



## **GUIDELINES FOR THE REPORTING FRAMEWORK FOR BENEFICIAL OWNERSHIP OF COMPANIES**

The Guidelines are issued pursuant to Section 20C of the Companies Commission of Malaysia Act 2001 [Act 614] (CCMA 2001) and Section 60A of the Companies Act 2016 [Act 777] (CA 2016).

### **A. OBJECTIVES**

2. The Guidelines are issued to assist companies to understand and fully comply with the beneficial ownership reporting requirements pursuant to the CA 2016. In particular, the Guidelines will highlight the criteria in determining a beneficial owner, the obligation of companies to provide the name of a senior management where a beneficial owner cannot be identified and other related obligations.

### **B. BACKGROUND**

3. Business entities such as companies, limited liability partnerships and businesses play a vital role in supporting the economic growth of a country. In Malaysia, businesses drive economic stability and growth by providing valuable goods and services as well as contributing to nation building through direct and indirect taxes.

4. On the other hand, businesses are also susceptible to be misused for carrying out illicit activities such as money laundering,

terrorism financing, proliferation financing and other serious crimes. Often the individual perpetrators hiding behind such businesses employ devious means to avoid their identity from being easily detected.

5. To minimize the risks faced by companies in Malaysia against illicit activities, the CA 2016 has introduced provisions relating to beneficial ownership reporting framework with the objective of promoting corporate transparency through a disclosure regime.

6. Taking into consideration the importance of having a robust reporting framework, the CA 2016 was amended through the Companies (Amendment) Act 2024 [A1701] to introduce a new Division 8A encompassing a more comprehensive beneficial ownership reporting framework in line with the current international standards and best practices.

7. Under the new beneficial ownership reporting framework, several improvements are introduced, amongst others:

- (a) The new definition of 'beneficial owner' as a natural person who ultimately owns or controls a company through interest in shares and effective interest and includes an individual who exercises ultimate effective control over the company;
- (b) The obligation of companies to have in place a register of beneficial owners that must be kept at the registered office; and
- (c) The obligation of beneficial owners to notify companies of their status as beneficial owners of the companies including

any changes to the information recorded in the register of beneficial owners kept by the companies.

### **C. A GLANCE THROUGH THE DEFINITION OF 'BENEFICIAL OWNERS'**

8. A beneficial owner is always a natural person who ultimately owns or controls a company.

9. Section 60A of the CA 2016 defines a beneficial owner as 'a natural person who ultimately owns or controls over a company and includes a person who exercises ultimate effective control over a company.

10. In addition, section 60A of the CA 2016 also empowers the Registrar to specify the criteria in determining and identifying the beneficial owner of a company.

11. It is important to understand that the concept of beneficial ownership extends beyond ownership structure and as such the guidance provided in these Guidelines will ensure all companies are able to comply with the reporting framework.

### **D. APPLICATION**

12. Unless otherwise stipulated, the Guidelines are applicable to local and foreign companies incorporated or registered under the CA 2016.

## **E. EXEMPTION**

13. For the purposes of the Guidelines, no company is exempted from the application of Division 8A of the CA 2016.

## **SECTION 1: PERSONS RESPONSIBLE FOR THE BENEFICIAL OWNERSHIP INFORMATION**

14. Generally, a company has the duty to obtain, verify and record the beneficial ownership information in the register of beneficial owners and to maintain the register of beneficial owners together with the relevant supporting documents.

15. In addition, the company must ensure that the beneficial ownership information is accurate and up to date at all times and can be accessed in a timely manner.

16. As various parties are involved in ensuring the beneficial ownership reporting framework is fully complied, it is imperative that these parties fully understand their roles and responsibilities.

17. The roles and responsibilities of the relevant parties regarding the beneficial ownership information of companies are as follows:

### **(a) Board of directors**

The board of directors is ultimately responsible in ensuring that the company has exercised its powers under subsections 60C(1), (2) and (3) of the CA 2016 in obtaining the beneficial ownership information from its members or any persons who is believed to be a beneficial owner. After the beneficial owners are identified, the board of directors must ensure that once the beneficial ownership information is received, the information must be recorded in the register of beneficial owners pursuant to subsection 60C(4) and the register of beneficial owners shall be kept at the

registered office pursuant to the requirement under subsection 60B(2).

The board of directors must ensure that the beneficial ownership information in the register of beneficial owners is accurate at all times. The board of directors must also ensure that the company exercises its powers when there is reasonable ground to believe that there is a change to the beneficial ownership information stated in the register of beneficial owners pursuant to subsection 60C(5), or when there are incorrect particulars of the beneficial owners stated in the register of beneficial owners pursuant to subsection 60C(6).

**(b) Members of the company**

If a member of a company receives a notice issued pursuant to subsection 60C(1) or (3) of the CA 2016, the member has an obligation to inform the company whether he is a beneficial owner as defined under Section 60A of the CA 2016 and provide the relevant information and the criteria categorising him as a beneficial owner under paragraph 27 or 29 of the Guidelines.

The obligations of a member under subsections 60C(1) and (3) are also extended to the need for that member to indicate as far as possible persons by name and other particulars sufficient to enable any other person to be identified as beneficial owners of the company.

(Please refer to **Annexure A** of the Guidelines for samples of notice and reply)

**(c) Any person other than a member of the company who has been given notice under subsections 60C(2) and (3) of the CA 2016**

If a person who is not a member of a company receives a notice from the company under subsection 60C(2) or (3) of the CA 2016, that person has the obligation to confirm and inform the company if he is the beneficial owner of the company as defined under Section 60A of the CA 2016 or to state if he knows or has reasonable ground to believe any other person is a beneficial owner of the company.

The person who is being identified by the member as a beneficial owner has similar obligations as the member as far as possible to indicate any other person by name and provide other particulars sufficient to enable those persons to be identified as beneficial owners of the company.

(Please refer to **Annexure A** of the Guidelines for samples of notice and reply)

**(d) Company secretary/Agent**

In line with the responsibilities to properly record, keep and regularly maintain the register of beneficial owners pursuant to subsection 60C(4) of the CA 2016, the company secretary/agent must ensure that the beneficial ownership information is entered into the register of beneficial owners of the company in accordance with the requirement set out under Section 60B of the CA 2016.

In addition, the company secretary/agent is also responsible to lodge any changes to the beneficial ownership information with the Registrar pursuant to subsections 60C(5) and (6).

**(e) Beneficial owner**

A beneficial owner is responsible in ensuring that he exercises his responsibility to notify the company if he is a beneficial owner of the company and provide the relevant information as required under subsections 60D(1), (2) and (3) of the CA 2016. The beneficial owner is also obliged to notify the company of any changes in his particulars in the register of beneficial owners as provided under subsection 60D(2) including when he ceases to be a beneficial owner by informing the company as soon as practicable the date and particulars of the cessation.

The beneficial owner is also obliged to confirm and reply to the notices issued by the company pursuant to subsections 60C(5) and (6).

(Please refer to **Annexure A** of the Guidelines for samples of notice and reply)



## **SECTION 2: SCOPE OF REPORTING**

18. The beneficial ownership reporting framework under Division 8A of the CA 2016 is applicable to all companies including foreign companies registered under the CA 2016.

19. For avoidance of doubt, government-owned or state-owned companies are also required to fully comply with the Guidelines.

### **SECTION 3: ENTRY POINTS OF THE BENEFICIAL OWNERSHIP INFORMATION**

20. The entry points of the beneficial ownership information for companies are as follows:

**(a) First Entry Point**

Prior to the obligation to submit the first annual return, companies shall:

- (i) obtain the beneficial ownership information within 60 days from the date of appointment of the company secretary;
- (ii) record the beneficial ownership information in the register of beneficial owners within 14 days from the date the information is received pursuant to subsection 60C(4) of the CA 2016; and
- (iii) lodge with the Registrar within 14 days from the date the beneficial ownership information is recorded in the register of beneficial owners pursuant to subsection 60B(3) of the CA 2016.

For avoidance of doubt, the 60-days period specified in paragraph 20(a)(i) shall include the 14-days period to record the beneficial ownership information in the register of beneficial owners under paragraph 20(a)(ii) and the 14-days period to notify the Registrar under paragraph 20(a)(iii).

**(b) Continuing Obligation**

Commencing from the obligation to submit the first annual return and subsequently, companies shall:

- (i) record any changes to the particulars of beneficial ownership information recorded in the register of beneficial owners within 14 days from the date the information is received pursuant to subsection 60C(4) of the CA 2016;
- (ii) lodge with the Registrar within 14 days from the date of any changes to the particulars of beneficial ownership information is recorded in the register of beneficial owners pursuant to subsection 60B(3) of the CA 2016;
- (iii) lodge annual return together with the beneficial ownership information not later than 30 days from the anniversary of its incorporation date pursuant to subsection 68(1) and paragraph 68(3)(*ia*) of the CA 2016.

**(c) Newly registered foreign companies**

New foreign companies shall:

- (i) obtain and lodge the beneficial ownership information at the registration stage pursuant to paragraph 562(1)(*fa*) of the CA 2016;

- (ii) record the beneficial ownership information in the register of beneficial owners within 14 days after the companies have been registered as foreign companies under the CA 2016.

**(d) Continuing obligation of foreign companies**

Foreign companies shall:

- (i) record any changes to the particulars of beneficial ownership information recorded in the register of beneficial owners within 14 days from the date the information is received pursuant to subsection 60C(4) of the CA 2016;
- (ii) lodge with the Registrar any changes to the particulars of beneficial ownership information within 14 days from the date the changes are recorded in the register of beneficial owners pursuant to subsection 60B(3) of the CA 2016;
- (iii) lodge annual return together with the beneficial ownership information not later than 30 days from the anniversary of its registration date pursuant to subsection 576(1) and paragraph 576(2)(*ha*) of the CA 2016.

## **SECTION 4: IDENTIFYING, OBTAINING AND KEEPING THE BENEFICIAL OWNERSHIP INFORMATION ACCURATE AND UP TO DATE**

### **PART 1 – REASONABLE MEASURES**

21. Companies must take reasonable measures to identify their beneficial owners by adopting at least one or more of the following actions:

- (a) Consider all interests in the company which are held by individuals, corporate bodies and/or held in trusts;
- (b) Review all documents and information available at the company's level (e.g. register of members, shareholders agreement, constitution, certificates of incorporation, etc.);
- (c) Send out notices pursuant to subsection 60C(1), (2), (3), (5) or (6) of the CA 2016 (Please refer to **Annexure A** of the Guidelines for samples of notice and reply). As a minimum, companies are required to send a notice under subsection 60C(1) at least once in a calendar year for the purpose of submission of the annual return;
- (d) Consider any indication or evidence that may show interests or rights held or effective control in the company through a variety of means that may ultimately be owned or controlled by the same person; and
- (e) Any other actions that may have to be taken depending on the circumstances of each company.

22. Notwithstanding paragraph 21(c), public listed companies must give notice to:

- (a) any member holding not less than 20% of shares in the company;
- (b) any member or any person whom they have reasonable ground to believe has ultimate effective control over the company.

## **PART II - IDENTIFYING THE BENEFICIAL OWNERS**

23. Under section 60A of the CA 2016, a beneficial owner is defined as “a natural person who ultimately owns or controls over a company and includes a person who exercises ultimate effective controls over a company”.

24. The phrase “ultimately owns or controls a company” refers to the ownership through interest in shares of the company (direct) including effective interest (indirect) in not less than 20%.

25. The phrase “ultimate effective control” refers to situations where an individual who holds less than 20% shares or voting rights, but still exercises significant control or influence over the directors or the management of the company, whether formal or informal, is accustomed or is under an obligation to act under the directions, instructions or wishes of that individual.

26. The individual who has the ultimate effective control is not necessarily someone who holds any shares in the company or has any position in the company.

## **A. Company Limited by Shares**

27. Companies limited by shares shall determine its beneficial owner(s) based on the following 6 criteria. An individual is a beneficial owner if he meets one or more of the following criteria:

### **(a) Criteria A**

#### **Holds directly or indirectly in not less than 20% of the shares of the company**

The information in the register of members and the constitution (if any) will determine whether any individual or corporate entity has an interest or holds or owns in not less than 20% of the shares in the company.

In most cases of direct ownership, the beneficial owner would be listed as one of the shareholders. If the shares are held through indirect ownership, the beneficial owner will be determined based on effective interest.

This situation shall include joint interests, joint agreements and nominees.

### **(b) Criteria B**

#### **Holds directly or indirectly in not less than 20% of the voting shares of the company**

Voting shares confer the right of the holder to vote on resolutions, either at general meetings or otherwise, on all or substantially all matters and the right may vary depending on the types of shares. If the shares are directly owned, information in the register and constitution (if any) will determine if an individual or corporate entity has an

interest of not less than 20% in the voting shares of the company.

This situation shall include joint interests, joint agreements and nominees.

**(c) Criteria C**

**Has the right to exercise ultimate effective control whether formal or informal over the company or the directors or the management of the company**

An individual exercises ultimate effective control over a company when the recommendation made by him is always followed by the members holding a majority of the voting rights in the company or the majority of the board of directors. The recommendation refers to any recommendation or proposal which influence the decision of the company and can be made whether formal or informal. The individual is not necessarily a member or director of the company but consistently exercises dominant influence or control over the company or is regularly consulted for the decision of the board of directors.

**(d) Criteria D**

**Has the right or power to directly or indirectly appoint or remove a director(s) who holds the majority of the voting rights at the meeting of directors**

Companies must consider an individual who may directly or indirectly appoint or remove a director who holds a majority of the voting rights at the meeting of directors as having significant influence or control over the company.



**(e) Criteria E**

**Is a member of the company and, under an agreement with another member of the company, controls alone a majority of the voting rights in the company**

A member who controls over a company may also be identified through the cumulative effect of an agreement with other members in the company which leads to the actual exercising of the control over a company.

**(f) Criteria F**

**Has less than 20% of shares or voting shares but exercises significant control or influence over the company**

Although an individual has less than 20% shares or voting shares in a company, that individual could still be considered as a beneficial owner when he has significant influence or control over the company.

28. In determining a beneficial owner for a company limited by shares, all criteria in paragraph 27 of the Guidelines must be assessed and reference to "shares" means ordinary shares.

**B. Company Limited by Guarantee**

29. For company limited by guarantee, the assessment of an individual as a beneficial owner will be based on criteria C, D and E. A beneficial owner is determined based on any or a combination of any of the criteria. An individual is a beneficial owner if he meets one or more of the criteria:

**(a) Criteria C**

**Has the right to exercise ultimate effective control whether formal or informal over the company or the directors or the management of the company**

An individual exercises ultimate effective control over a company when the recommendation made by him is always followed by the members holding a majority of the voting rights in the company or by the majority of the board of directors. The recommendation refers to any recommendation or proposal which influence the decision of the company and can be made whether formal or informal. The individual is not necessarily a member or director of the company but consistently exercises dominant influence or control over the company or is regularly consulted for the decision of the board of directors.

**(b) Criteria D**

**Has the right or power to directly or indirectly appoint or remove a director(s) who holds the majority of the voting rights at the meeting of directors**

Companies must consider an individual who may directly or indirectly appoint or remove a director who holds a majority of the voting rights at the meeting of directors must be considered by the company as having significant influence or control over the company.

**(c) Criteria E**

**Is a member of the company and, under an agreement with another member of the company,**

**controls alone a majority of the voting rights in the company**

A member who controls over a company may also be identified through the cumulative effect of an agreement which leads to the actual exercising of the control over a company.

30. In determining a beneficial owner for a company limited by guarantee, all criteria in paragraph 29 of the Guidelines must be assessed.

**C. Beneficial owner of a trust company acting as a trustee**

31. Before companies can be registered under the Trust Companies Act 1949 [Act 100] as trust companies, they must first be incorporated as a public company under the CA 2016. As a company, trust companies are required to fully comply with the beneficial ownership reporting framework for companies limited by shares outlined under the Guidelines.

32. In addition to the requirements under the Guidelines, where trust companies are acting as trustees or controlling a company or other type of legal persons, the trust companies are required to comply with the applicable requirements with regards to the beneficial ownership of the legal arrangements under the relevant guidelines relating to beneficial owner of legal arrangements issued separately by the Registrar.

**D. Illustrations and Case Studies**

33. Please refer to the “Case Studies and Illustrations of the Guidelines for the Reporting Framework for Beneficial Ownership of Companies” issued separately by the Registrar.

**E. Acting in a Professional Capacity**

34. An individual that provides advice, recommendations or proposals in his professional capacity shall not be considered as having the right to exercise significant influence or dominant control over a company, as the case may be.

**PART III - OBTAINING THE BENEFICIAL OWNERSHIP INFORMATION**

35. Companies are required to obtain the following information relating to the beneficial owner:

- (a) Full name;
- (b) Address of usual place of residence;
- (c) Business address, if any;
- (d) Email address, if any;
- (e) Nationality;
- (f) Date of birth;
- (g) Race;
- (h) Gender;
- (i) NRIC/Passport No.;
- (j) Position in the company, if applicable;
- (k) Type and criteria of beneficial owner;
- (l) Date of becoming a beneficial owner; and
- (m) Date of cessation as beneficial owner.

36. Notices issued under section 60C can be sent and replies may be received, in physical or electronic form. Any notice sent and reply received by the company pursuant to section 60C of the CA 2016 must be recorded (including the date the notices were sent and the date the replies to the notices received) and kept together with the register of beneficial owners.

37. To ensure the beneficial ownership information is accurate and up-to-date and can be accessed in a timely manner, companies are required to carry out the following:

- (a) obtain, verify and confirm the beneficial ownership information by sending out notices pursuant to subsection 60C(1), (2), (3), (5) or (6) of the CA 2016 (Please refer to **Annexure A** of the Guidelines for samples of notice and reply). Companies are required to send a notice under subsection 60C(1) at least once in a calendar year for the purposes of the submission of the annual return pursuant to paragraph 68(3)(*ia*) and paragraph 576(2)(*ha*) for foreign companies;
- (b) take reasonable steps to identify the beneficial owner(s) of the company based on the criteria described in paragraphs 27 and 29 of the Guidelines, as the case may be;
- (c) keep the beneficial ownership information in the register of beneficial owners and to ensure the information is accurate and up-to-date and can be accessed in a timely manner; and

- (d) provide access to competent authority<sup>1</sup>, law enforcement agencies<sup>2</sup>, the beneficial owner whose name has been entered in the register of beneficial owners and any other person authorised by the beneficial owner.

38. In addition to the above, foreign companies are required to carry out an additional duty to lodge the beneficial ownership information at the registration stage pursuant to paragraph 562(1)(fa) of the CA 2016.

39. In a situation where a company is unable to obtain the beneficial ownership information pursuant to paragraph 35 of the Guidelines, the company must show proof that attempts to obtain such information by sending at least 2 notices have been made to the members concerned. The records of such attempts must be kept together with the register of beneficial owners.

### **Government/State-Owned Companies**

40. Where the Government or State owns or controls a company, the company is deemed to be Government-Owned or State-Owned. A Government-Owned or State-Owned company is required to submit and declare the relevant office as the beneficial owner of the company.

41. It is an accepted fact that the information of the “highest” office holder is to be submitted for the purpose of completing the overall beneficial ownership reporting under the Guidelines. The

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<sup>1</sup> Competent authority refers to Bank Negara Malaysia by virtue of section 3 of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 [Act 613] (AMLA).

<sup>2</sup> Law enforcement agencies defined under section 3 of AMLA include a body or agency that is for the time being responsible in Malaysia for the enforcement of laws relating to the prevention, detection and investigation of any serious offence.

Government-Owned or State-Owned company is required to declare the relevant office of the company and obtain the following information:

- (a) The Office of Government/State Official;
- (b) Office address;
- (c) Email address;
- (d) Phone number; and
- (e) Type and criteria of beneficial owner.

42. For avoidance of doubt, the requirements under paragraphs 40 and 41 of the Guidelines shall also apply to a foreign Government-Owned or State-Owned company.

### **Senior Management in Place of Beneficial Owner**

43. Every company must take all reasonable measures to identify its beneficial owner based on the criteria under paragraphs 27 and 29. If after taking such measures the company is unable to determine its beneficial owner due to the following reason:

- (a) the company has no beneficial owner - the company has reasonable ground to believe that it has no beneficial owner; or
- (b) the beneficial owner of the company cannot be identified - the company has reasonable ground to believe that it has a beneficial owner but the beneficial owner of the company cannot be identified,

the company must provide the name and particulars of a natural person who holds the position of senior management who is

primarily in charge of the management of the company in place of the beneficial owner (*ex-officio*).

44. In a situation where a company is still in the process of obtaining its beneficial ownership information, the company must provide the name and particulars of its senior management similar with paragraph 43. For clarification purposes, once the beneficial ownership information is obtained, the company must replace the name and particulars of its senior management with the name and particulars of its beneficial owner.

45. The company must obtain the following information of the senior management:

- (a) Full name;
- (b) Office address;
- (c) Business address;
- (d) Email address;
- (e) Phone number;
- (f) Nationality;
- (g) Date of birth;
- (h) Race;
- (i) Gender;
- (j) NRIC/Passport No.;
- (k) Position in the company;
- (l) The date of appointment to the position; and
- (m) The reason of naming the senior management in place of the beneficial owner.

46. Depending on the outcome of the assessment carried out by the company in identifying the senior management, the company



can name more than one person holding a senior management position in place of the beneficial owner.

47. Despite senior management being named in place of beneficial owner, companies must ensure that continuous effort is exercised in identifying their beneficial owner.

#### **PART IV - VERIFICATION OF BENEFICIAL OWNERSHIP INFORMATION**

48. In ensuring the accuracy of beneficial ownership information, verification of beneficial ownership information at a company's level must be conducted. The verification shall include the verification of the identity of a natural person recorded as a beneficial owner and verification of the person as a beneficial owner.

49. A company is obliged to conduct verification of the beneficial ownership information when any of the following situation occurs:

- (a) When an obligation arises to record the name of a beneficial owner in the register of beneficial owners;
- (b) When an obligation arises to record the changes to any particulars of the beneficial ownership information in the register of beneficial owners;
- (c) When an obligation arises to register a foreign company under the CA 2016; or
- (d) As and when instructed by the Registrar from time to time.

50. A company secretary is obliged to conduct verification when any of the following situations occurs:

- (a) When an obligation arises to record the name of a beneficial owner in the register of beneficial owners; or
- (b) When an obligation arises to record the changes to any particulars of the beneficial ownership information in the register of beneficial owners.

51. The obligation under paragraph 50 need not be carried out if the obligations under paragraphs 49(a) and (b) have been carried out.

52. An agent of a foreign company is obliged to conduct verification of beneficial ownership information when any of the following situation arises:

- (a) When an obligation arises to provide the beneficial ownership information for the purpose of registering a foreign company under the CA 2016;
- (b) When an obligation arises to record the beneficial ownership information into the register of beneficial owners; or
- (c) When an obligation arises to record the changes of any of the particulars of beneficial ownership information in the register of beneficial owners.

53. Nonetheless, companies may voluntarily conduct verification of beneficial ownership information in the register of beneficial

owners from time to time by invoking its powers under subsections 60C(5) and (6) of the CA 2016.

### **Supporting documents**

54. A company must rely on reliable and sufficient information and/or documentation as a basis upon which the beneficial owner is identified and verified.

55. Such information or supporting documents may include, but not limited to, certified copies of a national identification card, passport or other similar documents, founding documents and agreements regulating the power to bind the company.

56. Notices issued under section 60C of the CA 2016 together with the replies are part of the supporting documents and must be kept at the same location as the register of beneficial owners. The supporting documents kept by the company are proof to show that reasonable steps have been taken in identifying the beneficial owner.

## **SECTION 5: KEEPING OF THE BENEFICIAL OWNERSHIP INFORMATION AT THE REGISTERED OFFICE**

### **PART I – KEEPING THE BENEFICIAL OWNERSHIP INFORMATION**

57. Every company must obtain the beneficial ownership information and at all times hold adequate, accurate and up-to-date beneficial ownership information of its beneficial owners. The register of beneficial owners must be kept at the registered office, or if kept at another place, notification to that effect must be given to the Registrar.

58. The supporting documents to verify the beneficial ownership information must be kept together with the register of beneficial owners.

59. The beneficial ownership information and the supporting documents must be kept:

- (a) either in the national language or English language;
- (b) either in physical or electronic form; and
- (c) from the day the individual becomes a beneficial owner and at least seven (7) years after such individual ceases to be a beneficial owner.

### **PART II – ACCESS**

60. The beneficial ownership information is not publicly available.

However, in cognisance of the fact that beneficial ownership information is critical for certain activities, access is provided to persons or class of persons when they are exercising or discharging their roles and responsibilities under other written laws. The Minister will prescribe persons or class of persons that will be given access to registry of beneficial owners (RBO) and register of beneficial owners.

61. As Malaysia subscribes for multi-pronged approach, beneficial ownership information supplied by the Registrar shall be one of the sources of information to identify and verify the identity of a beneficial owner of a company. Hence, the information must be verified with multiple sources of information.

### **Registry of beneficial owners**

62. Other than competent authority, law enforcement agencies, the beneficial owner and persons authorised by the beneficial owner, the Minister may prescribe other public bodies and reporting institutions gazetted under the First Schedule of the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 [Act 613] for access to the beneficial ownership information in the registry of beneficial owners (RBO) kept by the Registrar.

### **Register of Beneficial Owners of Company**

63. Companies must ensure that the register of beneficial owners can be accessed in a timely manner by competent authority and law enforcement agencies for inspection or investigation purposes, as and when required.

64. In addition, companies must also give access in a timely manner to the beneficial owner whose name is recorded in the register of beneficial owners or the persons authorised by the beneficial owner as and when requested. The beneficial owner and persons authorised by the beneficial owner shall only be given access to the beneficial ownership information relating to that beneficial owner.

65. Companies must also ensure that the competent authority, law enforcement agencies, the beneficial owner and the persons authorised by the beneficial owner are provided with copies of the beneficial ownership information and supporting documents, upon request.

### **PART III - DISCREPANCIES**

66. To ensure the accuracy of the beneficial ownership information, companies are obliged to notify the Registrar of any discrepancies between the beneficial ownership information recorded in the register of beneficial owners kept by the company and the beneficial ownership information lodged with the Registrar. This obligation is in addition to the companies' obligation to lodge any changes with the Registrar pursuant to subsections 60C(5) and (6) of the CA 2016.

67. Where any person referred to in paragraph 60 has been supplied with beneficial ownership information in the RBO kept by the Registrar and a discrepancy in the beneficial ownership information was subsequently discovered by such person, the person has the obligation to report the discrepancy to the Registrar within 30 days from the date the information was supplied. The

discrepancy must be reported via email to **discrepancyreport@ssm.com.my**.

#### **PART IV - TIME FRAME**

68. The time frame for filing or lodgement of documents for the beneficial ownership reporting requirement is as prescribed in Division 8A of the CA 2016 and the relevant practice directives.

#### **EFFECT OF THE GUIDELINES**

69. The Guidelines superseded the 'Guideline for the Reporting Framework for Beneficial Ownership of Legal Persons' issued on 1 March 2020 and 17 December 2020 and revised the Guidelines issued on 1 April 2024.

#### **Registrar of Companies**

Companies Commission of Malaysia

Date: 1 April 2024

[Revised: 10 January 2025]

## ANNEXURE A

### **A. Samples of notice to be sent by companies pursuant to section 60C of the CA 2016**

**(1) Notice to members (individual members) to inform the company that the member is a beneficial owner or otherwise to indicate the persons by name and particulars sufficient to be identified as beneficial owner of the company pursuant to subsection 60C(1) of the CA 2016**

[Date]

[Addressee],

Re: [Company Name] ("Company")

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Pursuant to subsection 60C(1) of the CA 2016, as a member of the Company you are required to inform and confirm whether or not you are the beneficial owner of the Company within **30 days** from the date of this notice.

2. If your answer in paragraph 1 above is **YES**, please proceed to **Appendix A** for your reply.

3. If your answer in paragraph 1 above is **NO**, please proceed to **Appendix B** for your reply. You are required to indicate the persons by name and particulars sufficient to enable those persons to be identified as beneficial owner(s) of the Company.



4. Please include the following declaration as part of your reply:

***"I hereby confirmed that the facts and information stated in this letter are true and to the best of my knowledge and belief."***

5. Please be informed that any person who fails to comply with this notice commits an offence under subsection 60C(7) of the CA 2016 and/or provides false or misleading information commits an offence under section 593 of the CA 2016.

Yours faithfully,

[Name]

[Director/Company Secretary]

For and behalf of

[Name and number of the company]

[Note to the Company: If the Company has taken all reasonable steps to identify its beneficial owner and arrived at the conclusion that:

- (a) the Company has no beneficial owner;
- (b) the beneficial owner of the Company cannot be identified;
- or
- (c) the Company is still in the process of obtaining the beneficial ownership information,

the Company is required to provide the information of its senior management in place of a beneficial owner. Please proceed to **Appendix C** and provide the name and particulars of the senior management of the Company.]

**(2) Notice to members (body corporate members) to inform the company who are the beneficial owner(s) of the company or otherwise to indicate the persons by name and particulars sufficient to be identified as beneficial owner(s) of the company pursuant to subsection 60C(1) of the CA 2016**

[Date]

[Addressee],

Re: [Company Name] ("Company")

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Pursuant to subsection 60C(1) of the CA 2016, as a member of the Company you are required to inform and confirm who are the beneficial owner of the Company within **30 days** from the date of this notice (please proceed to **Appendix B** for your reply).

2. You are required to indicate the persons by name and particulars sufficient to enable those persons to be identified as beneficial owner (s) of the Company.

3. If you have taken all reasonable measures to identify the beneficial owner and arrived at the following conclusion, please proceed to **Appendix C** as you are required to provide the information of senior management in place of the beneficial owner:

- (a) The Company has no beneficial owner (please provide the name of the senior management of the Company);

- (b) The beneficial owner of the Company cannot be identified (please provide the name of the senior management of the Company); or
- (c) The Company is still in the process of obtaining the beneficial ownership information (please provide the name of the senior management of the Company).

4. Please include the following declaration as part of your reply:

***"I/We hereby confirmed that the facts and information stated in this letter are true and to the best of my/our knowledge and belief."***

5. Please be informed that any person who fails to comply with this notice commits an offence under subsection 60C(7) of the CA 2016 and/or provides false or misleading information commits an offence under section 593 of the CA 2016.

Yours faithfully,

[Name]

[Director/Company Secretary]

For and behalf of

[Name and number of the company]

**(3) Notice to the persons identified by the members as beneficial owners under subsection 60C(1) of the CA 2016 to inform the Company or otherwise to state whether he knows or has reasonable grounds to believe that the other person is a beneficial owner of the Company and provide particulars of that person that are within his knowledge pursuant to subsection 60C(2) of the CA 2016**

[Date]

[Addressee],

Re:[Company Name] ("Company")

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Pursuant to subsection 60C(2) of the CA 2016, we know or have reasonable ground to believe that you are the beneficial owner of the Company and required to inform and confirm whether or not you are the beneficial owner of the Company within **30 days** from the date of this notice.

2. If your answer in paragraph 1 above is **YES**, please proceed to **Appendix A** for your reply.

3. If your answer in paragraph 1 above is **NO**, please proceed to **Appendix B** for your reply. You are required to indicate the persons by name and particulars sufficient to enable those persons to be identified as beneficial owner(s) of the Company.

4. Please include the following declaration as part of your reply:

***"I/We hereby confirmed that the facts and information stated in this letter are true and to the best of my/our knowledge and belief."***

5. Please be informed that any person who fails to comply with this notice commits an offence under subsection 60C(7) of the CA 2016 and/or provides false or misleading information commits an offence under section 593 of the CA 2016.

Yours faithfully,

[Name]

[Director/Company Secretary]

For and behalf of

[Name and number of the company]

**(4) Notice to any member or person to inform the Company that the member or person knows the identity of a person who is a beneficial owner of the Company and provide particulars of that person that are within his knowledge pursuant to subsection 60C(3) of the CA 2016**

[Date]

[Addressee],

Re: [Company Name] ("Company")

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Pursuant to subsection 60C(3) of the CA 2016, we know or have reasonable ground to believe that you know or has reasonable ground to believe that you know the identity of the beneficial owner of the Company and you are required to inform and confirm the beneficial ownership information within **30 days** from the date of this notice.

2. Please proceed to **Appendix B** and include the following declaration as part of your reply:

***"I/We hereby confirmed that the facts and information stated in this letter are true and to the best of my/our knowledge and belief."***

3. Please be informed that any person who fails to comply with this notice commits an offence under subsection 60C(7) of the CA 2016 and provides false or misleading information commits an offence under section 593 of the CA 2016.

Yours faithfully,

[Name]

[Director/Company Secretary]

For and behalf of

[Name and number of the company]

**(5) Notice to the beneficial owner of the Company to inform the Company when the Company has reasonable grounds to believe that a change has occurred to the particulars of the beneficial owner of the Company in the register of beneficial owners of the Company pursuant to subsection 60C(5) of the CA 2016**

[Date]

[Addressee],

Re: [Name of the beneficial owner]

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Pursuant to subsection 60C(5) of the CA 2016, we have reasonable grounds to believe that a change has occurred to the particulars of your beneficial ownership information stated in the register of beneficial owners. Please confirm whether or not such change has occurred within **30 days** from the date of this notice.

2. If the change has occurred, please state the date of the change and provide the particulars of the change.

3. Please include the following declaration as part of the reply:

***"I/We hereby confirmed that the facts and information stated in this letter are true and to the best of my/our knowledge and belief."***

4. Please be informed that any person who fails to comply with this notice commits an offence under subsection 60C(7) of the CA 2016



and provides false or misleading information commits an offence under section 593 of the CA 2016.

Yours faithfully,

[Name]

[Director/Company Secretary]

For and behalf of

[Name and number of the company]

**(6) Notice to the beneficial owner of the Company to inform the Company when the Company has reasonable grounds to believe that the particulars of the beneficial owner of the Company in the register of beneficial owners of the Company might be incorrect pursuant to subsection 60C(6) of the CA 2016**

[Date]

[Addressee],

Re: [Name of the beneficial owner]

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Pursuant to subsection 60C(5) of the CA 2016, we have reasonable grounds to believe that the particulars of your beneficial ownership information stated in the register of beneficial owners of the Company might be incorrect. Please confirm whether or not the particulars (please state the relevant particulars) are correct within **30 days** from the date of this notice.

2. If the particulars are incorrect, please state the correct particulars.

3. Please include the following declaration as part of the reply:

***"I/We hereby confirmed that the facts and information stated in this letter are true and to the best of my/our knowledge and belief."***

4. Please be informed that any person who fails to comply with this notice commits an offence under subsection 60C(7) of the CA 2016

and provides false or misleading information commits an offence under section 593 of the CA 2016.

Yours faithfully,

[Name]

[Director/Company Secretary]

For and behalf of

[Name and number of the company]

**B. Sample of notice to be sent by the beneficial owner of the Company pursuant to section 60D of the CA 2016**

**(1) Notice to the Company to notify the Company that he is a beneficial owner of the Company and to provide his beneficial ownership information pursuant to subsection 60D(1) of the CA 2016**

[Date]

[Company Name],

Re:[Beneficial owner's name]

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Pursuant to subsection 60D(1) of the CA 2016, I would like to inform and confirm that I am the beneficial owner of the Company.

2. My beneficial ownership information is as per **Appendix A**.

3. I hereby declare as follows:

***"I hereby confirmed that the facts and information stated in this letter are true and to the best of my/our knowledge and belief."***

4. Kindly take the necessary action pursuant to section 60B of the CA 2016.

Yours faithfully,

[Name]

[Beneficial Owner]

**(2) Notice to the Company to notify the Company that there is changes to his particulars as beneficial owner in the register of beneficial owners of the Company and to the changes pursuant to subsection 60D(2) of the CA 2016**

[Date]

[Company Name],

Re: [Beneficial owner's name]

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Pursuant to subsection 60D(2) of the CA 2016, I would like to inform and confirm that there is a change in my particulars as beneficial owner in the register of beneficial owners of the Company.

2. Particulars of the changes are as follows:

- (a) Date of the change:
- (b) Particulars of the change.

3. I hereby declare as follows:

***"I hereby confirmed that the facts and information stated in this letter are true and to the best of my knowledge and belief."***

4. Kindly take the necessary action pursuant to section 60B of the CA 2016.

Yours faithfully,

[Name]

[Beneficial Owner]

**(3) Notice to the Company to notify the Company that he has ceased to be a beneficial owner of the Company pursuant to subsection 60D(3) of the CA 2016**

[Date]

[Company Name],

Re: [Name of the beneficial owner]

---

Pursuant to subsection 60D(3) of the CA 2016, I would like to inform and confirm that I have ceased to be a beneficial owner of the Company.

2. Particulars of the cessation are as follows:

- (a) Date of the cessation occurred:
- (b) Particulars of the cessation.

3. I hereby declare as follows:

***"I hereby confirmed that the facts and information stated in this letter are true and to the best of my knowledge and belief."***

4. Kindly take the necessary action pursuant to section 60B of the CA 2016.

Yours faithfully,

[Name]

[Beneficial Owner]

**Appendix A**  
**(Particulars of beneficial owner)**

1. The beneficial ownership information:

NO	DETAILS OF THE BENEFICIAL OWNER
1	Full name:
2	Address of usual place of residence:
3	Business Address, if any:
4	Email address, if any:
5	Nationality:
6	Date of Birth:
7	Race:
8	Gender:
9	NRIC/Passport No.:
10	To state position in the company, if applicable:
11	The date becoming a beneficial owner:

2. Category and criteria of beneficial owner:

<p><b>Category of beneficial owner</b></p> <input type="checkbox"/> Direct ownership <input type="checkbox"/> Indirect ownership <input type="checkbox"/> Direct & Indirect ownership <input type="checkbox"/> Control by other means	
CATEGORY OF BO	CRITERIA
<b>Direct Ownership</b>	<input type="checkbox"/> Criteria A – Holds directly in not less than 20% of the shares of the company [Please state the percentage: .....%]  <input type="checkbox"/> Criteria B – Holds directly in not less than 20% of the voting shares of the company [Please state the percentage: .....%]
<b>Indirect Ownership</b>	<input type="checkbox"/> Criteria A – Holds indirectly in not less than 20% of the shares of the company [Please state the percentage: .....%]  <input type="checkbox"/> Criteria B – Holds indirectly in not less than 20% of the voting shares of the company [Please state the percentage: .....%]
<b>Direct &amp; Indirect Ownership</b>	<input type="checkbox"/> Criteria A – Holds directly or indirectly in not less than 20% of the shares of the company [Please state the total percentage (combination of Direct & Indirect must be 20% and more): .....%]

	<input type="checkbox"/> Criteria B – Holds directly or indirectly in not less than 20% of the voting shares of the company [Please state the total percentage (combination of Direct & Indirect must be 20% and more): ..... %]
<b>Control by other means</b>	<input type="checkbox"/> Criteria C – Has the right to exercise ultimate effective control whether formal or informal over the company or the directors or the management of the company  <input type="checkbox"/> Criteria D - Has the right or power to directly or indirectly appoint or remove a director(s) who holds the majority of the voting rights at the meeting of directors  <input type="checkbox"/> Criteria E – Is a member of the company and, under an agreement with another member of the company, controls alone a majority of the voting rights in the company  <input type="checkbox"/> Criteria F - Has less than 20% of shares or voting shares but exercises significant control or influence over the company
<b>Note:</b> <b>- An individual can be a beneficial owner if he meets one or more of the Criteria.</b> <b>- You may attach illustration of ownership/control, if any.</b>	



**Appendix B**  
**(Particulars of others as beneficial owner)**

1. The beneficial ownership information:

NO	DETAILS OF THE BENEFICIAL OWNER
1	Full name:
2	Address of usual place of residence:
3	Business Address, if any:
4	Email address, if any:
5	Nationality:
6	Date of Birth:
7	Race:
8	Gender:
9	NRIC/Passport No.:
10	To state position in the company, if applicable:
11	The date becoming a beneficial owner:

2. Category and criteria of beneficial owner:

<b>Category of beneficial owner</b>	
<input type="checkbox"/> Direct ownership <input type="checkbox"/> Indirect ownership <input type="checkbox"/> Direct & Indirect ownership <input type="checkbox"/> Control by other means	
CATEGORY OF BO	CRITERIA
<b>Direct Ownership</b>	<input type="checkbox"/> Criteria A – Holds directly in not less than 20% of the shares of the company [Please state the percentage: .....%]  <input type="checkbox"/> Criteria B – Holds directly in not less than 20% of the voting shares of the company [Please state the percentage: .....%]
<b>Indirect Ownership</b>	<input type="checkbox"/> Criteria A – Holds indirectly in not less than 20% of the shares of the company [Please state the percentage: .....%]  <input type="checkbox"/> Criteria B – Holds indirectly in not less than 20% of the voting shares of the company [Please state the percentage: .....%]
<b>Direct &amp; Indirect Ownership</b>	<input type="checkbox"/> Criteria A – Holds directly or indirectly in not less than 20% of the shares of the company [Please state the total percentage (combination of Direct &

	<p>Indirect must be 20% and more): .....%]</p> <p><input type="checkbox"/> Criteria B – Holds directly or indirectly in not less than 20% of the voting shares of the company [Please state the total percentage (combination of Direct &amp; Indirect must be 20% and more): ..... %]</p>
<p><b>Control by other means</b></p>	<p><input type="checkbox"/> Criteria C – Has the right to exercise ultimate effective control whether formal or informal over the company or the directors or the management of the company</p> <p><input type="checkbox"/> Criteria D – Has the right or power to directly or indirectly appoint or remove a director(s) who holds the majority of the voting rights at the meeting of directors</p> <p><input type="checkbox"/> Criteria E – Is a member of the company and, under an agreement with another member of the company, controls alone a majority of the voting rights in the company</p> <p><input type="checkbox"/> Criteria F – Has less than 20% of shares or voting shares but exercises significant control or influence over the company</p>
<p><b>Note:</b>  - <b>An individual can be a beneficial owner if he meets one or more of the Criteria.</b>  - <b>You may attach illustration of ownership/control, if any.</b></p>	

**Appendix C**  
**(The company has no beneficial owner,**  
**beneficial owner cannot be identified & in**  
**the process of obtaining beneficial**  
**ownership information)**

<b>NO</b>	<b>DETAILS OF THE SENIOR MANAGEMENT IN PLACE OF BENEFICIAL OWNER</b>
1	Full name:
2	Office address:
3	Email address:
4	Address of usual place of residence:
5	Phone number:
6	Nationality:
7	Date of Birth:
8	Race:
9	Gender:
10	NRIC/Passport No.:
11	To state position in the company:
12	The date of appointment to the position:
13	To state the reason for naming the senior management in place of the beneficial owner [Note: Please state either one of the reasons as per paragraph 2 of the notice]