Shearn Delamore &co.

Corporate/M&A

Companies (Licence for Omission of "Berhad" or "Bhd.") Regulations 2025

On 14 July 2025, the Federal Government Gazette published the Companies (Licence for Omission of "Berhad" or "Bhd.") Regulations 2025 ("Regulations 2025"), which came into effect on 15 July 2025. The Regulations 2025 set out the framework under which companies limited by guarantee may apply for a licence to omit "Berhad" or "Bhd." from their names.

Applications for the licence must be accompanied by:

- a. A copy of the special resolution on the omission of the word "Berhad" or "Bhd." in the name of the company;
- A copy of the latest bank statement which proves that the company limited by guarantee owns at least one million ringgit in cash or any cash equivalent; and
- c. Any other document required to assess eligibility.

Companies licensed under the Regulations 2025 are subject to several restrictions which require the approval of the Companies Commission of Malaysia ("CCM"), which include amongst others:

- a. Restrictions against amendments to its constitutions;
- b. Restrictions against the appointment of new directors;
- c. Restrictions against soliciting contribution and/or donations from the public; and
- d. Restrictions against establishing and/or holding a subsidiary.

The Regulations 2025 can be accessed <u>here</u>.

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

Legal Update

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