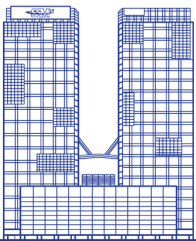




# BENEFICIAL OWNERSHIP EDUCATIONAL SERIES



## WHO QUALIFIES AS A BENEFICIAL OWNER (BO)?

A beneficial owner (BO) is a natural person who ultimately owns or controls or exercises significant influence over a company. A natural person or an individual could be identified as a beneficial owner if he:

- Ultimately owns or control a company (through shares and voting shares, direct and indirect) and exercises ultimate effective control over a company (control by other means).

or

- Ultimately owns or control a company.

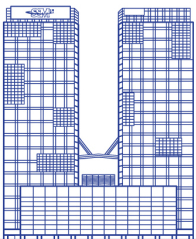
or

- Exercises ultimate effective control over a company.





# BENEFICIAL OWNERSHIP EDUCATIONAL SERIES



## WHY IS BENEFICIAL OWNERSHIP (BO) REPORTING IMPORTANT?

The lack of transparency in corporate structures makes companies more vulnerable to be misused for serious crimes, including:

Money laundering

Terrorism financing

Proliferation Financing

Corruption

Tax evasion

### Key Benefits of BO Reporting:

- Enhances corporate transparency
- Supports enforcement activities
- Ensures compliance with legal and regulatory frameworks
- Strengthens international cooperation in financial governance

### Global Standards & Compliance:

- Financial Action Task Force (FATF)
- Asia/Pacific Group on Money Laundering (APG)
- Organisation for Economic Co-operation and Development (OECD)

03-77214000

enquiry@ssm.com.my

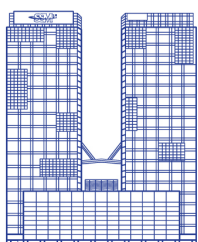
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## SERIES 3



# BENEFICIAL OWNERSHIP EDUCATIONAL SERIES



## WHAT ARE THE CRITERIA TO DETERMINE BENEFICIAL OWNER (BO)?

### 6 CRITERIA TO DETERMINE BENEFICIAL OWNER Section 2 and 60A(2) of the Companies Act 2016

<b>A</b>	Holds directly or indirectly in not less than 20% of the shares of the company	<b>B</b>	Holds directly or indirectly in not less than 20% of the voting shares of the company	<b>C</b>	Has the right to exercise ultimate effective control whether formal or informal over the company or the directors or the management of the company
<b>D</b>	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	<b>E</b>	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	<b>F</b>	Has less than 20% of shares or voting shares but exercises significant control or influence over the company

\* Refer to Guidelines for the Reporting Framework for Beneficial Ownership of Companies

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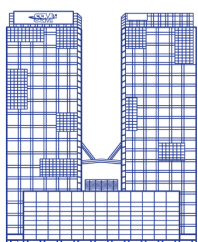
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# BENEFICIAL OWNERSHIP EDUCATIONAL SERIES



## WHO IS RESPONSIBLE FOR BENEFICIAL OWNERSHIP (BO) INFORMATION?



Board of Directors



Company Secretary / Agent



Company Members



Any person other than members of a company received a notice under section 60C of the CA 2016 from the company



Beneficial owner

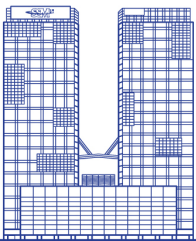
### Key Responsibilities of Companies:

- Obtain, identify, verify, record and submit BO information with the Registrar
- Keep BO information up to date at all times
- Ensure timely access to BO information upon request by authorised persons described in the *Companies (Access to the Register and Information Relating to the Beneficial Ownership) Regulations 2025*






# BENEFICIAL OWNERSHIP EDUCATIONAL SERIES




## WHAT ARE THE **REASONABLE MEASURES** THAT COMPANIES MUST TAKE TO IDENTIFY THEIR BENEFICIAL OWNER (BO)?


To identify a beneficial owner, companies should :

-  Assess ownership or control structures including shares, voting shares, voting rights, direct and direct ownership


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-  Review all company's documents and records available at the registered office


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-  Issue notices under section 60C of the Companies Act 2016

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-  Consider control through other means (effective or significant control)

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-  Take necessary actions depending on the company's structure