

GOVERNANCE OF CORPORATION AND BUSINESS ASSOCIATION

ISSUES AND RECENT DEVELOPMENTS

AIMAN NARIMAN MOHD SULAIMAN

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AND BUSINESS ASSOCIATIONS -
ISSUES AND RECENT
DEVELOPMENTS**

GEN EDITOR

AIMAN NARIMAN MOHD SULAIMAN



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INTRODUCTION

On December 15, 2010 the Malaysian Code on Takeovers and Mergers 2010 (the 2010 Code) came into force to replace the 1998 Code. The revised Code which was to be issued following the introduction of the *Capital Market and Services Act 2007* has brought some changes. These changes are intended to tighten shareholders' protection and to boost mergers and acquisitions exercises in Malaysia. The effort to tighten and enhance shareholders' protection did not end with the introduction of the 2010 Code. In the early quarter of 2011, we witnessed the raising of the threshold in relation to privatisation of listed companies via assets disposal.¹ The main pushing factor for the amendments and tightening of the takeovers law has been the concern for minority shareholders' protection and ensuring investors' confidence. At

¹ See Securities Commission, Public Response Paper No. 3/2011 "Proposed Amendments to Bursa Malaysia Securities Berhad Listing Requirements on Privatisation of Listed Companies via Disposal of Assets".