

Corporate/M&A

Guidelines on Offer of Shares by Unlisted Public Companies

The Securities Commission of Malaysia ("SC") has recently published the *Guidelines on Offer of Shares by Unlisted Public Companies* ("Guidelines") (which supersedes the *Guidelines on Offer of Shares by Unlisted Public Companies to Sophisticated Investors* issued by the SC in 2021).

According to the SC, this revision addresses concerns about inadequate information quality and disclosure in unlisted public company share offerings, particularly regarding unrealistic return promises and insufficient risk disclosure and ultimately aims to enhance investor protection and transparency.

Generally, an unlisted public company (i.e. a public company whose shares are not listed) and is not seeking for its shares to be listed on the stock market of the stock exchange, is not required to obtain the SC's prior authorisation under section 212(5)(a) of the **Capital Markets and Services Act 2007** for the offering of its shares, provided that the offering complies with the requirements as set out under the Guidelines.

Some of the requirements in the Guidelines include, among other things, conduct obligations of the unlisted public company and its agents when offering, marketing and promoting shares, the need for SC consultation prior to making an offer of shares to the public and the appointment of a corporate finance advisor to advise on the preparation and submission of the proposed offer. The Guidelines also outlines ongoing obligations of unlisted public companies.

This revision aims to ensure compliance with securities laws and to facilitate better-informed investment decisions. For more information, please refer to the new Guidelines and FAQs [here](#).

Legal Updates

APRIL 2025

Shearn Delamore & Co
7th Floor
Wisma Hamzah Kwong-Hing,
No 1, Leboh Ampang
50100, Kuala Lumpur, Malaysia
T: 603 2027 2727
F: 603 2078 5625
info@shearndelamore.com
www.shearndelamore.com
Linkedin

BNM Releases Updated Policy on Business Transfers

On 10 April 2025, Bank Negara Malaysia (“BNM”) issued a revised Policy Document on Transfers of Business (“Policy Document”), which took immediate effect and replaces the previous version dated 5 August 2016.

Applicability

The Policy Document sets out the types of transfers under a business transfer scheme that require prior written approval from BNM, pursuant to section 100 of the **Financial Services Act 2013** (“FSA”) or section 112 of the **Islamic Financial Services Act 2013** (“IFSA”), as applicable and where such approval is required, the documents or information to be submitted with the application for approval. The Policy Document is applicable to transferors and transferees (including non-licensed persons) intending to enter such a business transfer scheme.

Where a licensed person is a foreign insurer or foreign takaful operator, the requirements in the Policy Document apply to the transfers of its Malaysian policies or Malaysian takaful certificates, and foreign policies or foreign takaful certificates issued in Malaysia.

The objectives of the Policy Document include:

- to seek to facilitate business expediency while ensuring that business transfer schemes do not adversely affect the safety and soundness of a licensed person;
- to require a licensed person to take appropriate steps to safeguard, where necessary, the rights and interests of any person who is likely to be affected by the business transfer schemes; and

The Policy Document should be read together with other relevant legal instruments and policy documents that have been issued by BNM, including any amendments or reissuance thereafter as listed out in paragraph 6.1 of the Policy Document which can be accessed [here](#).

Data Sharing Act 2025

The **Data Sharing Act 2025** ("DSA"), which governs the sharing of data between public sector agencies, came into operation on 28 April 2025 [P.U. (B) 155].

For the purposes of the DSA, a "*public sector agency*" means:

- (a) an agency responsible for the public services referred to in Clause (1) of Article 132 of the **Federal Constitution**, excluding the services specified in paragraphs (f) and (g); and
- (b) any statutory authority exercising powers vested in it by federal law.

The DSA establishes a National Data Sharing Committee ("Committee"), which will, among other functions, formulate policies and strategies relating to data sharing. Under the DSA, any public sector agency may request data sharing from another public sector agency for purposes including:

- (a) enhancing the efficiency or effectiveness of policymaking, programme management, or service planning and delivery;
- (b) reducing or preventing threats to an individual's life, health, or safety, or to public health or safety;
- (c) responding to a public emergency;
- (d) serving the public interest; or
- (e) such other purposes as may be determined by the Committee.

The DSA also sets out circumstances under which a public sector agency may refuse a data sharing request, and prescribes the duties of both the data provider and data recipient in managing shared data.

The DSA may be accessed [here](#).

CONTACT US FOR FURTHER INFORMATION REGARDING CORPORATE/M&A MATTERS.

Employment & Industrial Relations

Mandatory EPF Contributions for Foreign Employees

The Dewan Rakyat has recently passed the EPF (Amendment) Bill 2025, which proposes to amend the EPF Act 1991 to, amongst others, make EPF contributions for foreign employees (i.e. employees who are not Malaysian citizens: (a) whose country of domicile is outside Malaysia; and (b) who enter and remain temporarily under the authority of any pass issued under immigration laws) **mandatory**.

Once gazetted, the rate of contribution will be fixed at 2% of the employee's monthly wages, for both the employer and the employee respectively.

According to the Minister of Finance II, Datuk Seri Amir Hamzah Azizan, the mandatory EPF contributions for foreign employees are expected to take effect in the fourth quarter of 2025.

The EPF (Amendment) Bill 2025 may be accessed [here](#).

Protection for Gig Workers Mooted

2025 is set to become a crucial year for gig workers as Parliament will debate the Gig Workers Bill (the “Bill”).

With Malaysia’s gig economy continuing its rapid expansion encompassing approximately 3 million individuals as of 2024, the introduction of the Bill represents a timely and significant enhancement to the nation’s legislative framework. It reflects a necessary step towards recognising and safeguarding the rights of a growing segment of the workforce that has, until now, operated largely outside the traditional employment regime.

The highly anticipated Bill is expected to be tabled in Parliament around mid-year.

The Bill, once passed, is set to formally define the status of gig workers (a term presently absent from the current version of the **Employment Act 1955**) while also addressing systemic income disparities, proposing mechanisms for dispute resolution and social security contributions. These measures aim to provide a more secure, structured, and equitable framework for individuals who depend on gig work as their primary source of livelihood.

Several gig economy platforms such as Grab, Bolt, Lalamove and ShopeeFood have raised concerns that the Bill may not fully achieve its intended objectives for gig workers and the broader industry, citing issues with the clarity, practicality and implementability of the Bill.

CONTACT US FOR FURTHER INFORMATION REGARDING EMPLOYMENT & INDUSTRIAL RELATIONS MATTERS.

COPYRIGHT © 2025 SHEARN DELAMORE & CO. ALL RIGHTS RESERVED.

THIS UPDATE IS ISSUED FOR THE INFORMATION OF THE CLIENTS OF THE FIRM AND COVERS LEGAL ISSUES IN A GENERAL WAY. THE CONTENTS ARE NOT INTENDED TO CONSTITUTE ANY ADVICE ON ANY SPECIFIC MATTER AND SHOULD NOT BE RELIED UPON AS A SUBSTITUTE FOR DETAILED LEGAL ADVICE ON SPECIFIC MATTERS OR TRANSACTIONS