	Requirement for at least one woman director on the board of directors (a) Listed issuers with market capitalisation of RM2 billion and above as at 31 December 2021. (b) All listed issuers other than those in sub-paragraph (a) above.	(a) On or after 1 September 2022. (b) On or after 1 June 2023.

Legal Updates

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3.	Compliance with the amended definition of independent directors where all independent directors (“ID”) who have served as IDs for a cumulative period of more than 12 years from their dates of appointment must resign or be redesignated as a non-independent director	On or after 1 June 2023.
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The Exchange also highlighted that although the implementation date in relation to the long-serving IDs is on or after 1 June 2023, listed issuers with IDs of more than 20 years are encouraged to expedite the replacement or re-designation of these IDs as soon as possible.

If these long-serving IDs are retained, the listed issuers must disclose in their annual reports the justification for their retention and explanation why there **was** no other candidate who **could have been** appointed as an ID.

The amendments to the Main and ACE Market Listing Requirements are available [here](#) and [here](#) respectively. The media release made by the Exchange can be accessed [here](#).

CONTACT US FOR FURTHER INFORMATION REGARDING CORPORATE/M&A MATTERS.

Tax & Revenue

Income tax

A practice note on [Explanation in relation to the Definition of Factory for the Purpose of Reinvestment Allowance Claim under Schedule 7A, Income Tax Act 1967 \(Practice Note No. 1/2022\)](#) was published on 17 January 2022 on the Inland Revenue Board of Malaysia's official website.

Service tax

The revised versions of the following industry guides have been published on the Royal Malaysian Customs Department's MySST website:

- (i) [Guide on Parking Services](#) (as at 10 January 2022) — to replace the earlier version dated 28 December 2021; and
- (ii) [Guide on Advertising Services](#) (as at 19 January 2022) — to replace the earlier version dated 26 March 2019.

CONTACT US FOR FURTHER INFORMATION REGARDING TAX & REVENUE MATTERS.