

Empower

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A MONTHLY NEWSLETTER BY HHQ & HLP
SPECIAL EDITION

A brief on HHQ x HLP INAUGURAL JOINT CONFERENCE

HHQ 22 YEAR ANNIVERSARY

"AN INTERVIEW WITH
DATO' QUEK NGENG MENG,
MANAGING PARTNER OF HHQ"



ADVOCATES & SOLICITORS

Note from the Editorial Team

Dear Readers,

Welcome to edition number 9 of Empower for the year 2022!

This time, we have something specially curated for all of you.

Instead of the usual legal updates and legal articles, edition number 9 is a special edition in conjunction with an Inaugural Joint Conference that HHQ and HLP just held on 29th of September 2022 at the Asian International Arbitration Centre.

The joint conference was attended by clients from both firms and it consisted of a very diverse crowd. In total, we had 120 participants attending the conference in person and 67 participants attending the conference remotely.

Considering that this was the first of any such event jointly held by HHQ and HLP, the turnout was indeed very encouraging! We were humbled by the presence of many of our established and long-serving clients as well as new clients whom we have only recently started forging relationships with.

The conference was indeed a successful event per the feedback we have received thus far. Participants remained enthusiastic throughout all sessions and were very engaging as well. We promise you that this would be the first of many more conferences to come! We've seen your response, and we are eager to give you more!

This newsletter has thus been specially created for those of you who may not have been able to attend the conference. We know that some of you with intentions to attend were simply not able to do so due to other commitments. Hence, do check out this edition to see what you missed on! We have prepared a concise write-up of the entire event covering all speeches and sharing sessions held.

In other news, HHQ turns 22 on 1st October 2022! This edition also includes an exclusive interview with Dato' Quek Ngee Meng, Managing Partner of HHQ on the firm's journey thus far. Do read this article if you are interested to understand about HHQ's history, culture and future plans!

Thank you and we hope you enjoy this edition!



Empower is a monthly newsletter jointly published by Halim Hong & Quek and Harold & Lam Partnership.

It is distributed for free and can be read on HHQ's or HLP's website at <https://hhq.com.my/> or <https://hlplawyers.com/>

All articles in this publication are intended to provide a summary or review of the subject matter and are not intended to be nor should it be relied upon as a substitution for legal or any professional advice.

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HHQ X HLP INAUGURAL JOINT CONFERENCE

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The collaboration between Halim Hong & Quek and Harold & Lam Partnership started in late 2020. As part of our vision as alliance partners to better serve our clients, we decided to organise a joint conference to discuss the areas of law which are relevant to our clients.

Our writers, Desmond Liew Zhi Hong, Chau Yen Shen, Hee Sue Ann and Ainie Ajiera were at the event to capture the great moments and and has penned this down to share with us further on the event.

WELCOME SPEECH BY DATO' QUEK NGENG MENG, MANAGING PARTNER OF HHQ



The event started with a speech by the managing partner of HHQ, Dato' Quek Ngee Meng where he welcomed the guests, lawyers and attendees to the Halim Hong & Quek and Harold & Lam Partnership's Inaugural Joint Conference - the first joint conference organised by HHQ & HLP. Dato Quek shared on the strategic alliance between HHQ & HLP, which was formed with the main objective of providing high quality and cost-effective legal services to clients from various industries. The formation of the alliance expanded the areas of practice offered by both firms. With combined resources of more than 63 lawyers, and more than 140 employees, both firms believe that the services provided to clients can be achieved effectively and efficiently. Dato' Quek also introduced HHQ's new tax partner Mr Desmond Liew Zhi Hong who will be heading HHQ's tax department,

which will be mentored by Mr Harold Tan Kok Leng. He expressed that the addition of the new tax department is one of the strategies to provide a comprehensive and more holistic legal service to all our existing and potential clients, serving as a one-stop centre to go to.

In his speech, Dato' Quek took opportunity to highlight the firm's close working relationship with REHDA. He expressed his utmost gratitude to Datuk Ho Hon Sang, the Deputy President of REHDA Malaysia, the speakers and panellists, Mr James Tan Kok Kiat, CEO of Suntrack Development Sdn. Bhd. as well as the partners of the alliance for their presence and support towards the event. Dato' Quek also took the opportunity to thank the organising committee for the successful execution of this inaugural joint conference. He expressed in high hopes that the conference will benefit the attendees and empower them with law.

OPENING SPEECH BY DATUK HO HON SANG, THE DEPUTY PRESIDENT OF REHDA MALAYSIA

On behalf of REHDA Malaysia, Datuk Ho Hon Sang welcomed the attendees to the Inaugural Joint Conference by HHQ & HLP, a platform to address current issues, as well as to exchange the best practices and views on the effects of the law to the property and construction industry today. Datuk Ho further acknowledged the effort of both firms, in organising this event to address the pressing issues faced by the said industries in these years.

Datuk Ho also expressed his gratitude to HHQ and HLP for the invitation and he also congratulated the organising committee in holding the inaugural joint conference that he believes will benefit many.



SESSION 1: TAX ISSUES IN REAL ESTATE & CONSTRUCTION

The first session of **HHQ x HLP Inaugural Joint Conference** started with a sharing by Mr Harold Tan Kok Leng, Partner at HLP and Mr Desmond Liew Zhi Hong, Tax Partner at HHQ on Tax Issues in Real Estate and Construction, moderated by Ms Noelle Low Pui Voon. The selected tax issues discussed were (i) Bad and Doubtful Debts Tax Treatment, (ii) Real Property Gains Tax ("RPGT") vs Income Tax and (iii) Director's Liability under Income Tax Act 1967.



From left: Mr Desmond Liew Zhi Hong, Mr Harold Tan Kok Leng and Ms Noelle Low Pui Voon

The tax treatment of bad and doubtful debts is often overlooked by taxpayers and is always targeted by the Inland Revenue Board of Malaysia (“IRB”) during tax audit. The speakers observed that this happens as often than not, this begs the questions of why. It appears that the taxpayers have different policies and methods in handling bad and doubtful debts. For example, some taxpayers opt to write off such debts if the amount is negligible, to maintain provisions or to absorb, ‘forgive’ or ‘forgo’ such debts.

The speakers highlighted that taxpayers are advised to take into account the Public Ruling No. 4/2019 on Tax Treatment of Wholly & Partly Irrecoverable Debts and Debt Recoveries issued by the IRB on 24.9.2019 (“**Public Ruling**”) in determining their own policy and method in handling bad and doubtful debts. The Public Ruling has, among others, set out the circumstances when debts are considered irrecoverable, reasonable steps that ought to be taken by the taxpayers to recover debts and evaluation of each debt.

After discussing a case study on bad debts, the speakers suggested to the audience to conduct a self-evaluation on their own policy and method in handling bad and doubtful debts. The self-evaluation questions that taxpayers can ask, include (i) whether there was any credit control mechanism or relevant internal policy in place; (ii) if yes, whether such mechanism and policy sets out all reasonable steps to recover debt; and (iii) whether they have kept sufficient documents for evidential purposes.

The second tax issue addressed was RPGT vs Income Tax. In discussing this issue, the speakers shared two real life cases that they have experienced in their practice. The speakers observed that taxpayers who are ‘frequently’ involved in buying and selling real properties are more likely to be targeted. And the vast difference between the RPGT rate and the income tax rate often becomes the centre of dispute.

Further, there is no time-bar for the IRB to revisit high-value real property transactions which took place more than 5 years ago and subsequently issue a notice of assessment if the IRB finds,, amongst others, negligence on the part of the taxpayer.

The speakers recognise that whilst taxpayers can appeal against the notice of assessment, however, the current tax appeal regime operates in the manner of ‘pay first talk later’ – which may pose a big challenge to many taxpayers (especially in this post-pandemic era where businesses are trying to put their business operation back on track). In addition, although taxpayers can consider filing a judicial review application to challenge such an assessment and concurrently apply for a stay order to stay the payment obligation in relation to such assessment, the speakers reminded the audience that a judicial review application is not the default route, and such application will only be allowed provided that very exceptional circumstances are shown.

Again, the audience were invited to conduct a self-evaluation on their real property disposal transactions and test such transactions against the Badges of Trade test. The speakers recommended the audience to revisit their real property disposal transactions (in particular high-value transactions) and any transactions that were executed during the RPGT exemption periods.

The last issue discussed was the director’s liability under Section 75A of the Income Tax Act 1967 (“**Director’s Liability**”). This issue is often overlooked by many directors who are also shareholders of their companies. In the event a director falls under Section 75A of the Income Tax Act 1967 director (which would be any person occupying the position of director by whatever name called and hold directly or indirectly at least 20% ordinary share capital of the company), then, he or she runs the risks of being held jointly and severally liable for any tax or debt due by the company.

With this, the speakers reminded the audience to revisit their companies’ shareholding structures and to examine whether any of them or any of their management personnel are being exposed to such risks unnecessarily. Taxpayers are further advised to be mindful in a M&A transaction to avoid any tax liability being extended to them personally.

It was an interactive and fruitful session indeed, which ended with a question-and-answer session.

SESSION 2: DISSECTING THE AMENDMENTS TO THE EMPLOYMENT ACT 1955



From left: Mr Rohan Arasoo Jeyabalah, Mr Ankit Sanghvi and Ms Teoh Yen Yee

The panellists for Session 2 were Mr Ankit Sanghvi, Partner of HHQ, Mr Rohan Arasoo Jeyabalah, Partner of HLP and the session was moderated by Ms Teoh Yen Yee, a senior associate of HLP. Session 2's discussion focused on the recent amendments to the Employment Act 1955.

The Employment Amendment Bill 2021 has been passed by both the Lower and Upper House of Parliament on March 2022, received Royal Assent on 26th April 2022, gazetted as the Employment (Amendment) Act 2022 on 10th May 2022.

This latest amendment to the Employment Act 1955 is expected to come into force on 1st January 2023, with the aim to keep up with current international standards and practices as required by the Trans-Pacific Partnership Agreement, the Malaysia-United States Labour Consistency Plan and the International Labour Organization.

The key takeaways from the Speakers during the session:

1) **New Scope of Applicability of the Employment Act**

Starting from 1st January 2023, the Employment Act will apply to all employees who have entered into a contract of service, save for certain sections relating to overtime payments, shift work and termination benefits which will not apply to employees earning more than RM 4,000.00 a month.

As such, for employees earning less than RM4,000.00, it would be mandatory for employers to pay the employees for overtime work, works on rest day and holidays etc based on the rate as prescribed in the Employment Act.

As quipped by Mr Rohan, "This is the most significant amendment to the Employment Act and it will apply all across the board"

2) **No Written Contract of Employment**

Pursuant to Section 101C of the Employment Act (as amended), a person would be presumed to be an employee where his manner of work and his hours of work are subject to the control or directions of another person, where he is provided with equipment to carry out the work, where his work constitutes an integral part of another person's business, where his work is performed for the benefit for another person and where he is paid regularly for the work done. Therefore, even if a workman is not provided with an employment contract, he would be deemed to be an employee should all of the above factors be established.

3) Changes to Working Hours

The current law provides for a maximum 48 working hours a week. However, employees shall not be required to work more than 45 hours a week once the new amendments take effect from next year which will apply to all employees irrespective of wages earned.

What then would happen if there is a need for an employee to work beyond the mandated 45 hours per week?

This amendment does create ambiguities as currently many employees work beyond the mandated 48 hours per week given the agreed terms in their contract of service that they shall work beyond the standard working hours if there is a need by the employers.

4) Flexible Working Arrangement (“FWA”)

The introduction of FWA under the amended Employment Act marks a formal recognition of the concept in Malaysia.

The new Section 60P provides the manner on how an application process should take place between employers and employees.

Whilst it is not mandatory for employers to have in place a Flexible Working Policy, introducing such policy would be a recommended practice as doing so will provide clarity to both the management and employees on the employer’s position in relation to FWA.

A Flexible Working Policy can range in complexity and length, but some of the few key issues which an effective Flexible Working Policy should address should include:

- i) Stating clearly the applicability, scope, and effect of the policy;
- ii) Stating the different types of flexible working arrangements recognised by the company;
- iii) Setting pre-determined conditions or limitations on FWA;
- iv) Setting out obligations in relation to confidentiality;
- v) Setting out potential changes to salary, flexible working allowances, or other benefits/remuneration in the FWA Policy;
- vi) Setting out the company’s expectations of employees under FWA;
- vii) Setting out the application process

“Ankit has summarised the position of the new Amendment Act as follows: “This new provision is very much welcomed. However, the new Act is still missing on explanations and detailed guidelines.”



5) Enhanced Maternity Benefits & Protection

Previously, the Employment Act provided for just 60 days, but when the amendments come into force, female employees will be entitled to 98 days of maternity leave.

The extension of maternity leave is in line with recommendations by the International Labour Organisation, which states that governments should guarantee 98 days of paid maternity leave.

Further pursuant to the amended Employment Act, a female employee who is pregnant or is suffering from an illness arising out of her pregnancy cannot be terminated from her employment except in a situation where she has committed a wilful breach of the terms of her employment or where she has committed a misconduct or if there is a closure of the employer's business. The employee will bear the burden of proving these grounds.

This is a significant departure from the current position where an employer may terminate an employee who is absent from work for a period exceeding 90 days post pregnancy due to illness.

6) Paternity Leave for Married Male Employees

The amended Employment Act will now see for the first time a provision for paid paternity leave. This is a landmark reform of the employment law in Malaysia, one that will see working fathers entitled to 7 days of consecutive, paid paternity leave under section 60FA.

The entitlement however comes with certain conditions as follows:

- i) that the male employee must be married to the mother in question;
- ii) that he must have been employed by the same employer for at least 12 months; and
- iii) that he must notify the employer at least 30 days from expected confinement (or as early as possible).

There is also limitation to this new entitlement, i.e a male employee may only apply for such paternity leave up to a total of 5 confinements only, regardless of the number of spouses.

7) Sick Leave Entitlement

Currently, an employee is entitled to 60 days paid sick leave, which shall be inclusive of hospitalisation. With the amendment, an employee would be entitled to 60 days paid leave in the event of hospitalisation irrespective of any non-hospitalisation sick leave taken.

8) Discrimination at Work Place

By virtue of the amended Employment Act, in the event an employee is discriminated at the workplace, a complaint can be lodged to the Director General of the Industrial Relations Department who may then investigate the complaint.

This amendment shows that discrimination is being viewed more seriously and should be taken seriously by employers and employees.

9) Awareness on Sexual Harassment

Protection against sexual harassment has already been there in the current Employment Act. The new amendment does not make it any sterner, but employers will now be imposed an obligation to exhibit a notice to raise awareness on sexual harassment in a conspicuous space at the workplace.

The panellists concluded the session discussion the increased general penalty, from a fine not exceeding RM10,000.00 which would be amended to a maximum fine of RM50,000 on conviction, when the amendments come into force.

SESSION 3: PROJECT READY FOR DELIVERY: CHALLENGES FACED BY DEVELOPERS AND CONTRACTORS

After the short tea / coffee break, we had our third and final session, which was a panel discussion on **Project Ready for Delivery of Vacant Possession: Challenges Faced by Developers and Contractors**. The panellists were, Mr James Tan Kok Kiat, CEO of multi award-winning developer, Suntrack Development Sdn Bhd, who is also a National Council Member for Malaysia Real Estate Housing Developers Association (“REHDA”) and Chairman for Planning Policies and Standard Committee; Mr Thoo Yee Huan, Head of the Dispute Resolution Department in Halim Hong & Quek; Ms Lim Jus Tine, Partner from Real Estate and Banking Department of Halim Hong & Quek; and Ms Lynn Foo, Partner from Harold & Lam Partnership who focuses primarily in Infrastructure, Construction & Engineering law. The session was moderated by Ms Amy Hiew Kar Yi.

Five (5) interesting issues were discussed and addressed during the panel discussion:

- i) Bumiputera Quota and Low-Cost Housing Development;
- ii) Imposition of Contribution Fund for the Upgrading of Public Street;
- iii) Extension of Time (“EOT”) and Variation of Sale and Purchase Agreement;
- iv) Shortage on Construction Raw Materials; and
- v) Quality Assessment System and Defect Issues.



From left: Ms Lynn Foo, Ms Lim Jus Tine, Mr James Tan Kok Kiat, Mr Thoo Yee Huan and Ms Amy Hiew Kar Yi

i) BUMIPUTERA QUOTA AND LOW-COST HOUSING DEVELOPMENT

It is common for the State Authority to impose conditions relating to the reservation of certain minimum units of housing project and to be granted with discounts to bumiputera purchasers based on the Malaysia New Economic Policy (“NEP”) which has been introduced since the 1970s. Mr James Tan was of the opinion that the State Authority was not empowered under the National Land Code (“NLC”) to impose the Bumiputera quota and Bumiputera discount to the bumiputera purchasers.

Ms Jus Tine however opined that the State Authority by virtue of Art 74 of the Federal Constitution is granted with such authority to enact laws and formulate policies on matters relating to forming policy to Malay and native reservation land, including the imposition of bumiputera quota.

The conditions of bumiputera quota release varies in different State:

STATE	TYPE OF PROPERTY	CONDITION
Selangor	Residential Property	Imposition of 12% of selling price (5% penalty + 7% as refund for bumiputera entitlement)
	Commercial Property	Imposition of 15% of the selling price (5% penalty + 10% as refund for bumiputera entitlement)
	Industrial Property	Imposition of 15% of the selling price (5% penalty + 10% refund for bumiputera entitlement)
Kuala Lumpur	N/A	<ul style="list-style-type: none"> • Must have attained 50% completion of the development progress; • Non-bumiputera lot has sold out; and • Imposition of 5% of the selling price for each property apply for bumiputera quota release as penalty.
Negeri Sembilan	N/A	<ul style="list-style-type: none"> • Bumiputera lot must have obtained Certificate of Completion and Compliance ("CC") for minimum one (1) year; • -Submission of evidence to prove that advertisements have been made on local newspaper at least twice but has not received favourable response from bumiputera community; and • The Majlis Mesyuarat Kerajaan will thereafter inform the amount/penalty payable for the bumiputera quota release. <p><i>** Restriction in interest of the title might be changed upon the bumiputera quota release, example from Freehold title changed to State Authority consent required to transfer and to charge**</i></p>

ii) IMPOSITION OF CONTRIBUTION FUND FOR THE UPGRADING OF PUBLIC STREET

The panel next discussed the local authority's power under the **Street, Drainage and Building's Act 1974 ("SDA 1974")** to collect contribution fund from developers. Mr James Tan was of the opinion that local authority should consider the proximity of the development area when collecting the contribution fund by reason of the wording of s.8 of the SDA 1974.



In agreement with Mr James Tan, Ms Jus Tine added that the SDA 1974 expressly states that local authority shall only recover the upgrading cost from developers upon the completion of such works instead of collecting in advance. Ms Jus Tine then shared about the High Court case of **Rethina Development Sdn Bhd v Majlis Perbandaran Seberang Perai, Butterworth [1990] 2 MLJ 111**, whereby the court held that it was illegal for the local authority to collect contribution fund prior to physically having the work carried out.

iii) **EXTENSION OF TIME (“EOT”) AND VARIATION OF SALE AND PURCHASE AGREEMENT**

Next, the panel discussed the inescapable issues concerning developers in the industry – EOT and computation of liquidated damages (“LAD”). Mr Thoo shared with the audience the current position of law, as well as the ongoing cases in our Courts which may affect the legal position on the issue of EOT. Mr Thoo is hopeful that the current lacunas caused by the Federal Court in its landmark decision of **Ang Ming Lee & Ors v Menteri Kesejahteraan Bandar, Perumahan dan Kerajaan Tempatan & Anor and other appeals [2020] 1 MLJ 281 (“Ang Ming Lee’s case”)** will be revisited in the Federal Court again soon.

As for the issue of computation of LAD, Mr Thoo was of view the Court of Appeal has departed from **PJD Regency Sdn Bhd v Tribunal Tuntutan Pembeli Rumah and Ng Chee Kuan and Other Appeals [2021] 2 CLJ 441**, that developers should not be penalised for the delay contributed by purchasers in executing the sale and purchase agreement.

Mr James Tan speaking from the developer’s perspective, suggested that developers should aim to complete their developments within 36 months to be on the safe side.



iv) **SHORTAGE ON CONSTRUCTION RAW MATERIALS**

One other major issue faced by both developers and contractors is the shortage of raw materials and the price hike of the construction materials. Ms Lynn Foo was of the opinion that the contractors should always protect their rights by including in the contract a clause to allow for the review of contractual terms should there be an event of global shortage of raw material or a price hike in the industry beyond their control, but perhaps subject to substantiation and justification being proven by contractors.

Whilst this may be ideal, Mr James Tan shared that it may on the other hand be unfair to developers if contractors are allowed to review the contractual terms when the developers will have to absorb this price increase as the developers would have sold the houses at a fixed, settled price to purchasers.

v) **QUALITY ASSESSMENT SYSTEM AND DEFECT ISSUES**

The session ended with a discussion on the quality assessment standard and quality standards. Upon the delivery of vacant possession of a property, disputes revolving defect rectification is indeed unavoidable. It was mentioned by Mr James Tan that the CIS 7: 2021 or also known as QLASSIC, aims to establish a standard assessment system for quality of workmanship of building projects. It was however not **intended to be used as specification or compliance’s requirement**. Ms Jus Tine also had added that despite as mentioned by Mr James Tan, there was a Tribunal case in Johor Bahru which awarded the purchaser’s claim based on the QLASSIC assessment system used by the Tribunal Technical Team to measure the quality level achieved by a completed building project.

The session received welcoming responses from the audience who attended in-person as well as those who joined virtually. It was indeed an eye-opening session.

CLOSING REMARKS BY SERENE HIEW MUN YI, PARTNER OF HAROLD & LAM PARTNERSHIP

On behalf of the HHQ & HLP, Ms Serene Hiew expressed her appreciation to the speakers and moderators for their contribution to the Inaugural Joint, in sharing their knowledge on the recent updates on the relevant topics. She also congratulated the organising committee team led by Mr Leon Gan for the successful event. She expressed her gratitude to all attendees for their time in participating in this event, with high hopes that this event would be a catalyst of greater things in the future and serves as an opportunity to exchange ideas and knowledge among people from various backgrounds. Ms Serene Hiew ended her speech with the hope that this inaugural joint event will benefit more people from various industries.





AN INTERVIEW WITH DATO' QUEK NGENG MENG, MANAGING PARTNER, HHQ

Interviewed by
ANKIT SANGHVI

As Halim Hong & Quek celebrates its 22nd anniversary this year, we interviewed Dato Quek Ngee Meng, the Managing Partner of the firm to learn more and understand about the firm's evolution and adaptation to change as well as the development of the firm's culture over the past two decades. Dato Quek also shares with us some of the firm's achievements over the years and its prospects for the future.

1) On 1.10.2022, Halim Hong & Quek will be celebrating its 22nd Anniversary. How do you feel regarding this milestone and what are some of the lessons that you've learnt during this period of time?

I feel extremely humbled by this! HHQ is still a fairly young firm at a mere age of 22. When the firm was established in the year 2000, the playing field in existence at that point in time was entirely different. It was the turn of the millennium and many firms were at crossroads as to whether they ought to be changing their ways to ensure that their firms remained relevant. What appeared to be tried and tested business models, were no longer sustainable models for many law firms due to the effect of changing times.

I would therefore say that HHQ was established at a very crucial point in time. We were lucky enough to be able to learn from our own mistakes and the mistakes of some firms (and to ensure that we do not perform such errors) and yet at the same time appreciate the wonders that some other firms were capable of. We were able to decipher very quickly that in order to survive and flourish, it was absolutely pertinent for us to adapt, transform and refine our ways as and when necessary.

22 years may not be a long time, but it I can say with some certainty that the greatest lesson that we've learnt in this time period is that the best preparation for tomorrow is doing your best today. As the saying goes, "success is where preparation and opportunity meet".

2) It is often said that the culture of a firm is a key factor in shaping the character of a firm. Please share your thoughts with us on this.

It is essential for a Firm to have its own distinctive culture that the employees could identify and relate to themselves. This distinctive culture could attract like-minded talents with shared and aligned values.

Throughout these years, HHQ's culture has been constantly evolving. We are guided by our mission to empower everybody with law, and we promise to continuously upgrade our skills and knowledge individually and as a team to facilitate the goals of our clients and also to use our legal skills to connect and assist those who are in need.



A mission is only realistic when the Firm's values are shared by all teammates. In HHQ, certain values have been a constant such as our pledge to serve our clients with integrity, to delivery speedy services and to ensure that our deliverables are of a high quality and standard. As the Firm is growing in size, we are facing challenges in conveying and aligning the values amongst new joiners and existing employees. We are striving to overcome this challenge with compassion and determination.

3) Tell us about the efforts that HHQ has taken to develop its working culture in this last 22 years.

Just like all other firms that started from scratch, we were always mindful of the fact as to how important it was for a family culture to be developed within the firm. It was important for us to emphasize on the value of providing quality services in a timely and practical manner to our clients. It was also culture for our senior members of the firm to play a prominent role in provide strong stewardship to the junior lawyers and staff in the firm. This in turn would nurture young talent from the outset and it naturally would make room for the seamless operation and expansion of the firm.

The firm also adopts a culture of transparency, whereby the decision-making process is transparent. We strongly encourage participation by lawyers and key supporting staff of the firm so that we could nurture and develop a concept of a spirit of ownership within the firm. With the emphasis of these values, I am confident that HHQ can be an ideal platform to achieve excellence, calibre and potential in the Malaysian legal industry and beyond.

4) How does HHQ implement transparency within the firm?

Involvement of all members is paramount if you want to cultivate an ideology of transparency. To get people involved, it is important that everyone is on the same page. If everyone is on the same page, then we would all share the same drive in achieving our objectives. It is really that simple.

There are many ways in which HHQ exudes its transparency. For example, we share the firm's financial statements with all employees, twice a year, and we conduct regular townhall and briefing session to inform all levels of lawyers and staff in the firm of the progress of the firm. We practice democracy at our partnership level and partners are involved in making all major decision of the firm.

5) On reflection, what is the important turning point for HHQ?

When the firm was established in 2000, it was established as a sole proprietorship. 19 years later, I decided to relinquish my ownership to my fellow partners. This was an easy decision for me and it was something that I had always seen coming. There was no better way for me to cherish and appreciate all the efforts of my partners than by rewarding them by having a stake in the firm. There was no additional capital contribution required from all the partners. Instead, their profit distributions would be used to pay off the portion of their allocated shares. This was a major transformation of HHQ and in turn it has provided actual ownership to the equity partners who have worked hard to build the firm to what it is now. This momentum has been continuous from 2019 and the firm has appointed more partners since. Afterall, the fundamental law of human beings is interdependence. We cannot seek achievement for ourselves and forget about the progress and prosperity of the very same people who helped you get to where you are. Our ambitions must be broad enough to include the aspirations and needs of others, for their sakes and for our own.

Since this transformation, HHQ has successfully managed to become a full-service firm with a primary emphasis in Real Estate. HHQ has established 3 offices in the major cities of peninsular Malaysia and we have about 42 lawyers and a total of workforce of approximately 110 persons. The average age of our partners is 41, which reflects that we are a firm with talented and young energetic legal practitioners who have a strong passion to contribute to the wellbeing and betterment of the legal profession.

6) What are your goals after retirement?

Legal services can only be provided effectively by passionate individuals who have the zest and desire to impart their talent, skills and knowledge. Unlike other industries, these traits cannot be passed on to the next generation. Hence, it is absolutely important that we acquire and retain the most talented individuals to helm HHQ and to take us to the next level.

No one can stay on forever. Hence, the Firm needs to be treated like a moving train. The passengers on the train are seemingly going to the same destination as you. Normally, based on their belief in you or their belief that the train will get them to their desired destination, they will stay on the ride or they will get off somewhere during the trip. The managing partner of a firm is akin to being the driver of the train. He steers the train until it reaches its destination. Upon arrival at the final destination, he passes on the baton to someone else to continue steering the train. In each station there will be more lawyers, employees and even clients that are boarding. Likewise, some may also choose get off the train.

In my retirement, I hope to see the Firm being led by someone who shares a similar passion for law as I do. I hope that the firm will be successful and triumphant in the years after me and will continue exceeding its expectations time and time again.

7) What are the main challenges that law firms and their lawyers will have to navigate/adapt to in the future?

The biggest challenge will be to strike a perfect balance between the traditional values of a legal practitioner with the need to be an entrepreneur who thinks out of the box. Innovation in the delivery of legal services is fundamental. The value of a lawyer must be emphasized at all times because our words are our bond. We are often the stakeholders and trustees who owe a fiduciary duty to our clients. Hence there must be integrity amongst lawyers.

However, this does not stop one from adopting an entrepreneurial spirit. Continuous learning and development are crucial and it is necessary to ensure that we are updated with the latest legal technological advancements at all times. HHQ has adopted numerous legal tech advancements in its day-to-day affairs so that we can be more effective and efficient in the delivery of our services to our clients. Our firm also adopts continuous learning by organizing and mandating attendance for internal seminars over and above the CPD requirements of the Malaysian Bar.

Therefore, I would say that the main challenges that lawyers would need to prepare themselves for in the future is the need to recognize and implement technological advancements in their operations and at the same time to ensure that they are always constantly learning and educating themselves. By doing this, you are indirectly embracing for the future.

8) Regarding the firm's strategy to 2025, what would you like the firm to look like at that point?

We would like to build up the firm on 2 fronts primarily. Firstly, we will continue to ensure that HHQ remains to be a Real Estate specialist firm. Hence, our services will be all encompassing when it concerns matters involving land. Be it matters arising out of housing developments, offices, industrial factories, and even tourism and wellness developments, we will be at the forefront to cater to the needs of our clients. As an ancillary to this, we will also focus on providing construction related advice to our clients. Sometimes, disputes may arise in the process of construction and in such situations we will have our dispute resolution experts to handle and advice on such matters.

The other area that we would be emphasizing on is to develop HHQ as a global brand by providing one stop, seamless and integrated services to our clients. The firm is collaborating with Anderson Global which has offices in 172 country and 332 locations and we envisage that the cultural knowledge and wide ranging experience that we will benefit from this collaboration will indeed be far reaching. We are building and enhancing our lawyers' strengths on many more practice areas that correspond to the professional services provided by the Andersen Global through proactive lateral recruitment and intensive organic growth to secure talents for the firm.

We are on track to put these two strategies into reality.

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