



MALAYSIA PUBLIC LIMITED COMPANIES

The Companies Commission of Malaysia (“SSM” or “the Registrar”) has successfully implemented the Companies Act 2016 (“CA 2016”) and Company Regulations 2017 (CR 2017) in January 2017.

Following the successful implementation of this legislation, Kensington Corporate Services (Malaysia) Sdn. Bhd., a management services company in Malaysia, is well-positioned to assist you with the incorporation and administration of your company.

This document outlines the process for setting up public companies limited by shares in Malaysia.

Types of registered companies

- Limited by shares, either be a private company or a public company;
- Limited by guarantee, shall be a public company;
- Unlimited companies, either be a private company or a public company.

Requirements of public companies limited by shares in Malaysia

- **Name of company**
For public company, the name shall end with the word “Berhad” or the abbreviation “Bhd.”.
- **Director**
Minimum two (2) natural person who is at least eighteen (18) years of age and shall ordinarily reside in Malaysia by having a principal place of residence in Malaysia.
- **Member**
Minimum one (1), either natural person or corporate body, Malaysian or foreigner.
- **Share Capital**
Minimum one (1) share issued at the price determined by the directors.

- **Registered Office**

Maintain a registered office in Malaysia to which all communications and notices may be addressed and which shall be open and accessible to the public during ordinary business hours.

- **Company Secretary**

At least one (1) natural person of at least 18 years of age and a citizen or permanent resident of Malaysia who shall ordinarily reside in Malaysia by having a principal place of residence in Malaysia. The secretary shall meet the qualifications as prescribed in the CA 2016.

- **Constitution**

A company, may or may not have a constitution. Without its own constitution, the company, each director and member shall have the rights, powers, duties and obligations as set out in the CA 2016.

Based on the CA 2016, a company shall not be formed for any unlawful purpose. Hence, if a company has adopted its own constitution, object clauses are now less significant and may or may not be specified in the Constitution.

- **Beneficial Ownership**

A BO is a natural person who ultimately owns OR controls over a company and includes a person who exercises ultimate effective controls over a company.

All newly incorporated companies are required to obtain and file the BO information within 60 days after the appointment of first company secretary.



Commencement of Business

A public company with share capital which has not issued a prospectus inviting the public to subscribe for its shares or has not issued a prospectus under the Capital Markets and Services Act 2007, cannot commence any business or exercise any borrowing power until -

- > a statement in lieu of prospectus which complies with the CA 2016 has been lodged with the Registrar; and
- > a statutory declaration verifying the requirements under the relevant paragraphs in CA 2016 have been complied with.

The company shall become entitled to commence business or exercise any borrowing powers after lodgement of the statutory declaration with the Registrar.

Corporate income tax in Malaysia

- > Companies with a paid-up capital of up to RM2.5m at the beginning of the basis period, gross business income not exceeding RM50million and foreign ownership (direct or indirect) not more than 20% of the company's paid-up capital.

<u>Chargeable Income</u>	<u>W.e.f YA 2025</u>
The First RM150,000	15%
RM150,001 to RM600,000	17%
In excess of RM600,000	24%

- > Other companies that do not meet the above criteria: 24%
- > Non-resident company / branch: 24%

Annual obligations of public companies

> Annual return

File with the Registrar each calendar year not later than thirty (30) days from the anniversary of its incorporation date.

> Financial statements and reports

Financial statements and reports are to be circulated to members of the Company within six (6) months of its financial year end. A copy of the financial statements and reports shall be lodged with the Registrar within thirty (30) days from the circulation to its members.

> Annual General Meeting (AGM)

Every public company shall hold an AGM:

- Within 18 months from its incorporation for first AGM;
- Within 6 months of the company's financial year end and not more than 15 months after the last preceding AGM.

> Annual tax return

Under the self-assessment system, submission should be made within seven (7) months from the end of the accounting period of the company which constitutes the basis period for the year of assessment.

> Annual beneficial ownership confirmation

The company is required to send out notices pursuant to Section 60C at least once in a calendar year to the member for confirmation of beneficial owner information for the purpose of submission of annual return.



KEY CONTACTS



MANDY CHUA

Associate Director
JTC Kensington Labuan Limited
Kensington Corporate Services (Malaysia)
Sdn Bhd

T: +603 2201 9689
E: malaysia@kensington-trust.com



YIH SHAN

Manager of
Kensington Corporate Services (Malaysia)
Sdn Bhd

T: +603 2201 5929
E: malaysia@kensington-trust.com

ABOUT JTC KENSINGTON

JTC Kensington is the brand name of Kensington Trust Group, a part-owned associate of JTC, offering trust, fiduciary and corporate services and fund administration.

JTC is a leading global professional services business with deep expertise in fund, corporate, private client and employer solutions services.

Every JTC person is an owner of the business and this fundamental part of our culture aligns us with the best interests of all of our stakeholders.

Our purpose is to maximise potential and our success is built on service excellence, long-term relationships and technology capabilities that drive efficiency and add value.

IMPORTANT INFORMATION: The content of this factsheet is intended for general information purposes only. It does not constitute, should not be interpreted as constituting and cannot be relied upon as providing (i) legal, investment or tax advice or any other form of professional advice, (ii) an offer to sell, a solicitation of an offer to buy, or a recommendation of any service or any other product or service regardless of whether such security, product or service is referenced in this factsheet. JTC has sought to ensure that the information provided in this factsheet is adequate, accurate and complete as at the time of publication but offers no assertion or warranty as to its adequacy, accuracy or completeness either at the time of publication or thereafter. No responsibility or liability will be accepted for any losses resulting from reliance places upon the content of this article.

REGULATION AND TERMS OF BUSINESS

JTC Kensington is the brand name of Kensington Trust Group, a part-owned associate of JTC Group. Kensington Trust Group entities that carry on regulated business are (respectively): regulated by the Labuan Financial Services Authority, the Companies Commission of Malaysia and the Monetary Authority of Singapore.

For full details of those JTC Group entities that carry on regulated business and certain other JTC Group entities, please visit our website: www.jtcgroup.com/legal-and-regulatory

