



COMPANIES ACT 2016: PRACTICE DIRECTIVE NO. 9/2024

**LODGEMENT OF BENEFICIAL OWNERSHIP INFORMATION
UNDER THE COMPANIES ACT 2016 THROUGH e-BOS**

1. This Practice Directive is issued pursuant to section 20C of the Companies Commission of Malaysia Act 2001 and subsection 60B(7) of the Companies Act 2016.

OBJECTIVE

2. The objective of this Practice Directive is to provide the procedures for the lodgement of beneficial ownership information pursuant to subsection 60B(7) of the Companies Act 2016 and related matters.

**LODGEMENT OF BENEFICIAL OWNERSHIP INFORMATION
PURSUANT TO SUBSECTION 60B(7) OF THE COMPANIES
ACT 2016**

3. Division 8A of the Companies Act 2016, which has been enforced on 1 April 2024, provides a comprehensive beneficial

ownership reporting framework clarifying the requirement for companies to obtain, identify, verify, record and maintain the beneficial information in the register of beneficial owners kept by companies. Further, companies are also required to lodge such information with the Registrar within fourteen (14) days after the information was recorded in the register of beneficial owners.

4. With the coming into operation of Division 8A, companies are given a three (3) month's time frame starting from 1 April 2024 until 30 June 2024 to update and lodge the beneficial ownership information with the Registrar. The Registrar may extend this period if he deems necessary to do so.

5. The three (3) month's time frame is necessary to allow all companies to fully comply with the requirements under section 60B(7). This time frame is also an opportunity given to companies which were previously exempted on the basis that they had similar reporting obligations with other regulators based on the respective written laws as provided under the previous "Guideline for the Reporting Framework for Beneficial Ownership of Legal Persons" to lodge the beneficial ownership information with the Registrar. At the moment, the new beneficial ownership reporting framework introduced under the new Division 8A provides no exemption to any class of companies.

6. Unless otherwise allowed by the Registrar, the lodgement of beneficial ownership information must be made through the Electronic Beneficial Ownership System (e-BOS).

7. No fees will be imposed for the lodgement of beneficial ownership information including the updating of changes to any particulars of the beneficial ownership information. However, application for rectify any beneficial ownership information that was lodged with the Registrar will be treated pursuant to section 602 of the Companies Act 2016. Please refer to Practice Note No. 6/2019 (PN6/2019) issued on 5 November 2019 and, revised on 31 December 2020 and 24 January 2022 (link: [https://www.ssm.com.my/Pages/Legal_Framework/Document/Practice%20Note%206%20of%202019%20\(Revised%20on%2024%20January%202022%20\)r1.pdf](https://www.ssm.com.my/Pages/Legal_Framework/Document/Practice%20Note%206%20of%202019%20(Revised%20on%2024%20January%202022%20)r1.pdf)) for guidance.

8. Recognising the importance of beneficial information towards promoting transparency in the corporate sector, having accurate and up to date beneficial ownership information are a necessity. To this end, no extension of time for the lodgement of beneficial ownership information will be allowed and failure to lodge the beneficial information within the stipulated time frame will attract late lodgement penalty. This will ensure the beneficial ownership information is accurate, up to date and can be accessed in a timely manner by competent authorities and law enforcement agencies for investigation purposes.

9. Notwithstanding paragraphs 3, 7 and 8 above, the following shall apply during the three (3) month's time frame:

- (a) Companies may lodge and update the beneficial ownership information with the Registrar anytime during the three (3) month's period without the need to adhere to the fourteen (14) days lodgement period

required under subsection 60B(4) of the Companies Act 2016.

- (b) Companies which have lodged the beneficial ownership information and have the need to rectify any particular of the beneficial ownership information previously lodged with the Registrar may do so through the e-BOS without any rectification fee being imposed; and
- (c) No late lodgement will be imposed.

10. Companies must ensure accurate and up to date information is submitted to the Registrar. Taking cognizance of the new framework and the importance of accuracy of information, application to rectify the information must be made in the event there is a need certain or all to rectify any information that is incorrect or erroneous.

10A. This Practice Directive is also applicable to foreign companies pursuant to section 573A of the Companies Act 2016. In ensuring new foreign companies comply with the requirement to lodge beneficial ownership information with the Registrar at the registration stage pursuant to paragraph 562(1)(fa), new foreign companies must:

- (a) Record the beneficial ownership information in the register of beneficial owners within fourteen (14) days after the companies have been registered as foreign companies under the Companies Act 2016; and

- (b) Lodge their beneficial ownership information within fourteen (14) days via the e-BOS from the date the information is recorded in the register of beneficial owners.

11. This Practice Directive reiterates the importance of lodging beneficial ownership information in accordance with Division 8A of the Companies Act 2016 and the "Guideline for the Reporting Framework for Beneficial Ownership of Companies".

EFFECT OF THIS PRACTICE DIRECTIVE

12. This Practice Directive superseded the Practice Directive 9/2024 issued on 13 May 2024.

REGISTRAR OF COMPANIES

COMPANIES COMMISSION OF MALAYSIA

27 May 2024