



Malaysia e-invoicing

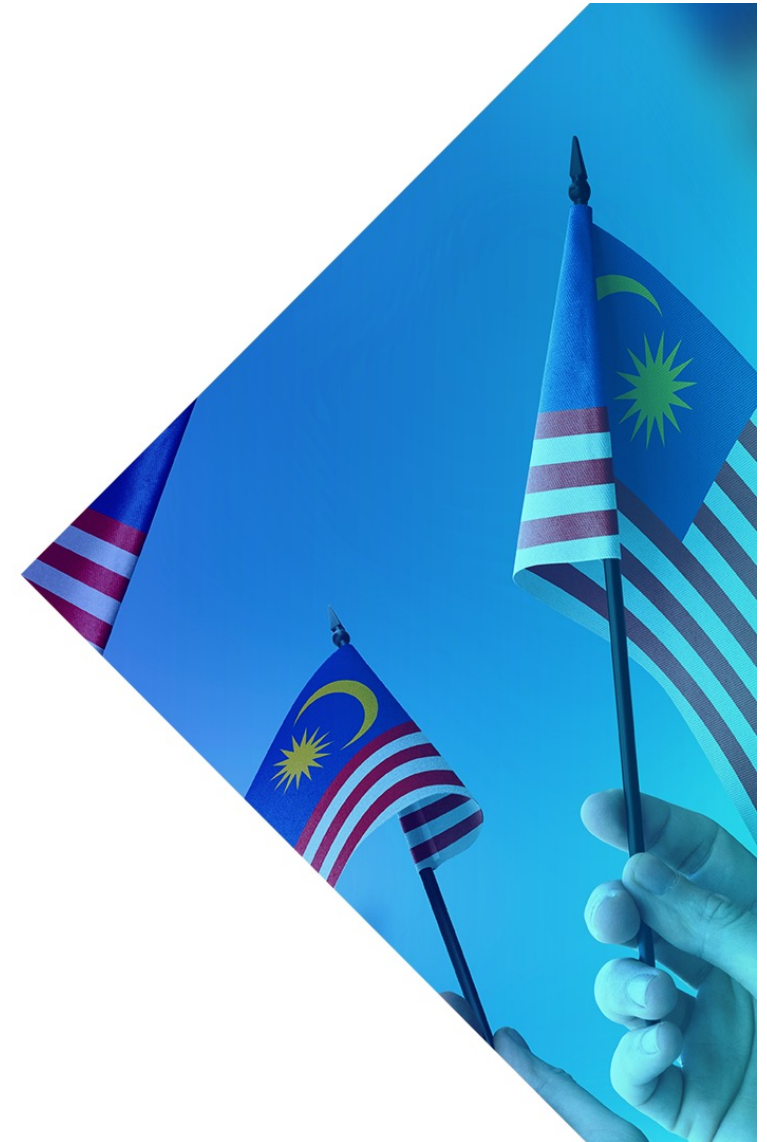
01

Malaysia e-invoicing legal background



The status of Malaysia's mandatory e-invoicing

- The Malaysian Inland Revenue Board (IRB) has since issued the e-Invoice Guideline Year 2023 on 21 July 2023, which provides further clarification on the launch of its Continuous Transaction Control CTC e-invoicing model for B2B e-invoicing via a new MyInvois Portal or API interface, and B2C e-Receipt regimes in terms of the scope, coverage and data fields required, amongst others.
- Based on the IRB's latest e-invoicing implementation timeline, e-invoice compliance will be applied to all taxpayers, including individuals and legal entities, for both local and international transactions.
 - Invoice needs to be validated by the MyInvois portal
 - Buyers who receive foreign invoices will be required to self-e-invoice
 - A mandatory step for all e-invoices will be the inclusion of a QR code to facilitate the buyer's verification process
- Based on IRB's guidelines, there are two mechanisms to transmit e-Invoices to IRB's database, which are as follows:
 - MyInvois Portal (a free solution/portal hosted by IRB)
 - Application Programming Interface (API)
- From our experience with other countries, KGT SAP Add-on works with Direct API Integration.
- One of the benefits of direct integration is that e-invoices are generated in real-time in the ERP system and sent directly to the IRB database without human intervention. The e-invoice is also immediately available for further processing (e.g., validation and approval).

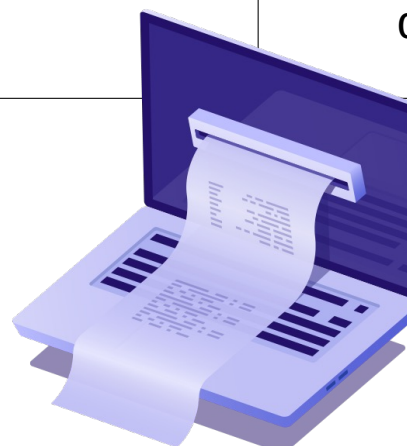


01

Malaysia e-invoicing legal background

e-Invoice implementation timeline:

Targeted Taxpayers	Implementation Date
Taxpayers with an annual turnover or revenue of more than RM100 million	01 August 2024
Taxpayers with an annual turnover or revenue of more than RM25 million and up to RM100 million	01 January 2025
All taxpayers	01 July 2025



01

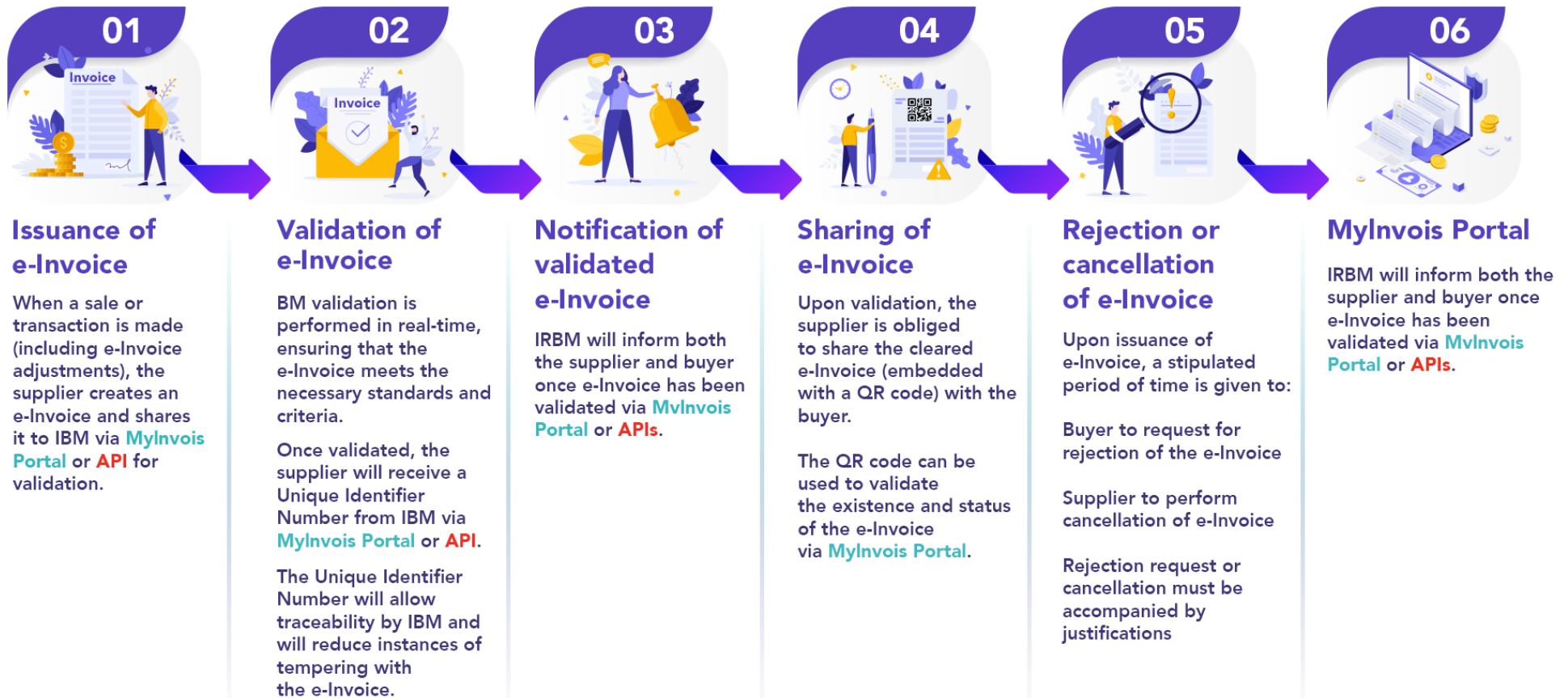
Malaysia e-invoicing legal background

02

Implementing an SAP add-on



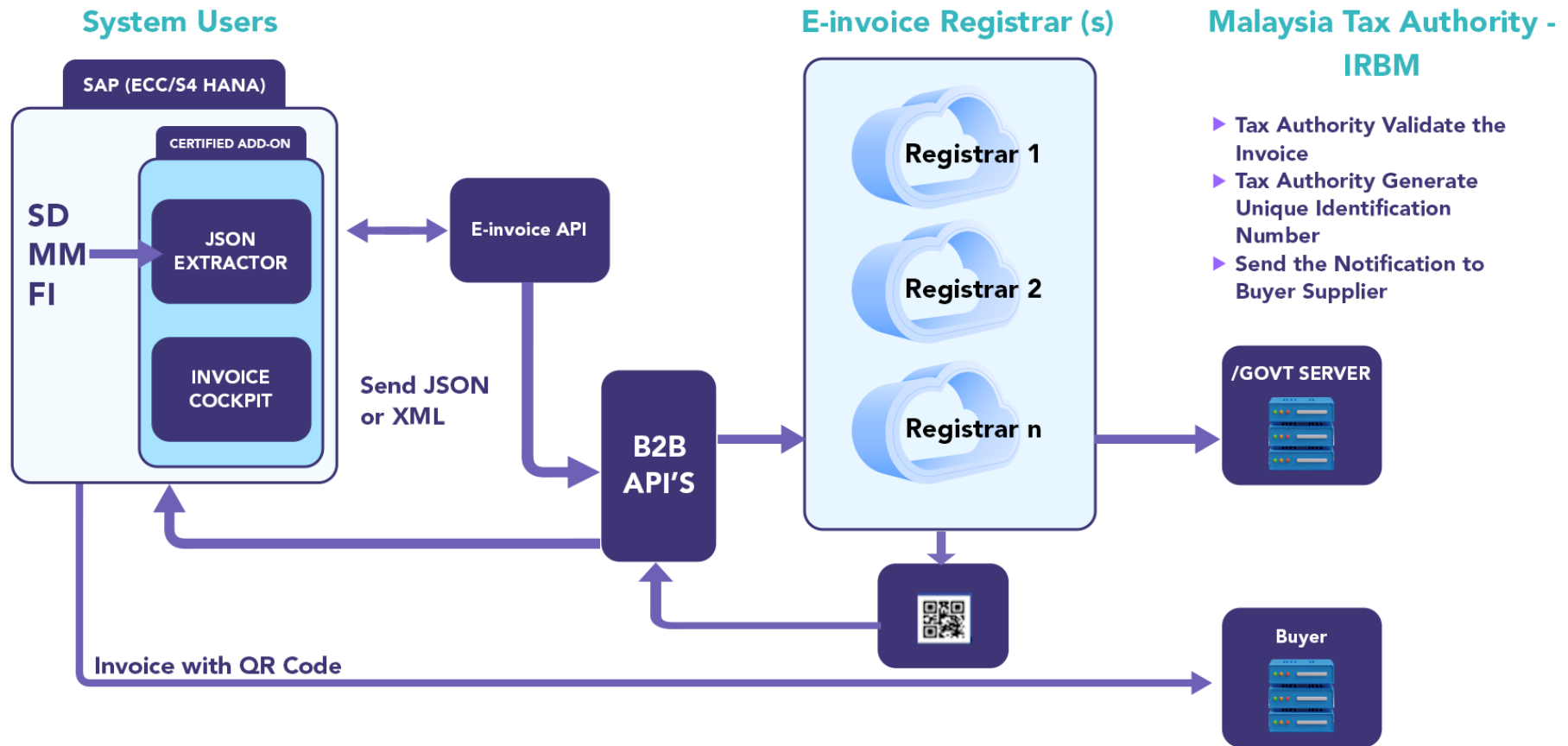
Malaysia E-invoicing Process Flow



02

Implementing an SAP add-on

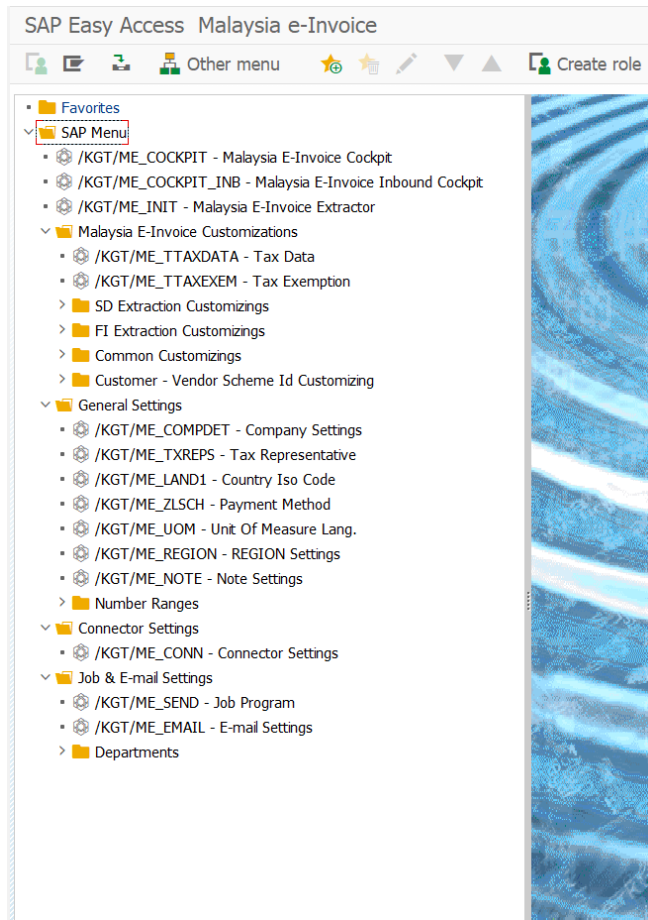
Malaysia E-invoicing – KGT SAP Add-on Solution Architect



02

Implementing an SAP add-on

The features of our SAP add-on to meet the tax reporting requirements



- KGT Malaysian e-invoice has its own namespace registered globally (/KGT/). Specific area menu for all e-invoicing processes
- It has no effect on SAP standards and it is not affected by SAP upgrades
- Custom authorization objects according to SAP standards enable authorization management for all processes



02

Implementing an SAP add-on

The features of our SAP add-on to meet the tax reporting requirements cont'd

Malaysia : E-Invoice Extractor

General Selection

Company Code	KGMI		
Key Date	01.01.2024	to	31.12.2024
Fiscal Year	2024		
Destination Country			

Document Number		to	
Billing Document		to	
Document type		to	
Currency		to	
Reference		to	

- Special program for XML creation in SAP based on Malaysian e-invoice structure
- Extractor program can create single and multiple documents at once
- Program can work only with company code, key date (posting), and fiscal year information



02

Implementing an SAP add-on

The features of our SAP add-on to meet the tax reporting requirements cont'd

Malaysia Cockpit - 20 documents

XML Validation Get Token Send Invoice Check Invoice Status Display XML Display HTML Download HTML format Download XML Log Details Archive Edit

Except	eDocument Nr	Resource	Status	Company Co.	Supplier Number	Supplier Name	Tax Registration Number	Related Department	Supplier Country Code	Itc	Order Number	Delivery Numb.	Invoice Number	Sent Response	Check Invoice Status	Result	Fiscal Year	Type Of Document	Document Description	Tax Code	Biling Type	Document type	PERIOD	Total Gross Amount
000	5 00	KGM1			KGT Malaysia					+			1800000000				2024	FI				DR	03	1.000,00
000	6 00	KGM1			KGT Malaysia					+			1800000002				2024	FI				DR	03	2.000,00
000	7 00	KGM1			KGT Malaysia					+			1800000004				2024	FI				DR	03	7.600,00
000	8 00	KGM1			KGT Malaysia					+			1800000005				2024	FI				DR	03	7.600,00
000	9 00	KGM1			KGT Malaysia					+	744	80000726	9000034				2024	SD	Invoice canceled	A0	S1		02	1.155,60
000	10 00	KGM1			KGT Malaysia					+	717	80000702	90001062				2024	SD	Invoice	A0	F2		02	214,00
000	11 00	KGM1			KGT Malaysia					+	70000026		90001090				2024	SD	Debit memo	A0	L2		02	64,20
000	12 00	KGM1			KGT Malaysia					+	60000040		90001091				2024	SD	Credit memo	A0	G2		02	2.264,10
000	13 00	KGM1			KGT Malaysia					+	744	80000726	90001095				2024	SD	Invoice	A0	F2		02	1.155,60
000	14 00	KGM1			KGT Malaysia					+	60000041		90001096				2024	SD	Credit memo	A0	G2		02	21,40
000	15 00	KGM1			KGT Malaysia					+	745	80000727	90001099				2024	SD	Invoice	A0	F2		02	947,60
000	16 00	KGM1			KGT Malaysia					+	746	80000728	90001100				2024	SD	Invoice	A0	F2		02	20.162,20
000	17 00	KGM1			KGT Malaysia					+	749	80000731	90001103				2024	SD	Invoice	A0	F2		02	11.752,40
000	18 00	KGM1			KGT Malaysia					+	750	80000732	90001104				2024	SD	Invoice	A0	F2		02	818,80
000	19 00	KGM1			KGT Malaysia					+	751	80000733	90001105				2024	SD	Invoice	A0	F2		02	187,20

- Special cockpit (dashboard) for users to monitor e-documents
- Cockpit includes status tracking feature which explains the last action of a specific document. (sent to TA, approved by TA, rejected by TA, etcetera)
- XML validation before the submission
- Report layout that can be also used for internal purposes



02

Implementing an SAP add-on

KGT's SAP add-ons are sold in ownership and delivered turn-key

- The SAP add-on solution is purchased in ownership at a one-time fixed fee (no licensing!)
 - *That fee includes turn-key delivery: performing the configuration to make the solution operational (KGT gets remote access to the SAP development environment), remote training in English, working with the Business team during UAT until Go-Live, and user and technical documentation in English.*
 - *At the moment of Go-Live, for the first month, we continue supporting businesses during this Hypercare period.*
- If you have opted for maintenance outsourcing or any bugs you experience, you can create a ticket in our KGT ticket system.
 - *Depending on the urgency defined in the SLA, KGT will remediate it.*
 - *When new e-invoicing requirements are introduced related to the SAP add-on in production, the source code will become outdated. KGT will provide an updated source code and do all the configurations again until user acceptance testing succeeds*



02

Implementing an SAP add-on